



SOLVAY

SOLVAY SA

(a société anonyme incorporated in Belgium)

Euro 600,000,000 0.500 per cent. fixed rate bonds due 6 September 2029

(the “Bonds”)

Issue Price: 99.650 per cent.

This Prospectus (together with the information incorporated by reference herein, the “**Prospectus**”) has been approved by the *Commission de Surveillance du Secteur Financier in Luxembourg* (the “**CSSF**”) as competent authority under Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) as a prospectus within the meaning of Article 6.3 of the Prospectus Regulation for the purpose of giving information relating to the issue by Solvay SA (the “**Issuer**”) of the Bonds. The CSSF has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such an approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus nor as an endorsement of the quality of any Bonds. In accordance with Article 6 (4) of the Luxembourg Law of 16 July 2019 on prospectuses for securities, the CSSF does not make any representation as to the economic or financial opportunity of the issue of the Bonds nor as to the quality and solvency of the Issuer. Investors should make their own assessment as to the suitability of investing in such Bonds.

The Prospectus is valid for twelve months as from its date. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid.

The Bonds will bear interest at the fixed rate of 0.500 per cent. *per annum* from (and including) 6 September 2019 (the “**Issue Date**”) to (but excluding) 6 September 2029 (the “**Maturity Date**”), payable annually in arrear on 6 September in each year.

The principal and interest on the Bonds will constitute direct, unconditional, unsubordinated and (subject to Condition 4 (*Negative pledge*)) unsecured obligations of the Issuer and rank and will rank *pari passu* among themselves and *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The Issuer will have the right to redeem the Bonds (in whole but not in part) for certain tax reasons, pursuant to a residual maturity call option and pursuant to a make-whole redemption option (as more fully described in “*Terms and Conditions of the Bonds*”).

Application has been made to the Luxembourg Stock Exchange for the Bonds to be admitted to trading on the Luxembourg Stock Exchange’s Regulated Market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange’s Regulated Market is a regulated market for the purposes of the Market and Financial Instruments Directive 2014/65/EU, as amended (“**MiFID II**”) appearing on the list of regulated markets issued by the European Commission (the “**Regulated Market**”). References in this document to the Luxembourg Stock Exchange (the “**Luxembourg Stock Exchange**”) and all related references shall include the Regulated Market.

The Bonds will be in dematerialised form (*gedematerialiseerd/dématérialisé*) in accordance with the Belgian Companies Code (*Wetboek van Vennootschappen/Code des Sociétés*) (the “**Belgian Companies Code**”) and cannot be physically delivered. The Bonds will be in the denomination of Euro 100,000 each and may only be settled in principal amounts equal to such denomination or integral multiples in excess thereof. The Bonds will be represented exclusively by book-entries in the records of the securities settlement system operated by the National Bank of Belgium (the “**NBB**”) or any successor thereto (the “**Securities Settlement System**”). Access to the Securities Settlement System is available through those of its Securities Settlement System participants whose membership extends to securities such as the Bonds. Securities Settlement System participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear Bank SA/NV (“**Euroclear**”), Clearstream Banking Frankfurt (“**Clearstream**”), SIX SIS Ltd., Switzerland (“**SIX SIS**”), INTERBOLSA S.A. (“**INTERBOLSA**”) and Monte Titoli S.p.A. (“**Monte Titoli**”). Accordingly, the Bonds will be eligible for clearance through and will therefore be accepted by Euroclear, Clearstream, SIX SIS, INTERBOLSA and Monte Titoli. Investors, who are not Securities Settlement System participants, can hold their Bonds within securities accounts in Euroclear, Clearstream, SIX SIS, INTERBOLSA and Monte Titoli or the other direct or indirect participants of the Securities Settlement System.

The Bonds may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994, holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the Securities Settlement System. The Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any consumer (consument/consommateur) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*).

The Bonds are expected to be assigned a rating of Baa2 by Moody’s Deutschland GmbH (“**Moody’s**”) and a rating of BBB by S&P Global Ratings Europe Limited (“**S&P**”). Each of Moody’s and S&P is established in the European Union and registered under Regulation (EU) No 1060/2009 (as amended). Moody’s and S&P are displayed on the latest update of the list of registered credit rating agencies on the ESMA website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Prospectus dated 3 September 2019

Joint Global Coordinators

BNP PARIBAS

HSBC

Joint Bookrunners

**BOFA MERRILL
LYNCH**

BNP PARIBAS

**CRÉDIT
AGRICOLE CIB**

HSBC

MUFG

IMPORTANT INFORMATION

This Prospectus has been prepared for the purpose of giving the necessary information which is material to an investor for making an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer, the rights attaching to the Bonds and the reasons for the issuance of the Bonds and its impact on the Issuer.

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference (see “*Documents Incorporated by Reference*”). This Prospectus shall be read and construed on the basis that such documents are incorporated by reference and form part of this Prospectus. Unless specifically incorporated by reference into this Prospectus, information contained on websites mentioned herein does not form part of this Prospectus.

The Issuer has confirmed to the Managers named under “*Subscription and Sale*” below (the “**Managers**”) that this Prospectus contains all information regarding the Issuer and the Bonds which is (in the context of the issue of the Bonds) material; such information is true and accurate in all material respects and is not misleading in any material respect; any opinions, predictions or intentions expressed in this Prospectus on behalf of the Issuer are honestly held or made and are not misleading in any material respect; this Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in such context) not misleading in any material respect; and all proper enquiries have been made to ascertain and to verify the foregoing.

The Issuer has not authorised the making or provision of any representation or information regarding the Issuer or the Bonds other than as contained in this Prospectus or as approved for such purpose by the Issuer. Any such representation or information should not be relied upon as having been authorised by the Issuer or the Managers.

Neither the Managers nor any of their respective affiliates have authorised the whole or any part of this Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Prospectus or any responsibility for the acts or omissions of the Issuer or any other person (other than the relevant Manager) in connection with the issue and offering of the Bonds. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Bond shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date of this Prospectus.

This Prospectus does not constitute an offer of Bonds, and may not be used for the purposes of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Bonds or the distribution of this Prospectus in any jurisdiction where any such action is required except as specified herein.

Neither this Prospectus nor any other information supplied in connection with the offering of the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any of the Managers that any recipient of this Prospectus or any other information supplied in connection with the offering of the Bonds should purchase any Bonds. Each investor contemplating purchasing any Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the offering of the Bonds constitutes an offer or invitation by or on behalf of the Issuer or any of the Managers to any person to subscribe for or to purchase any Bonds.

The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should subscribe for or consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Bonds.

Neither the delivery of this Prospectus nor the offering, sale or delivery of the Bonds shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Bonds is correct as of any time subsequent to the date indicated in the document containing the same. The Managers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Bonds or to advise any investor in the Bonds of any information coming to their attention.

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds, how the Bonds will perform under changing conditions, the resulting effects on the value of the Bonds and the impact the Bonds will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;
- understand thoroughly the terms of the Bonds and be familiar with the behaviour of the financial markets and of any financial variable which might have an impact on the return on the Bonds; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The distribution of this Prospectus and the offering, sale and delivery of Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Bonds and on distribution of this Prospectus and other offering material relating to the Bonds, see “*Subscription and Sale*”.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and the Bonds are subject to U.S. tax law requirements. Subject to certain exceptions, the Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)). A further description of the restrictions on offers and sales of the Bonds in the United States or to, or for the benefit of, U.S. persons, and in certain other jurisdictions, is set forth below under “*Subscription and Sale*”.

The Bonds may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994, holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the Securities Settlement System.

PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of

MiFID II or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended) where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO CONSUMERS – The Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any consumer (*consument/consommateur*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*).

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Bonds, taking into account the five categories referred to in item 18 of the Guidelines on MiFID II product governance requirements published by ESMA dated 5 February 2018, has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in MiFID II and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “**Distributor**”) should take into consideration the manufacturers’ target market assessment. However, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

All references in this Prospectus to (i) “**euro**” or “**€**” are to the common currency of the European Union, (ii) “**U.S. dollar**”, “**\$**”, “**USD**” or “**US\$**” are to the currency of the United States, (iii) “**RMB**” are to the currency of China, (iv) “**CAD**” are to the currency of Canada, (v) “**real**” are to the currency of Brazil and (vi) “**GBP**” (pounds sterling) are to the currency of the United Kingdom.

FORWARD LOOKING STATEMENTS

This Prospectus (including the information incorporated by reference into this Prospectus) may contain statements that are, or may be deemed to be, “forward looking statements” that are prospective in nature. All statements other than statements of historical fact are forward looking statements. They are based on current expectations and projections about future events and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward looking statements. Although the Issuer believes that these forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are based on information currently available to the Issuer.

Often, but not always, forward looking statements can be identified by the use of forward looking words such as “plans”, “expects”, “is expected”, “is subject to”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, “targets”, “aims”, “projects” or words or terms of similar substance or the negative thereof, as well as variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the Group’s operations and (iii) the effects of global economic conditions on the Group’s business.

Such forward looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Forward-looking statements refer only to the date when they were made and neither the Issuer nor the Managers undertake any obligation to update or review any forward-looking statement, whether as a result of new information, future events or any other factors. Given these uncertainties, potential investors should only rely to a reasonable extent on such forward-looking statements in making decisions regarding investment in the Bonds.

RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Solvay SA
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RISK FACTORS

The following is a description of risk factors which are material in respect of the Bonds and the financial situation of the Issuer and which may affect the Issuer's ability to fulfil its obligations under the Bonds and which prospective investors should consider carefully before deciding to purchase the Bonds. Prospective investors should read and consider all of the information provided in this Prospectus or incorporated by reference in this Prospectus and should make their own independent evaluation as to the suitability of investing in the Bonds and consult with their own professional advisers if they consider it necessary.

Terms defined in "Terms and Conditions of the Bonds" below shall have the same meaning where used below. References to the "Group" are to Solvay and its subsidiaries from time to time.

Risks relating to the Issuer, the Group and its business

Risks related to the Group's business activities and industries

Solvay is dependent on energy and raw materials, including the availability thereof, which are subject to price variations and which could affect profitability and margins.

Solvay's manufacturing processes consume significant amounts of energy and raw materials, the costs of which are subject to worldwide supply and demand pressures, as well as other factors beyond its control.

Significant variations in the cost of energy, for example, primarily reflect market prices for oil and natural gas. The prices for these inputs can vary significantly from one period to the next. Sustained high energy prices increase Solvay's production costs and cost of goods sold and, if increased prices cannot be passed through to customers rapidly or at all, can reduce Solvay's net income.

Petrochemical products derived from crude oil or natural gas account for a significant portion of Solvay's raw materials and Solvay is therefore directly exposed to the volatility of oil and natural gas prices. As at 31 December 2018, petrochemical products derived from crude oil or natural gas made up approximately 49% of Solvay's raw materials. Solvay is therefore indirectly exposed to the volatility of oil prices through changes in the price of benzene. For further information, please refer to note B2 "*Underlying raw material & energy costs*" of Solvay's consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Solvay takes actions to offset the effects of higher energy and raw material costs through price increases, productivity improvements and cost reduction programmes. Solvay's success in offsetting higher costs with price increases is subject to competitive and economic conditions and could vary significantly depending on the market served. In addition, and specific to the energy exposure, Solvay's energy services also centrally manages financial hedging of energy and CO₂ emission rights risks for the Group, which may, however, prove not to be sufficient. For further information, please refer to note F35D "*Financial risk management*" of Solvay's consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Solvay is also subject to the risk that it may be unable to acquire certain of its raw materials on a timely basis, on acceptable prices and other terms, or at all. If Solvay is unable to obtain adequate and punctual deliveries of required raw materials, it may be unable to manufacture sufficient quantities of its products in a timely manner (especially those products requiring long lead times or which involve complex manufacturing processes), which could cause Solvay to lose customers, incur additional costs, delay new product introductions or suffer harm to its reputation.

The Group's production processes and operations are subject to the inherent hazards and other risks associated with chemical processing, production, storage and transportation.

The Group is exposed to risks in relation to its production processes and operations which may lead to significant losses. The Group's production processes rely on hazardous substances, which can present major risks to the health and safety of Solvay's workers, neighbouring populations and the environment. Other potential hazards associated with chemical production, storage and transportation include accidents, explosions, fires, inclement weather, transport risks, terrorist attacks, natural disasters, mechanical failure, transportation interruptions, remediation, pipeline leaks and ruptures, storage tank leaks, chemical spills, discharges or releases of toxic or hazardous substances or gases and other risks.

Workplace injuries, potentially affecting Solvay's employees, neighbouring industrial sites or the public at large, may result from various industrial accidents, including working with dangerous heavy equipment; contact with hot, corrosive or toxic chemicals; accidents caused by leaking vessels, pumps or pipes; as well as explosions, falling objects or falls from scaffolding or silos. Occupational hazards for Solvay's employees and contractors include chronic diseases resulting from exposure to various chemicals and building materials.

These hazards could also lead to an interruption, relocation or suspension of operations, materially adversely affect the productivity and profitability of a particular production facility or the Group's business operations as a whole, and result in governmental enforcement, regulatory shutdowns, the imposition of government fines and penalties and claims brought by governmental entities or third parties.

Solvay also faces manufacturing risks from potential problems in its supply chain, production units or transportation links. Risks may result from major or critical equipment failure, production unit damage, natural disasters, chemical spills, transportation accidents, strikes, human error, raw material shortages, and power failures. Some of Solvay's products are produced at a single location, but serve as inputs for other production facilities within the Group.

The occurrence of any event described above, which is not entirely preventable despite the application of a high standard of care, could be seriously detrimental to the Group's reputation and could have a significant financial impact. It could also harm the Group's ability to obtain or maintain its existing licenses or its key commercial, regulatory and governmental relationships. The costs associated with any of these events could significantly impact the Group. These could exceed or otherwise not be fully covered by the Group's insurance coverage.

Solvay operates in competitive and constantly evolving international markets.

While the degree of Solvay's exposure to competition varies significantly among products and geographies, Solvay faces intense competition in certain markets. The competitive pressure on Solvay and its products in some segments is characterised by strong price competition, which is sometimes caused by overcapacity, and certain low-cost producers. These competitive pressures may be increased by consolidation among Solvay's competitors or customers. Solvay's main competitors vary by product, from large international groups to smaller regional or local players. Stronger competition may have an impact on the prices of Solvay's products or the potential for Solvay to sell its products.

The emergence of new products and new technologies developed by Solvay's competitors may affect Solvay's competitive position in these markets. There may, for example, be technological advances leading to the development of substitute products or more competitive manufacturing processes which Solvay has not foreseen or not implemented in a timely manner. Moreover, the lack of success of a new product, new entrants in a market, a reduction in demand by key customers, a change in regulation affecting a product or generally increased levels of competition in the chemical industry could result in lower prices or lower sales volume for Solvay, which could have a material adverse effect on Solvay's business, financial condition and results of operations.

Solvay is subject to risks related to its international operations, in particular in relation to political environments.

With operations worldwide in 61 countries, including in emerging markets such as Brazil or India, Solvay's business and results of operations are subject to various risks inherent in international operations. This could be the consequence of a social crisis, political instability, civil war, nationalisation, terrorist activities, natural disasters or similar events. Solvay is in particular exposed to these risks in emerging markets, where the political and legal environment is less stable. Such disruptions may result in delays of or failures to deliver products. Any insurance coverage may not be adequate to compensate it for any losses arising from such risks.

Exports from certain countries may furthermore require prior government approval in the form of an export license and may otherwise be subject to tariffs and import/export restrictions. Failure to comply with laws on equipment and product exports could result in material fines and penalties.

For further information, please refer to note F1 "*Revenue and segment information*" of Solvay's consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

The specialty chemicals industry is subject to volatile global economic conditions, market uncertainties and local and regional economic conditions.

General economic conditions affect the specialty chemicals industry, including the aeronautics and automotive, consumer goods, healthcare, agriculture, food, energy, construction and electronics industry segments in which the Group operates. Deteriorating economic conditions, negative perceptions about economic conditions or a negative or uncertain economic outlook could result in a substantial decrease in demand for the Group's products and negatively impact capacity utilisation, selling prices and sales volumes and the Group's profit margins. If GDP declines, the Group typically experiences a greater decline in sales. The economic environment may be negatively affected by volatile financial markets, rising interest rates, international or regional conflicts, trade conflicts, political instability or unrest, epidemics, terrorism, natural disasters or other events.

In addition, market uncertainty or an economic downturn in certain geographic areas or in key customer industries could reduce demand for Solvay's products and result in decreased sales volume. The timing and magnitude of fluctuations are difficult to predict and may depend on factors that are outside of the Group's control, such as the general economic situation, activities of competitors, international circumstances and events and changes in regulations in Europe, the United States, China and other countries. These fluctuations have in the past had, and may in the future have, a material adverse effect on Solvay's business, financial condition and results of operations.

The Group's results of operations are substantially dependent on regional economic conditions in the four regions where Solvay operates: Europe, North America, Latin America, and Asia and the rest of the world. Some of Solvay's Global Business Units are local or regional in nature, exacerbating the effects of regional economic changes. As a result, Solvay's results of operations are dependent on regional economic conditions, especially in certain developing countries that are generally more volatile than developed markets. Some products, such as peroxides, are subject to local price dynamics notwithstanding Solvay's presence in multiple regions because they are not easily or economically transported to non-local markets. Any downturn in the local or regional economies of such markets could have a significant effect on the prospects of any local or regional business line.

In Asia and the rest of the world, which accounted for approximately 30% of the Group's total net sales as at 31 December 2018, major emerging economies have shown volatility in recent years. Given the Group's investment in the region, factors such as the gradual slowdown in Chinese GDP growth, the increases in United States and Chinese trade tariffs and the general decline in growth compared to previous decades could have a

noticeable impact on Group sales. Weaker growth in China could have adverse effects on growth in emerging economies and entail a contagion effect across the globe.

In North America, which accounted for approximately 31% of the Group's total net sales as at 31 December 2018, monetary policy has continued to support GDP growth. Any changes to the current monetary policy in the United States could negatively affect GDP growth prospects.

Uncertain global economic factors and changes in GDP growth in key countries make it difficult for the Group to forecast demand trends for its products and its profitability. It can be difficult to accurately predict the development of factors affecting the industry segments, and negative developments could materially adversely affect the Group's business, financial condition, results of operations and prospects.

Some of the industries Solvay serves, such as the oil and gas industry, are cyclical and can experience substantial downturns, leading to cyclical over-capacity and reduced demand.

Some industries that Solvay serves are cyclical, highly volatile and have experienced substantial downturns, such as the auto industry, oil and gas industry and the building industry. These cycles can result in large variability in the prices of and demand for Solvay's products, exposing Solvay to periods of surplus production capacity, price or volume declines and reduced margins. The oil and gas industry is particularly cyclical and a decrease in oil and gas prices and reduced demand for exploration may adversely affect demand and prices for certain of Solvay's products used in drilling and oilfield service, which could affect profitability. As at 30 June 2019, the exposure of Solvay to the oil and gas industry represented approximately 5% of Solvay's total net sales.

Customers of chemical companies typically adapt procurement activities to the expected growth rates of their business. In a downturn, customers generally try to reduce their working capital and inventories, while in a recovery customers increase inventories, leading to increased demand for specialty chemical products. These de-stocking and re-stocking activities amplify the effect of changes in actual growth rates and cause increased cyclicity in the demand for Solvay's products.

Solvay may be unable to successfully execute its business strategy.

Solvay's business strategy seeks, among other goals, to further strengthen Solvay's capabilities and resources in targeted investment areas, consolidate its positions in markets identified as having high potential for sustainable growth, and invest selectively to strengthen its offerings. The achievement of this strategy is dependent upon many factors, some of which are beyond Solvay's control. Any inability to complete the strategy could have a material adverse effect on Solvay's business and financial strategy going forward.

Certain aspects of Solvay's growth and excellence plans may not be realised and the financial benefit of these initiatives may be less than expected. Solvay's consistent cash-generating businesses may furthermore fail to perform as expected. Solvay may also not be able to realise cash-generating investments. Any such change in current expectations of cash-generating ability will limit Solvay's ability to invest in its strategic growth engine businesses, which would materially adversely affect Solvay's ability to achieve its plans.

Solvay's future performance may also depend on its ability to manage the growth of its operations. There is no guarantee that Solvay will be able to manage its growth successfully or that such growth will not interfere with its existing structure. If Solvay is unable to manage its growth in a satisfactory manner, it may lose market position.

By implementing its strategic plan to focus on businesses in which Solvay achieves leading market positions, Solvay has sold a number of businesses to third parties over the past several years. Under these sale agreements, Solvay has given certain customary guarantees to the purchasers, particularly with regard to the compliance by the business sold with legislative and regulatory requirements, business liabilities and business assets. In

addition to these contractual commitments, Solvay could be held liable as the seller on other grounds depending on applicable laws. For example, Solvay could be held liable and incur considerable expenses for remedial measures in relation to existing or potential soil and groundwater contamination at certain of its divested sites.

Solvay has also undertaken targeted acquisitions and intends to continue this strategy. Acquisitions can expose Solvay to the various risks and, in particular, to contingent liabilities or responsibilities attached to acquired businesses. For example, Solvay may be subject to environmental liabilities at sites Solvay acquires even if damage relates to activities prior to its ownership. Any contractual protections Solvay has in a sale agreement may be time barred or inadequate to protect Solvay and depend on the liquidity of its counterparties. Moreover, Solvay's decisions to acquire businesses are based on assumptions concerning their operations and prospects which may not materialise. Any of those risks related to disposals or acquisitions could have a material adverse effect on Solvay's business, financial condition and results of operations.

Some of the end-markets for Solvay's products are characterised by a small number of major customers, and financial difficulties of such customers may adversely affect Solvay.

Some markets in which Solvay offers its products are characterised by a small number of major customers. As at 31 December 2018, the major end-markets of Solvay were automotive & aerospace, industrial applications, and consumer goods & healthcare, which represented approximately 24%, 20% and 17%, respectively, of Solvay's total net sales. Moreover, Solvay's other markets, which currently have a diverse and balanced customer base, may change, for example as a result of consolidation among its customers. In the future, customers in consolidated markets or customers in other industries where there are currently consolidation trends, such as in the automotive or cosmetics markets, could use their power to exert pressure on Solvay's prices and margins. Client consolidation can therefore have a material adverse effect on the Group's business, financial condition and results of operations.

Furthermore, as a result of a further slowdown in relevant economies or a recession, an increasing number of Solvay's customers and other business partners could experience financial difficulties, including insolvency, bankruptcy, restructuring or liquidation, which could have a material adverse effect on Solvay's business by reducing its sales, increasing the risk of extending trade credit to customers, and reducing its profitability.

Failure to innovate, or delays in development, may lead to Solvay's products or technologies becoming superseded and could affect important customer relationships.

The Group spends significant amounts on research and development and depends on its development of new, improved or more cost-effective materials, methods and technologies. An important component of its strategy is to innovate continuously in a sustainable manner to prepare tailor-made solutions for customers. Any failure to successfully develop new products, methods or technologies, or delays in development, may lead to the Group's products or technologies becoming superseded, could result in impairments and could reduce the Group's future sales. Technological developments or improvements in processes may permit competitors to offer products at lower prices than the Group. For example, competitors may develop new types of materials or technologies with favourable characteristics or may develop more innovative and economically efficient production processes. In such case, the value of the Group's proprietary production processes, and its investment therein, could be significantly reduced.

To support innovation, determinations of capital expenditure are made in a forward-looking manner according to current understanding of trends and customer demand. The Group may commit errors or misjudgements in its planning and misallocate resources, for instance by developing products that require large investments in research and development and capital expenditure but that are not commercially viable.

The Group furthermore depends on its continued ability to successfully commercialise and distribute new products. The trend towards commoditisation and standardisation in some of the Group's markets has increased

the importance of research and development in supporting overall margins and the importance of other tailor-made and high-end markets that the Group markets supply, in which the Group must offer ever more specialised products that are intended to offer higher value to customers in order to achieve satisfactory margins. The Group may not successfully expand or improve its product portfolio or may lack the capacity to invest the required level of human or financial resources in the development of new products. The market for a newly developed product may also unexpectedly cease to exist.

In addition, although the Group seeks to maintain close and cooperative relationships with its customers, its relationships could deteriorate in the future. Any such deterioration would make it more difficult for the Group to identify customer needs and to develop customised solutions and execute its customer intimacy model, which is highly dependent on rapid delivery of technical advances.

Solvay has firm commitments to certain suppliers and clients.

Certain contracts entered into with Solvay's suppliers or customers may entail obligations to purchase a minimum product volume (known as "take or pay" clauses) or firm commitments for the delivery of certain quantities of products within certain time periods. The failure to perform under these purchase or sale contracts could result in the payment of indemnities to Solvay's customers or suppliers.

This risk is all the more important during an economic crisis in the event of a sharp drop in demand for Solvay's products or sharp increase in Solvay's need for certain supplies to fulfil client contracts. This mismatch between economic conditions and Solvay's firm commitments to purchase or sell could materially adversely affect Solvay's business, financial condition and results of operations.

Several of Solvay's businesses face risks by operating as joint arrangements in which Solvay shares control.

Solvay has developed strategic partnerships with other companies in order to have access to or benefit from new businesses, new markets or new technologies or know-how. Some of these strategic partnerships take the form of joint arrangements over which Solvay has limited control. Solvay for example owns 50% in the Hydrogen Peroxide Propylene Oxide (HPPO) operations/interests in Zandvliet (Belgium), Map Ta Phut (Thailand) and the HPPO plant in the Kingdom of Saudi Arabia.

Joint arrangements can qualify as (a) joint ventures (in which case Solvay has rights to the net assets of the joint arrangements), which are recognised by applying the equity method of accounting or (b) joint operations (in which case Solvay has direct rights to the assets and obligations for the liabilities of the joint arrangement), for which Solvay recognises its share of the assets, liabilities, income and expense of the joint operation. For further information, please refer to notes F24 "Joint operations" and F25 "Investments in associates and joint ventures" of Solvay's consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Solvay bears the risks inherently associated with this type of structure. Depending on the case, because of the autonomy of these joint arrangements or shareholder agreements, Solvay may have to abide by decisions relating in particular to new financing, capital expenditures and approval of operating plans as well as the timing and the amount of the dividend distributions that may not be in Solvay's interest. Also, any serious disagreements between joint operators may make effective profitable management impossible. Such situations could have a material adverse effect on Solvay's business, financial condition and results of operations.

Solvay's forecasts and plans for these joint arrangements assume that Solvay's partners will observe their obligations to make capital contributions, purchase products and, in some cases, provide managerial personnel or financing. In addition, many of the projects contemplated by Solvay's joint arrangements rely on financing commitments, which contain certain preconditions for each disbursement. If any of Solvay's partners fail to observe their commitments or if Solvay fails to comply with all preconditions required under its financing

commitments, the affected joint arrangements or other projects may not be able to operate in accordance with Solvay's business plans, or Solvay may have to increase its level of investment to implement these plans.

Furthermore, in choosing joint arrangements Solvay agrees to share certain of its technological know-how. Partners may, particularly in countries with comparatively less stringent intellectual property protection, use this technology and know-how for their own purposes outside the scope of the relevant project. Non-competition undertakings in joint venture agreements may also prevent the Group from rendering services or producing, marketing and distributing the relevant products for its own account in certain markets. Further, illegal or unethical activities by the joint venture partner may have negative consequences for the Group's reputation and may result in legal disputes, fines or other adverse consequences.

Risks related to the Group's financial situation

Solvay has significant liabilities under its pension plans.

Solvay is exposed to many different benefit plans, the most important of which are defined-benefit plans in the United Kingdom, the United States, France, Germany and Belgium. As at 31 December 2018, the net pension liabilities of the Group amounted to EUR 2,485 million. Fluctuations in discount rates, salaries, social security benefits, longevity and asset/liability matching can have a major impact on the liabilities of such pension plans. For such plans, Solvay's risks relate primarily to returns on investments under management, inflation and interest rate fluctuations. In addition, changes in government regulation could require funding pension liabilities that are currently unfunded or could create new pension liabilities. The existence of these liabilities could affect Solvay's credit profile and its ability to make future investments and could have a material adverse effect on Solvay's cash flows, financial condition and results of operations.

For further information, please refer to note F34.A "Provisions for employee benefits" of Solvay's consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Solvay is subject to fluctuations in currency exchange rates.

Solvay is exposed to foreign exchange risk as a result of its international activities, including its geographically diverse production and sales activities, as well as its purchases of raw materials on international markets.

Solvay is subject to translation risk, which is the risk of variation in Solvay's euro-denominated consolidated financial statements resulting from subsidiaries operating in currencies other than the euro. Exchange rate fluctuations, particularly of the U.S. dollar, the Chinese yuan, the Brazilian real, the Mexican peso and the Japanese yen can affect Solvay's reported results of operations. Solvay does not hedge the translation risk resulting from its foreign operations.

Solvay is also subject to transactional risk, which is the exchange risk linked to a specific transaction, such as a Group company buying or selling in a currency other than its functional currency. The Group's policy is to hedge forward this foreign currency exposure for the following financial year using forward foreign exchange contracts or other derivatives, such as currency options.

The choice of borrowing currency depends mainly on the opportunities offered by the various markets. This means that the selected currency is not necessarily that of the country in which the funds will be invested. Nonetheless, operating entities are financed essentially in their own local currencies, with this currency being obtained, where appropriate, by currency swaps against the currency held by the financing company. These enable the Group to limit the exchange risk both in the financial company and in the company ultimately using the funds. In emerging countries, it is however not always possible to borrow in local currency, either because local financial markets are too narrow or funds are not available, or because the financial conditions are too onerous. In such a situation the Group has to borrow in a different currency.

Exchange rate fluctuations may adversely affect Solvay's business, financial condition and results of operations. For further information, please refer to note F35.D "*Financial Risk Management: Foreign exchange risks*" of Solvay's consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Solvay is subject to interest rate risks.

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. Interest rate risk is managed at Group level. As at 31 December 2018, the large majority (97%, EUR 3,690 million) of the financial debt was at fixed rate. Short-term borrowings typically are at variable rates. As at 31 December 2018, a 1% increase in the market interest rates would have had an impact of EUR 1 million loss for the Group.

The interest rates are dependent both on general market conditions as well as on investors' and lenders' perception of Solvay's liquidity and growth profile. Any additions to floating rate debt could increase its exposure to movements in both underlying interest rates and the risk premium Solvay pays. Any increase in the interest rates Solvay pays could have an adverse effect on its business, financial condition and results of operations.

For further information, please refer to note F35.D "*Financial Risk Management: Interest rate risks*" of Solvay's consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Solvay has contingent liabilities that may come due.

Solvay guarantees certain liabilities and commitments of third parties. As at 31 December 2018, these include, in particular, guarantees relating to UK Rhodia Pension Fund (EUR 210 million, in excess of the recognised pension liability), VAT payments (EUR 151 million) and Rusvinyl (EUR 85 million). The Group has also identified environmental contingent liabilities (EUR 313 million as at 31 December 2018). If any such liabilities would become due, this could have a material adverse effect on Solvay's business, financial condition and results of operations.

For further information, please refer to note F39 "*Contingent liabilities and financial guarantees*" of Solvay's consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Solvay is exposed to liquidity risks.

Changing market conditions or lower credit ratings could result in a contraction in the availability of credit, reduce Solvay's sources of liquidity and result in higher borrowing costs. Solvay's liquidity risk therefore depends on the ability to generate cash from operations to service payment obligations under its debts, refinance debt or raise new debt.

Notwithstanding Solvay's liquidity reserves and several committed credit facilities, adverse market conditions or lower credit ratings could reduce Solvay's flexibility to respond to changing business and economic conditions or to meet existing debt maturities, fulfil Solvay's financial obligations or fund its working capital needs.

Some of Solvay's financial debt arrangements benefit from financial covenants. A breach of such covenants may lead to an event of default under the relevant financing agreement and may trigger an event of default under other financing arrangements. In such case, the Group may be required to repay these borrowings before their due date, which could have an adverse impact on the liquidity of the Group.

For an overview of Solvay's financing arrangements, please refer to "*Financing arrangements*" in the section "*Description of the Issuer*". For further information on the liquidity risks, please refer to note F35.D "*Financial*

Risk Management: Liquidity risk” of Solvay’s consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Solvay is exposed to counterparty risks.

The Group has contractual relations with multiple parties and is therefore exposed to the credit standing of its business partners. As at 30 June 2019, the Group had trade receivables for a total amount of EUR 1,547 million. The inability of such counterparty to live up to their contractual obligations could have an adverse impact on the liquidity of the Group.

For further information, please refer to note F35.D “*Financial Risk Management: Credit risk*” of Solvay’s consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Taxing authorities could reallocate Solvay’s taxable income among its subsidiaries, which could increase Solvay’s overall tax liability.

Solvay is based in Belgium, operates several industrial sites and has several subsidiaries in various countries. Solvay conducts operations through its subsidiaries in various tax jurisdictions pursuant to transfer pricing arrangements between Solvay’s parent company and subsidiaries. If two or more affiliated companies are located in different countries, the tax laws or regulations of each country generally will require that transfer prices be the same as those between unrelated companies dealing at arms’ length and that appropriate documentation be maintained to support the transfer prices. Solvay’s transfer pricing procedures are not binding on applicable tax authorities.

If tax authorities in any of these countries were to successfully challenge Solvay’s transfer prices as not reflecting arms’ length transactions, they could require Solvay to adjust its transfer prices and thereby reallocate its income to reflect these revised transfer prices, which could result in a higher tax liability to Solvay. In addition, if the country from which the income is reallocated does not agree with the reallocation, both countries could tax the same income, resulting in double taxation. If tax authorities were to allocate income to a higher tax jurisdiction, subject Solvay’s income to double taxation or assess interest and penalties, it would increase Solvay’s consolidated tax liability, which could adversely affect Solvay’s financial condition, results of operations and cash flows.

For further information, please refer to note F7 “*Income taxes*” of Solvay’s consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Solvay’s ability to use existing tax loss carry forwards to reduce future tax payments may be limited if Solvay experiences a change in ownership, or if taxable income does not reach sufficient levels.

Solvay’s ability to use its net operating loss (“**NOLs**”) carry forwards is restricted to income in the jurisdictions where such NOLs exist. As at 31 December 2018, carried forward NOLs of the Group amounted to EUR 8,217 million. In addition, use of net operating losses may be subject to limitations and reassessment under the laws of these jurisdictions, due to ownership changes that have occurred or that may occur in the future. Additionally, tax law limitations may result in Solvay’s net operating losses expiring before Solvay has the ability to use them. In addition, financing and acquisition transactions that Solvay may enter into in the future could significantly limit or eliminate its ability to realise any value from its net operating losses.

For further information, please refer to note F7 “*Income taxes*” of Solvay’s consolidated annual financial statements for the financial year ended 31 December 2018 which are incorporated by reference into this Prospectus.

Legal and regulatory risks

Solvay faces other regulatory risks related to producing, distributing and selling its products, including potential regulatory action from competition authorities.

Solvay is exposed to regulatory risks from the introduction of new legislation or changes in existing regulations, such as product bans, and regulations that impose new standards of manufacturing, marketing or use, as well as a more stringent approach of competent authorities to market new chemical products. Certain industries are subject to increasingly strict regulation and governmental intervention. Such regulatory changes may also involve changes in price regulations, taxation or tariff policies designed to affect the markets in which Solvay operates. The Group is also subject to competition laws that prohibit certain agreements between chemical producers or that regulate issues such as abuse of dominant position or improper distributor relationship management.

Solvay, and certain of its subsidiaries and affiliated entities in the Group, conduct business in countries where there is government corruption. In this respect, they are bound by anti-corruption rules, such as the Foreign Corrupt Practices Act in the United States. Sanctions regimes may have a material impact on the ability of Solvay to operate in certain countries, and Solvay products may be introduced by third parties into sanctioned countries. There is therefore a risk that Solvay or any member of the Group may act in violation of such codes or applicable law, which could result in claims and legal proceedings and substantial civil and criminal penalties. This could materially adversely affect Solvay's business, financial condition, results of operations or reputation.

Cost increases, fines, legal fees or business interruptions can result from both new regulations, and from new interpretations by courts or stricter enforcement practices by regulatory authorities of existing regulations. Such changes in regulation may render it economically infeasible to continue producing or marketing a product.

Taking into account Solvay's strong focus on some of its markets, which are in some cases very concentrated, Solvay cannot exclude the risk that it will be the subject of investigations relating to unfair competition practices by the relevant antitrust authorities or other claims or lawsuits. These investigations, claims or lawsuits could result in a judgment and the payment of fines or penalties which, taking into account the level of the fines that could be imposed by the antitrust authorities, could have a negative impact on Solvay's image as well as on its financial condition and results of operations. Solvay has in the past been subject to antitrust proceedings, as described in the section "*Description of the Issuer*".

Solvay faces legal risks in securing and defending its ownership of new discoveries and processes.

The Group is exposed to legal risk, particularly in the areas of contractual obligations, patent infringement and protection of Solvay's intellectual property. The Group's operations and growth depend on the capacity to innovate and control key technologies, including defending against patent claims and making all efforts to protect Solvay's intellectual property.

In the chemical industry, technological know-how may not always be patentable and may constitute trade secrets. Solvay implements specific policies and continuously invests in protecting its industrial processes, technological know-how and proprietary information. Such precautions may limit Solvay's choice of partners in research and innovation ("**R&I**"), may limit its choice of locations for research facilities and, ultimately, may limit its return on certain innovations.

In the course of pursuing any of these means of protecting Solvay's intellectual property or defending against any lawsuits filed against Solvay, Solvay could incur significant costs and diversion of its resources and its management's attention. Due to the competitive nature of Solvay's industry, it is unlikely that Solvay could increase its prices to cover such costs. In addition, such claims against Solvay could result in significant penalties or injunctions that could prevent Solvay from selling some of its products in certain markets or result

in settlements or judgments that require payment of significant royalties or damages. The Group may need to accrue provisions due to ongoing legal or regulatory disputes, including with respect to intellectual property.

If Solvay cannot protect its own innovations or if it is barred from using certain technologies deemed to belong to others, this could have a material adverse effect on Solvay's business, financial condition and results of operations.

Solvay is subject to continually evolving environmental and health and safety laws and regulations.

Solvay's activities must comply with a set of continually changing environmental, health and safety laws and regulations at the local, national and international level. In particular, Solvay's industrial activities require prior permits or licenses in most countries in which Solvay operates. Special, more stringent regulations often apply to certain products with biocidal properties as well as those used in cosmetics, pharmaceuticals, food or animal feed. Complying with these regulations involves significant and recurring costs for Solvay.

Solvay's facilities must also comply with different workplace requirements and various safety management regulations in jurisdictions around the world. Solvay may face fines, administrative action claims or proceedings if it does not comply with such standards. Such events could also result in loss of life, environmental clean-up costs, lawsuits, fines, administrative penalties or other outcomes. Any insurance coverage Solvay has in this respect may not be adequate to compensate it for any losses arising from such risks.

Environmental liability and the "polluter pays" principle are increasingly embedded in environmental legislation aimed at preventing and remedying environmental damage. Several of Solvay's sites in Europe are governed by Seveso II regulations concerning high-risk installations. Moreover, Solvay could be held liable, under certain laws, to contribute to the expenses for remedial measures undertaken at sites or installations (operated by Solvay or belonging to third parties) on which Solvay stored or disposed of waste. Solvay also participates in certain cap and trade system covering greenhouse gas emissions. While Solvay may benefit from such cap and trade systems, changing regulations could also have the effect of increasing costs or reducing, or eliminating, previous benefits.

In Europe, environmental damage to land, water, natural habitats and protected species is governed by an umbrella directive, the European Liability Directive ("ELD"), which may lead to increased remediation costs. Such legislation contains a broad scope of soil-remediation requirements, including requirements for primary remediation, complementary remediation and compensatory remediation.

Solvay may inadvertently exceed permitted emission levels under applicable regulations or schemes, which may lead to administrative or criminal sanctions, the cancellation of permits or operating licenses and adverse outcomes in litigation. Solvay could also incur significant compliance expenses in the event that new regulations or governmental policies are enacted or if the courts or competent authorities re-interpret or begin to apply current regulations more strictly. Any spill, release, contamination, emission or other environmental damage related to Solvay's business could give rise to compliance costs, fines, remediation costs or damage awards. These events could have a material adverse effect on Solvay's business, financial condition and results of operations. As at 31 December 2018, Solvay had provisions for EUR 691 million in relation to environmental risks.

Solvay faces risks related to product liability.

Solvay faces risks relating to claims that its products or manufacturing processes may cause injury to third parties, including property damage and personal injury. Such injuries or damage may arise from inappropriate use or safety recommendations or from previously unidentified effects of existing products. Certain substances produced at Solvay's facilities are subject to strict liability regimes in certain jurisdictions, meaning that the manufacturer is liable for any damage caused by the product, regardless of proof of fault or negligence.

Defective products may give rise to product liability claims when they do not meet specifications because of manufacturing errors, product contamination or product quality being altered during shipping or storage. Defective products may lead to recalls, particularly for products used in the healthcare and food & feed industries. Certain products may only be marketed to industrial customers due to significant potential hazards associated with their use. These products are not available for retail sale directly to consumers and must be accompanied by appropriate warnings describing conditions of safe use. If such products do reach the general public or the warning labels are insufficient, Solvay may be held strictly liable for the use of products that are not defective.

Solvay also runs the risk, in the context of new-product development, that it will not be able to adequately detect all potential effects of a product on humans, animals or the environment. Solvay must incur significant expense to monitor product quality, insure safe shipping methods, guarantee appropriate use of its products at customer sites and complete required regulatory documentation. A failure to follow such procedures may also be a source of liability.

In the course of defending product liability suits or recalling products as a preventative measure, Solvay could incur significant costs and diversion of its resources and its management's attention. Due to the competitive nature of Solvay's industry, it is unlikely that Solvay could increase its prices to cover such costs. In addition, such claims could result in large settlements that could have an impact on Solvay's reputation, business, financial condition and results of operations. Any insurance coverage Solvay has in this respect may not be adequate to compensate it for any losses arising from such risks.

Solvay is subject to numerous and complex tax regimes and changes in such regimes or in the interpretation of existing rules could materially impact its financial situation.

Solvay has operations in many countries in Europe, the Asia-Pacific area, North America and South America, and is therefore liable to pay taxes in many jurisdictions. The tax burden on the Group depends in particular on the interpretation of local tax regulations, bilateral or multilateral international tax treaties and the administrative doctrines in each of these jurisdictions. Changes in these tax regimes, or in the interpretation of existing rules under these regimes, could have an impact on Solvay's tax burden or lead to claims and lawsuits. This may hence have an adverse impact on Solvay's business, financial condition and results of operations.

Internal control risks

Solvay is reliant on its IT systems, and cyber attacks, security breaches or technology malfunctions could compromise confidential, business critical information, cause a disruption in Solvay's operations or harm Solvay's reputation.

The Group's ability to effectively manage its business depends on the security, reliability and capacity of its IT systems.

Breaches of security in Solvay's information technology systems could negatively impact Solvay's financial results as a result of stolen intellectual property, trade secrets and other sensitive business-critical information. The Group has put in place security measures designed to protect against the misappropriation or corruption of its systems, intentional or unintentional disclosure of confidential information, or disruption of its operations. However, these security measures may prove ineffective. Current employees have, and former employees may have had, access to a significant amount of information regarding the Group's operations, which could be disclosed to its competitors or otherwise used to harm the business. Any breach of the Group's security measures could result in unauthorised access to, and misappropriation of, its information, corruption of data or disruption of operations or transactions, any of which could materially adversely affect the Group's business, financial condition, results of operations and prospects.

Other IT risks include fraud or manipulation within the accounting, financial or cash management services, destruction of sensitive customer or contractual information, or disruption of production facilities.

In spite of Solvay's cyber security programme, a significant cyber attack, for example on its major enterprise resource planning systems, could negatively affect operations, which could have a negative impact on Solvay's business, financial condition and results of operations. In addition, the Group could be required to expend significant amounts to respond to unanticipated information technology issues or malfunctions.

Solvay's complex international operating structure presents additional challenges to maintaining effective controls and internal compliance.

The Group is a large, diversified group comprised of a large number of companies around the world of varying size. As at 31 December 2018, Solvay had 341 subsidiaries, of which 187 fully consolidated, 8 proportionally consolidated, 17 accounted for under the equity method and 129 not meeting the criteria of significance. As a result, the Group's structure is complex, with multiple layers of holding companies below the ultimate parent company, Solvay, and numerous subsidiaries and finance companies in many countries. Although the Group has integrated management, legal and compliance departments and an approach based on local responsibility for production, marketing and personnel in accordance with Group-wide management standards and administrative procedures under the global leadership of Solvay, the size, geographical reach and complexity of the Group's structure create the risk of inefficiencies that may adversely affect the business, financial condition, and results of operations of the Group.

In addition, it is difficult to ensure that Group-wide management standards, including risk control and compliance policies, will always be fully and consistently applied throughout the organisation, in particular in joint arrangements in which Solvay shares control. In this respect, please also refer to the risk factor "*Several of Solvay's businesses face risks by operating as joint arrangements in which Solvay shares control*". Similarly, reporting lines, including those for risk reporting, internal control and financial reporting, may not always be properly and timely followed. The failure by any Group company to follow Group-wide management standards may adversely affect the Group's performance. In addition, the inconsistent application of Group-wide management standards and failure to share information may adversely affect Solvay's ability to effectively perform its function as ultimate Group holding company, including supervision of the other Group companies, and its obligations as a publicly listed issuer. Any of these risks could have material adverse effects on the Group's business, financial condition, and results of operations.

The design of any control system is based in part upon certain assumptions about the likelihood of future events. The estimate of the carrying value of certain assets is for instance subject to several assumptions and estimates. If management's estimates or key assumptions change, the estimate of the fair value of goodwill could fall significantly and result in impairment. While impairment of goodwill does not affect reported cash flows, it does result in a non-cash charge in the income statement, which could have a material adverse effect on Solvay's results of operations or financial condition.

Because of these and other inherent limitations of control systems, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. Any failure to maintain adequate internal controls or to be able to produce accurate financial statements on a timely basis could increase Solvay's operating costs and have a material adverse effect on its business, financial condition and results of operations.

Risks relating to the Bonds

Risks in connection with the terms of the Bonds

Fixed Rate Bonds.

Interest on the Bonds will be payable at a fixed rate of interest. The holder of a fixed interest rate bond is exposed to the risk that the price of such bond falls as a result of changes in market interest rates. While the interest rate of the Bonds is fixed, the current interest rate on the market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of a fixed rate bond tends to evolve in the opposite direction. If the market interest rate increases, the price of such bond typically falls, until the yield of such bond is approximately equal to the market interest rate. Bondholders should therefore be aware that movements of the market interest rate can adversely affect the price of the Bonds and can lead to losses for the Bondholders if they sell Bonds.

No limitation on issuing or guaranteeing debt.

There is no restriction in the Terms and Conditions of the Bonds on the amount of debt which the Issuer may issue or guarantee. The Issuer and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank *pari passu* to the Bonds. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Bondholders on a winding-up of the Issuer.

If the Issuer's financial condition were to deteriorate, the Bondholders could suffer direct and materially adverse consequences, including loss of interest, and if the Issuer were liquidated (whether voluntarily or not), the Bondholders could suffer loss of their entire investment.

Ranking of the Bonds and insolvency.

The Bonds constitute unsubordinated, unsecured (subject to Condition 4 (*Negative pledge*)), direct, general and unconditional obligations of the Issuer. The Bonds will rank at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer. The Bonds are structurally subordinated to the secured indebtedness of the Issuer and to any indebtedness of the subsidiaries of the Issuer. In the event of an insolvency of the Issuer, Belgian insolvency laws, which should be applicable as the main residence and corporate seat of the Issuer are located in Belgium, may adversely affect a recovery by the holders of amounts payable under the Bonds. Pursuant to such insolvency laws, secured creditors of the Issuer will be paid out of the proceeds of the security they hold in priority to the holders of the Bonds. In the event of an insolvency of a subsidiary of the Issuer, it is likely that in accordance with applicable insolvency laws, the creditors of such subsidiary need to be repaid in full prior to any distribution being made to the Issuer as shareholder of such subsidiary.

Early redemption risk.

The Issuer may, at its option, redeem the Bonds in whole (but not in part) (i) for taxation reasons in accordance with Condition 6(b) (*Redemption for taxation reasons*) at their principal amount together with accrued interest, (ii) for any reason during the period from and including three months prior to the Maturity Date in accordance with Condition 6(c) (*Optional Make-whole Redemption*) at a make-whole redemption amount calculated by the Make-whole Calculation Agent and (iii) at any time as from and including three months to but excluding the Maturity Date in accordance with Condition 6(d) (*Residual Maturity Call Option*) at their principal amount together with accrued interest.

The redemption at the option of the Issuer may affect the market value of the Bonds given that, during any period when the Issuer may elect to redeem the Bonds or the market anticipates that any such redemption might occur, the market value of the Bonds generally will not rise substantially above the price at which they can be

redeemed. Furthermore, investors may, upon an early redemption of the Bonds, not be able to reinvest the amount so redeemed on terms equivalent to those of the Bonds, and may only be able to do so at a significantly lower rate. Potential investors should therefore consider reinvestment risk in light of other investments available at that time.

Modification and waivers without the consent of the holders of the Bonds.

Meetings of Bondholders may, by way of the defined majorities provided for in the Terms and Conditions of the Bonds, take decisions that are binding on all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority. Such decisions may include decisions relating to (a reduction of) the interest payable on the Bonds and/or the amount paid by the Issuer upon redemption of the Bonds.

No early redemption at the option of the Bondholders, including in the event of a change of control.

Bondholders do not have a right to require the Issuer to early redeem the Bonds, other than in circumstances constituting an Event of Default pursuant to Condition 9 (*Events of Default*) of the Bonds. Accordingly, Bondholders do not have the benefit of a put option in the event a change of control (howsoever defined) occurs in respect of the Issuer, including when such change of control would have as a consequence that the Issuer is downgraded by any relevant credit rating agency or the creditworthiness of the Issuer is adversely affected. Any downgrade of the Issuer by any relevant credit agency or an adverse effect of a change of control on the creditworthiness of the Issuer may adversely affect the market value of the Bonds, increase the likelihood that an Event of Default occurs and/or reduce the amount (if any) recoverable by Bondholders on a winding-up of the Issuer.

The transfer of the Bonds, any payments made in respect of the Bonds and all communications with the Issuer will occur through the Securities Settlement System.

A Bondholder must rely on the procedures of the Securities Settlement System to receive payment under the Bonds or communications from the Issuer. The Issuer and the Paying Agent will have no responsibility or liability for the records relating to, or payments made in respect of, the Bonds within, or any other improper functioning of, the Securities Settlement System and Bondholders should in such case make a claim against the Securities Settlement System. Any such risk may adversely affect the rights and/or return on investment of a Bondholder.

Change of law.

The Terms and Conditions of the Bonds are based on Belgian law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in Belgian law or the official application, interpretation or administrative practice of Belgian law after the date of this Prospectus. Any such decision or change may affect the enforceability of the Bondholders' rights under the Terms and Conditions of the Bonds or render the exercise of such rights more difficult.

Risks in connection with the subscription of the Bonds, the listing of the Bonds on the regulated market and secondary market trading

No prior market for the Bonds and liquidity risk.

There is currently no secondary market for the Bonds. Application has been made to list the Bonds on the Official List of the Luxembourg Stock Exchange and admit the Bonds to trading on the Regulated Market of the Luxembourg Stock Exchange. However, there can be no assurance that a liquid secondary market for the Bonds will develop or, if it develops, that it will continue. In an illiquid market, an investor might not be able to sell his Bonds at any time at fair market prices. The possibility to sell the Bonds might additionally be restricted by country specific reasons.

A Bondholder's actual yield on the Bonds may be reduced from the stated yield by transaction costs.

When Bonds are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Bonds. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro rata commissions depending on the order value. To the extent that additional parties – domestic or foreign – are involved in the execution of an order, including, but not limited to, domestic dealers or brokers in foreign markets, Bondholders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (i.e., third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), Bondholders must also take into account any other costs (such as custody fees). Investors should inform themselves about any additional costs which they may incur in connection with the purchase, custody or sale of the Bonds before investing in the Bonds.

Credit ratings may not reflect all risks.

The Bonds are expected to be assigned a credit rating by Moody's and S&P. Credit ratings may, however, not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, reduction or withdrawal at any time by the relevant credit rating agency.

Furthermore, if the credit ratings assigned to the Issuer were to be reduced or withdrawn for any reason, this may in turn lead to one or more of the credit ratings assigned to the Bonds being reduced or withdrawn, which could have a negative effect on the market value of the Bonds.

Potential conflicts of interest.

Potential conflicts of interest may arise between the Managers, the Paying Agent, the Calculation Agent and/or the Make-whole Calculation Agent and the Bondholders, including with respect to certain discretionary determinations and judgements that such Calculation Agent and Make-whole Calculation Agent may make pursuant to the Terms and Conditions of the Bonds that may influence the amount receivable under the Bonds. Potential investors should be aware that the Managers, the Paying Agent, the Calculation Agent and/or the Make-whole Calculation Agent and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business.

Risks in connection with the status of the investor

Taxation.

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. In addition, payments of interest on the Bonds, or profits realised by the Bondholder upon the sale or repayment of the Bonds, may be subject to taxation in the home jurisdiction of the potential investor or in other jurisdictions in which it is required to pay taxes. Any such taxes may adversely affect the return of a Bondholder on its investment in the Bonds.

Currency risk.

The Issuer will pay principal and interest on the Bonds in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than euro. Exchange rates may significantly change (including changes due to

devaluation of the euro or revaluation of the Investor's Currency) and authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets which are influenced by macro-economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Bonds.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with:

- (1) the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2017 (consolidated in accordance with IFRS) and the audit report from the auditor of the Issuer (available on https://www.solvay.com/sites/g/files/srpend221/files/2018-10/2017%20Annual%20Integrated%20Report_0_0.pdf);
- (2) the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2018 (consolidated in accordance with IFRS) and the audit report from the auditor of the Issuer (available on <https://www.solvay.com/sites/g/files/srpend221/files/2019-04/Solvay%202018%20Annual%20Integrated%20Report%20print.pdf>);
- (3) the first half 2019 financial report of the Issuer containing (i) the unaudited condensed consolidated interim financial statements of the Issuer for the first six months of 2019 and (ii) the limited review report from the auditor of the Issuer (available on https://www.solvay.com/sites/g/files/srpend221/files/2019-07/2019Q2_FinancialReport_EN_final.pdf); and
- (4) the press release published by the Issuer on 14 August 2019 entitled “*Solvay takes key step in divestment of Polyamides*” (available on <https://www.solvay.com/en/press-release/solvay-takes-key-step-in-polyamides-divestment>).

Any statement contained in a document or part of a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, be part of this Prospectus.

This Prospectus and the documents incorporated by reference in this Prospectus are available for viewing on the website of the Issuer (www.solvay.com) and the website of the Luxembourg Stock Exchange (www.bourse.lu).

The tables below set out the relevant page references for (i) the audited consolidated annual financial statements of the Issuer for the financial years ended 31 December 2017 and 31 December 2018 and (ii) the unaudited condensed consolidated interim financial statements of the Issuer for the first six months of 2019.

2017 annual report of the Issuer

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| Consolidated income statement | p. 195 |
| Consolidated statement of comprehensive income | p. 196 |
| Consolidated statement of cash flows | p. 197 |
| Consolidated statement of financial position | p. 198 |
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2018 annual report of the Issuer

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|--|------------|
| Consolidated income statement | p. 226 |
| Consolidated statement of comprehensive income | p. 227 |
| Consolidated statement of cash flows | p. 228 |
| Consolidated statement of financial position | p. 229 |
| Consolidated statement of changes in equity | p. 230-231 |
| Notes | p. 232-328 |
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First half 2019 financial report of the Issuer

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| Condensed consolidated income statement | p. 18 |
| Condensed consolidated statement of comprehensive income | p. 18 |
| Condensed consolidated statement of cash flows | p. 19 |
| Condensed consolidated statement of financial position | p. 20 |
| Condensed consolidated statement of changes in equity | p. 21 |
| Notes | p. 21-26 |
| Auditor's limited review report | p. 27 |

The information incorporated by reference that is not included in the above cross-reference lists is considered to be additional information and is not required by the relevant schedules of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004.

The press release mentioned in paragraph (4) above is incorporated by reference in the Prospectus in its entirety.

OVERVIEW

This overview must be read as an introduction to the Prospectus prepared by the Issuer in connection with the issue of the Euro 600,000,000 0.500 per cent. fixed rate bonds due 6 September 2029 (the “Bonds”). Any decision to invest in the Bonds should be based on a consideration of the Prospectus as a whole, including the documents incorporated by reference therein.

Words and expressions defined in the Prospectus, including the documents incorporated by reference in the Prospectus, shall have the same meanings in this overview.

Essential characteristics of the Bonds

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| Issuer: | Solvay SA |
| Description: | Euro 600,000,000 0.500 per cent. fixed rate bonds due 6 September 2029 of Solvay SA (the “Bonds”). |
| Joint Global Coordinators: | BNP Paribas and HSBC Bank plc. |
| Joint Bookrunners: | BNP Paribas, Crédit Agricole Corporate and Investment Bank, HSBC Bank plc, Merrill Lynch International and MUFG Securities (Europe) N.V. |
| Amount: | Euro 600,000,000 |
| Issue Price: | 99.650 per cent. |
| Paying Agent and Calculation Agent: | BNP Paribas Securities Services, Brussels branch. |
| Method of issue: | The Bonds will be issued on a syndicated basis. |
| Issue Date: | 6 September 2019 |
| Maturity Date: | 6 September 2029 |
| Currency: | Euro |
| Denomination: | The Bonds will be in the denomination of Euro 100,000 each and may only be settled in principal amounts equal to such denomination or integral multiples in excess thereof. |
| Status of the Bonds: | Bonds will be issued on an unsubordinated and (subject to Condition 4 (<i>Negative pledge</i>)) unsecured basis and will rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other present and future unsecured obligations of the Issuer save for such obligations as may be preferred by provisions of law that are both mandatory and of general application. |
| Use of proceeds: | The net proceeds of the issue of Bonds are intended to be used by the Issuer for general corporate purposes of the Group, including the early repayment of the outstanding USD 800 million 3.4% notes due 2020 issued by Solvay Finance (America), LLC. |
| Negative pledge: | The Bonds will have the benefit of a negative pledge as described in Condition 4 (<i>Negative pledge</i>). |

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| Cross acceleration: | The Bonds will have the benefit of a cross acceleration as described in Condition 9 (<i>Events of Default</i>). |
| Redemption at maturity: | The Bonds will be redeemed at 100 per cent. of their principal amount on the Maturity Date. |
| Early redemption: | <p>The Issuer will have the right to redeem the Bonds (in whole but not in part) at their principal amount for certain tax reasons.</p> <p>The Issuer will also have the right to redeem the Bonds (in whole but not in part) at a make-whole redemption amount calculated by the Make-whole Calculation Agent at any time prior to their Maturity Date or at their principal amount at any time as from and including three months to but excluding the Maturity Date, as further described in Condition 6(c) (<i>Optional Make-whole Redemption</i>) and Condition 6(d) (<i>Residual Maturity Call Option</i>) respectively.</p> |
| Taxation: | All payments in respect of the Bonds will be made free and clear of withholding taxes of Belgium, unless the withholding is required by law or regulations. In that event, the Issuer will pay (subject as provided in Condition 8 (<i>Taxation</i>)) such additional amounts as will result in the Bondholders receiving such amounts as they would have received in respect of such Bonds had no such withholding been required. |
| Interest: | The Bonds will bear interest at the fixed rate of 0.500 per cent. <i>per annum</i> from (and including) 6 September 2019 (the “ Issue Date ”) to (but excluding) the Maturity Date. |
| Representation of Bondholders: | The Terms and Conditions of the Bonds contain provisions for calling meetings of Bondholders to consider matters relating to the Bonds. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority. |
| Selling restrictions: | <p>The Bonds have not been and will not be registered under the Securities Act and are being offered and sold only outside the United States in accordance with Regulation S thereunder. Selling restrictions apply in various jurisdictions.</p> <p>The Bonds may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994, holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the Securities Settlement System operated by the National Bank of Belgium.</p> <p>The Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any consumer (<i>consument/consommateur</i>) within the meaning of the Belgian Code of Economic Law (<i>Wetboek van economisch recht/Code de droit économique</i>).</p> |

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| Form of Bonds: | The Bonds will be issued in the form of dematerialised Bonds in accordance with the Belgian Companies Code. They will be represented by book entries in the records of the securities settlement system operated by the National Bank of Belgium (the “ NBB ”) or any successor thereto (the “ Securities Settlement System ”). The Bonds may not be exchanged for bonds in bearer or registered form, subject to applicable law. |
| Settlement: | The Bonds have been accepted for settlement through the Securities Settlement System. |
| Listing/admission to trading: | Application has been made to the Luxembourg Stock Exchange for the Bonds to be listed on the Official List and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange. |
| Governing law: | The Conditions of the Bonds and all non-contractual obligations arising out of or in connection with the Bonds are governed by, and shall be construed in accordance with, Belgian law. |
| Rating: | <p>The Bonds are expected to be assigned a rating of Baa2 by Moody’s and a rating of BBB by S&P.</p> <p>As defined by Moody’s, a ‘Baa’ rating means that the obligations are subject to moderate credit risk. These are considered medium-grade and, as such, may possess speculative characteristics. The modifier ‘2’ indicates a mid-range ranking.</p> <p>As defined by S&P, an obligation rated ‘BBB’ exhibits adequate protection parameters, but means that adverse economic conditions or changing circumstances are more likely to weaken the obligor’s capacity to meet its financial commitments on the obligation.</p> <p>The brief explanations on the ratings expected to be assigned by Moody’s and S&P have been extracted from www.moody.com and www.standardandpoors.com. The Issuer does not take responsibility for these explanations.</p> <p>A rating is not a recommendation to buy, sell or hold Bonds and may be subject to revision, suspension, reduction or withdrawal at any time by the relevant rating agency.</p> |

TERMS AND CONDITIONS OF THE BONDS

The creation and issue of Euro 600,000,000 0.500 per cent. fixed rate bonds due 6 September 2029 (the “**Bonds**”) of Solvay SA (the “**Issuer**”) has been authorised pursuant to a resolution of the Board of Directors of the Issuer dated 6 May 2019 and a resolution of the Executive Committee of the Issuer dated 23 July 2019. The Bonds will be issued pursuant to (i) an agency agreement dated on or about the date of this Prospectus (the “**Agency Agreement**”) between the Issuer and BNP Paribas Securities Services, Brussels branch as paying agent (the “**Paying Agent**”, which expression includes any successor paying agent appointed from time to time in connection with such Bonds) and as calculation agent (the “**Calculation Agent**”, which expression shall, where the context so admits, include any successor for the time being as Calculation Agent) and (ii) a service contract for the issuance of fixed income securities dated on or about the date of this Prospectus (the “**Clearing Services Agreement**”) between the National Bank of Belgium, the Issuer and BNP Paribas Securities Services, Brussels branch as Paying Agent. Certain provisions of these Conditions are summaries of the Agency Agreement and subject to its detailed provisions. The holders of the Bonds (the “**Bondholders**”) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them. A copy of the Agency Agreement is available for inspection at the specified office of the Paying Agent and will be delivered upon request to the holder. References below to “**Conditions**” are, unless the context otherwise requires, to the numbered paragraphs below.

1 DEFINITIONS

For the purposes of these Conditions:

“**Actual/Actual-ICMA**” means the number of days in the Calculation Period divided by the number of days in the relevant Interest Period.

“**Belgian Companies Code**” means the Belgian companies code (*Code des sociétés/Wetboek van vennootschappen*), as amended or superseded.

“**Business Day**” means (i) a day other than a Saturday or Sunday on which the Securities Settlement System is operating and (ii) a day on which banks and forex markets are open for general business in Belgium and (iii) (if a payment in euro is to be made on that day), a day on which the TARGET2 System is operating.

“**Calculation Period**” means any period of time (from and including the first day of such period to but excluding the last) in respect of the calculation of an amount of interest on any Bond.

“**Clearstream**” means Clearstream Banking AG.

“**Euroclear**” means Euroclear SA/NV.

“**Extraordinary Resolution**” has the meaning ascribed to this term in Condition 10 (*Representation of the Bondholders*).

“**First Interest Payment Date**” has the meaning ascribed to this term in Condition 5 (*Interest*).

“**Guarantee**” means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

- (i) any obligation to purchase such Indebtedness;
- (ii) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;
- (iii) any indemnity against the consequences of a default in the payment of such Indebtedness; and
- (iv) any other agreement to be responsible for such Indebtedness.

“**Indebtedness**” means any financial indebtedness of any Person for money borrowed or raised.

“**Interest Payment Date**” has the meaning ascribed to this term in Condition 5 (*Interest*).

“**Interest Period**” means the period beginning on (and including) the Issue Date and ending on (but excluding) the First Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date until (but excluding) the Maturity Date.

“**Issue Date**” has the meaning ascribed to this term in Condition 5 (*Interest*).

“**Make-whole Calculation Agent**” means a reputable investment, merchant or commercial bank appointed by the Issuer for the purposes of calculating the relevant make-whole redemption amount in accordance with Condition 6(c) (*Optional Make-whole Redemption*).

“**Material Subsidiary**” means any Subsidiary of the Issuer whose REBITDA, net sales or net assets represent at least 5 per cent. of the consolidated REBITDA, of the consolidated net sales or of the consolidated net assets, as applicable, of the Issuer and its consolidated Subsidiaries, as calculated by reference to the then latest audited accounts or consolidated accounts, as the case may be, of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated Subsidiaries.

“**Maturity Date**” has the meaning ascribed to this term in Condition 6 (*Redemption and Purchase*).

“**NBB**” means the National Bank of Belgium.

“**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

“**Rate of Interest**” has the meaning ascribed to this term in Condition 5 (*Interest*).

“**REBITDA**” means REBITDA as defined in the latest financial statements made publicly available by the Issuer, or, if not defined therein, the recurring earnings before interest, taxes, depreciation and amortisation.

“**Regulated Market of the Luxembourg Stock Exchange**” means the regulated market of the Bourse de Luxembourg which is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU, as amended from time to time.

“**Relevant Indebtedness**” means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market).

“**Securities Settlement System**” means the securities settlement system operated by the NBB or any successor thereto.

“**Security Interest**” means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction.

“**Subsidiary**” means, in relation to any person (the “**first Person**”) at any particular time, any other Person (the “**second Person**”) (i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise or (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person.

“**TARGET2 System**” means the Trans European Automated Real Time Gross Settlement Express Transfer System or any successor thereto.

2 FORM, DENOMINATION AND TITLE

The Bonds are in dematerialised form in accordance with the Belgian Companies Code. The Bonds will be issued in denominations of Euro 100,000 and may only be settled through the Securities Settlement System in principal amounts equal to such denomination or integral multiples thereof. The Bonds will be represented by a book entry in the records of the Securities Settlement System. The Bonds can be held by their holders through the participants in the Securities Settlement System, including Euroclear, Clearstream, SIX SIS, INTERBOLSA and Monte Titoli and through other financial intermediaries which in turn hold the Bonds through Euroclear, Clearstream, SIX SIS, INTERBOLSA and Monte Titoli or other participants in the Securities Settlement System. Possession of the Bonds will pass by account transfer.

The Bonds are accepted for settlement through the Securities Settlement System, and are accordingly subject to the applicable clearing regulations of the NBB. The Bonds will be settled through the X/N accounts system organised within the Securities Settlement System in accordance with the law of 6 August 1993 on transactions in certain securities (*loi relative aux opérations sur certaines valeurs mobilières/wet betreffende de transacties met bepaalde effecten*) and the corresponding royal decrees of 26 May 1994 and 14 June 1994. The Bonds may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994, holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the Securities Settlement System.

Bondholders are entitled to claim directly against the Issuer any payment which the Issuer has failed so to make, and to exercise their voting rights and other associative rights (as defined for the purposes of the Belgian Companies Code) against the Issuer upon submission of an affidavit drawn up by the Securities Settlement System, Euroclear or another participant duly licensed in Belgium to keep dematerialized securities accounts showing their position in the Bonds (or the position held by the financial institution through which their Bonds are held with the NBB, Euroclear or such other participant, in which case an affidavit drawn up by that financial institution will also be required).

The Bonds may not be exchanged for bonds in bearer or registered form, subject to applicable law.

3 STATUS OF THE BONDS

The Bonds constitute unsubordinated, unsecured (subject to Condition 4 (*Negative pledge*)), direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

4 NEGATIVE PLEDGE

So long as any Bond remains outstanding, the Issuer shall not, and the Issuer shall procure that none of its Material Subsidiaries will, create or permit to subsist any Security Interest (other than a Security Interest created on any asset acquired by the Issuer or any Material Subsidiary for the sole purpose of financing or refinancing that acquisition, or existing on such asset at the time of its acquisition, provided that the value of such Security Interest does not exceed the value of the corresponding asset) upon the whole or any part of its present or future assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or Guarantee of Relevant Indebtedness without (a) at the same time or prior thereto securing the Bonds equally and rateably therewith or (b) providing such other security for the Bonds as may be approved by an Extraordinary Resolution of Bondholders.

5 INTEREST

Each Bond bears interest on its principal amount at a fixed rate of 0.500 per cent. *per annum* (the “**Rate of Interest**”) from (and including) the Issue Date to (but excluding) the Maturity Date, payable annually in arrear

on 6 September in each year (each an “**Interest Payment Date**”) commencing on 6 September 2020 (the “**First Interest Payment Date**”).

The amount of interest payable on the Bonds on each Interest Payment Date will be an amount equal to the product of the principal amount of the Bonds multiplied by the Rate of Interest. Interest will be calculated on an Actual/Actual-ICMA annual basis, including if interest is required to be calculated for a period of less than one year.

Bonds will cease to bear interest from the Maturity Date or the date fixed for early redemption, unless the Issuer defaults in making due provision for their redemption on said date. In such event, interest will continue to accrue on the principal amount of such Bonds at the Rate of Interest (as well after as before judgment) until the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder.

6 REDEMPTION AND PURCHASE

The Bonds may not be redeemed otherwise than in accordance with this Condition 6.

(a) *Final Redemption*

Unless previously redeemed or purchased and cancelled as provided below, the Bonds will be redeemed by the Issuer at their principal amount on 6 September 2029 (the “**Maturity Date**”).

(b) *Redemption for taxation reasons*

If, by reason of a change in the laws or regulations of the Kingdom of Belgium, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a judgment by a court of competent jurisdiction), becoming effective on or after 6 September 2019, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Bonds, not be able to make such payment without having to pay additional amounts as specified under Condition 8 (*Taxation*), the Issuer may, at any time subject to having given not more than 45 nor less than 30 days’ prior notice to the Bondholders (which notice shall be irrevocable), in accordance with Condition 11 (*Notices*), redeem all, but not some only, of the Bonds outstanding at their principal amount plus accrued interest to the date of redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for Belgian taxes or, if such date has passed, as soon as practicable thereafter.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver or procure that there is delivered to the Paying Agent (1) a certificate signed by an authorised signatory of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

(c) *Optional Make-whole Redemption*

The Issuer may, subject to compliance with all relevant laws, regulations and directives and to having given not more than sixty (60) nor less than thirty (30) calendar day notice to the Bondholders (which notice shall be irrevocable and shall specify the date fixed for redemption (the “**Make-whole Redemption Date**”)) in accordance with Condition 11 (*Notices*), redeem all (but not some only) of the

Bonds at any time prior to their Maturity Date at an amount per Bond calculated by the Make-whole Calculation Agent and equal to the greater of:

- a. 100 per cent. of the principal amount of the Bonds; or
- b. the sum of the then current values of the remaining scheduled payments of principal and interest (not including any interest accrued on the Bonds to, but excluding, the Make-whole Redemption Date) discounted to the Make-whole Redemption Date on an annual basis (based on the actual number of calendar days elapsed divided by 365 or (in the case of a leap year) by 366) at the Reference Rate (as defined below) plus 0.200 per cent.,

plus, in each case, any interest accrued on the Bonds to, but excluding, the Make-whole Redemption Date.

The Reference Rate will be published by the Issuer in accordance with Condition 11 (*Notices*).

The “**Reference Rate**” is the average of the four quotations given by the Reference Dealers of the midmarket annual yield of the Reference Bund on the fourth Business Day preceding the Make-whole Redemption Date at 11.00 a.m. (Central European Time (“CET”)). If the Reference Bund is no longer outstanding, a Similar Security will be chosen by the Make-whole Calculation Agent at 11.00 a.m. (CET) on the third Business Day preceding the Make-whole Redemption Date, quoted in writing by the Make-whole Calculation Agent.

Where:

“**Reference Bund**” means the 0 per cent. Federal Government Bund of Bundesrepublik Deutschland due 15 August 2029;

“**Reference Dealers**” means each of the four banks selected by the Make-whole Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues; and

“**Similar Security**” means a reference bond or reference bonds issued by the German Federal Government having an actual or interpolated maturity comparable with the remaining term of the Bonds that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Bonds.

(d) *Residual Maturity Call Option*

The Issuer may, on giving not less than fifteen (15) nor more than thirty (30) calendar days’ irrevocable notice in accordance with Condition 11 (*Notices*) to the Bondholders redeem, at any time as from and including 3 months to but excluding the Maturity Date, the Bonds, in whole (but not in part), at their principal amount together with interest accrued to, but excluding, the date fixed for redemption.

The Bonds shall be redeemed on the date specified in such notice in accordance with this Condition.

(e) *Purchases and cancellation*

The Issuer or any of the Issuer’s subsidiaries, may at any time purchase Bonds in the open market or otherwise and at any price. Such acquired Bonds may be cancelled, held or resold, subject as provided below.

All Bonds which are purchased or redeemed by the Issuer will cease to be considered to be outstanding and shall be cancelled and accordingly may not be reissued or sold save that any Bonds so purchased by the Issuer may be held and resold in accordance with applicable laws and regulations.

7 PAYMENTS AND CALCULATIONS

- (a) *Payments in Euro*: All payments in euros of principal or interest owing under the Bonds shall be made through the Paying Agent and the Securities Settlement System in accordance with the rules of the Securities Settlement System, and any payment so made will constitute good discharge for the Issuer.
- (b) *Payments subject to fiscal laws*: All payments in respect of the Bonds are subject in all cases to any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 8 (*Taxation*). No commissions or expenses shall be charged by the Paying Agent to the Bondholders in respect of such payments.
- (c) *Payments on business days*: If the due date for payment of any amount in respect of any Bond as determined in accordance with Condition 6 (*Redemption and Purchase*) is not a Business Day, the holder shall not be entitled to payment of the amount due until the next succeeding Business Day and shall not be entitled to any further interest or other payment in respect of any such delay.
- (d) *Paying Agent and Calculation Agent*: The name and specified office of the initial Paying Agent and the Calculation Agent are as follows:

PAYING AGENT AND CALCULATION AGENT

BNP Paribas Securities Services, Brussels branch

Rue de Loosum 25

1000 Brussels

Belgium

The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent or of the Calculation Agent and/or appoint a substitute paying agent or a substitute calculation agent, provided that there will at all times be a Paying Agent that is a participant of the Securities Settlement System.

If the Calculation Agent is unable or unwilling to continue to act as such or if the Calculation Agent fails to make any calculations in relation to the Bonds, the Issuer shall appoint some other leading European bank engaged in the Euro inter-bank market to act in its place, subject to having given notice to the Bondholders in accordance with Condition 11 (*Notices*) not more than 45 nor less than 30 days prior to such appointment.

The Calculation Agent may not resign its duties without a successor having been so appointed.

Any notice of a change in Paying Agent or in Calculation Agent or their respective specified office shall be given to Bondholders as specified in Condition 11 (*Notices*).

- (e) *Certificates to be final*: All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purpose of the provisions of these Conditions by the Calculation Agent shall (in the absence of wilful default or manifest error) be binding on the Issuer, the Calculation Agent, the Paying Agent and all the Bondholders. All calculations and determinations carried out by the Calculation Agent pursuant to these Conditions must be made in good faith. No Bondholder shall (in the absence as aforesaid) be entitled to proceed against the Calculation Agent in connection with the exercise or non-exercise by them of their powers, duties and discretions.

- (f) *Rounding*: For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.) and (b) all Euro amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up).

8 TAXATION

- (a) *Withholding*: All payments in respect of the Bonds by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Belgium or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law.
- (b) *Additional amounts*: If Belgian law should require that payments of principal or interest in respect of any Bond by or on behalf of the Issuer be subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the Kingdom of Belgium or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that each Bondholder, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such deduction or withholding; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Bond:
- (i) to a Bondholder who is subject to such taxes, duties, assessments or other governmental charges in respect of such Bond by reason of his having some present or former connection with the Kingdom of Belgium other than the mere holding of such Bond; or
 - (ii) held by any Bondholder who, at the time of its acquisition of such Bond, was not an eligible investor within the meaning of Article 4 of the Belgian Royal Decree of 26 May 1994 on the collection and refund of withholding tax (as amended or replaced as of such time) or who was an eligible investor at the time of its acquisition of such Bond but, for reasons within the Bondholder's control, ceased to be an eligible investor or, at any relevant time on or after its acquisition of such Bond, otherwise failed to meet any other condition for the exemption of Belgian withholding tax pursuant to the Belgian law of 6 August 1993 relating to transactions in certain securities and its implementation decrees as amended or replaced from time to time; or
 - (iii) held on a securities account with a financial institution by or on behalf of a Bondholder who would have been able to avoid such withholding or deduction by holding the relevant Bond on a securities account with another financial institution in a Member State of the EU.

References in these Conditions to principal and interest shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 8.

- (c) *FATCA*: Notwithstanding any other provision of these Conditions, any amounts to be paid on the Bonds by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any

such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

9 EVENTS OF DEFAULT

If any of the following events occurs:

- (a) *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Bonds within 2 days of the due date for payment thereof or fails to pay any amount of interest in respect of the Bonds within seven days of the due date for payment thereof; or
- (b) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Bonds and such default remains unremedied for 30 days after written notice thereof, addressed to the Issuer by any Bondholder, has been delivered to the Issuer or to the specified office of the Paying Agent; or
- (c) *Cross-acceleration of Issuer or Material Subsidiary*:
 - (i) any Indebtedness of the Issuer or any of its Material Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;
 - (ii) any such Indebtedness becomes due and payable prior to its stated maturity otherwise than at the option of the Issuer or (as the case may be) the relevant Material Subsidiary or (provided that no event of default, howsoever described, has occurred) any Person entitled to such Indebtedness; or
 - (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any Guarantee of any Indebtedness;

provided that the amount of Indebtedness referred to in sub-paragraph (i) and/or subparagraph (ii) above and/or the amount payable under any Guarantee referred to in subparagraph (iii) above individually or in the aggregate exceeds Euro 50,000,000 (or its equivalent in any other currency or currencies); or

- (d) *Insolvency etc*: (i) the Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or any of its Material Subsidiaries or the whole or any part of the undertaking, assets and revenues of the Issuer or any of its Material Subsidiaries is appointed (or application for any such appointment is made), provided that in case of involuntary bankruptcy or reorganization filing, the event of default shall exist if such filing is not dismissed within 60 days (iii) the Issuer or any of its Material Subsidiaries takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any Guarantee of any Indebtedness given by it or (iv) the Issuer ceases or threatens to cease to carry on all or any substantial part of its business; or
- (e) *Winding up etc*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Material Subsidiaries; or
- (f) *Analogous event*: any event occurs which under the laws of the jurisdiction of incorporation of the Issuer or Belgium has an analogous effect to any of the events referred to in paragraphs (d) and (e) above; or
- (g) *Failure to take action etc*: any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Bonds, (ii) to ensure that those obligations are legal, valid,

binding and enforceable and (iii) to make the Bonds admissible in evidence in the courts of Belgium is not taken, fulfilled or done; or

- (h) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds;

then any Bondholder may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the specified office of the Paying Agent, declare its Bonds immediately due and payable, whereupon such Bonds shall become immediately due and payable at their principal amount plus any accrued interest thereon, without further action or formality.

10 REPRESENTATION OF THE BONDHOLDERS

- (a) *Meetings of Bondholders*:

- (i) Subject to paragraph (ii), all meetings of Bondholders will be held in accordance with the provisions on meetings of Bondholders set out in Schedule 1 (*Provisions on meetings of Bondholders*) to these Conditions (the “**Meeting Provisions**”). Meetings of Bondholders may be convened to consider matters in relation to the Bonds, including the modification or waiver of the Bonds or any of the Conditions applicable to the Bonds. For the avoidance of doubt, any modification or waiver of the Bonds or the Conditions applicable to the Bonds shall always be subject to the consent of the Issuer.

A meeting of Bondholders may be convened by the Issuer and shall be convened by the Issuer upon the request in writing of Bondholders holding not less than one tenth of the aggregate nominal amount of the outstanding Bonds.

Any modification or waiver of the Bonds or the Conditions of the Bonds proposed by the Issuer may be made if sanctioned by an Extraordinary Resolution. An “**Extraordinary Resolution**” means a resolution passed at a meeting of Bondholders duly convened and held in accordance with these Conditions and the Meeting Provisions by a majority of at least 75 per cent. of the votes cast, provided, however, that any such proposal (i) to amend the dates of maturity or redemption of the Bonds or date for payment of interest or interest amounts, (ii) to assent to an extension of an interest period, a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest, (iii) to assent to a reduction of the nominal amount of the Bonds or a modification of the conditions under which any redemption, substitution or variation may be made, (iv) to alter the method of calculating the amount of any payment in respect of the Bonds or the date for any such payment in circumstances not provided for in the Conditions, (v) to change the currency of payment of the Bonds, (vi) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, or (vii) to amend this proviso, may only be sanctioned by an Extraordinary Resolution passed at a meeting of Bondholders at which one or more persons holding or representing not less than 75 per cent. or, at an adjourned meeting, 25 per cent. of the aggregate principal amount of the outstanding Bonds form a quorum.

Resolutions duly passed by a meeting of Bondholders in accordance with these provisions shall be binding on all Bondholders, whether or not they are present at the meeting and whether or not they vote in favour of such a resolution.

The Meeting Provisions furthermore provide that, for so long as the Bonds are in dematerialised form and settled through the Securities Settlement System, in respect of any matters proposed by the Issuer, the Issuer shall be entitled, where the terms of the resolution proposed by the Issuer

have been notified to the Bondholders through the relevant clearing systems as provided in the Meeting Provisions, to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) by or on behalf of the holders of not less than 75 per cent. in principal amount of the Bonds outstanding. To the extent such electronic consent is not being sought, the Meeting Provisions provide that, if authorised by the Issuer and to the extent permitted by Belgian law, a resolution in writing signed by or on behalf of holders of Bonds of not less than 75 per cent. of the aggregate nominal amount of the outstanding Bonds shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of holders of Bonds duly convened and held, provided that the terms of the proposed resolution shall have been notified in advance to those Bondholders through the relevant settlement system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more holders of Bonds.

- (ii) For so long as the relevant provisions relating to meetings of bondholders of the Belgian Companies Code of 7 May 1999 (the “**Existing Code**”) cannot be derogated from, where any provision of the Meeting Provisions would conflict with the relevant provisions of the Existing Code, the mandatory provisions of the Existing Code will apply.

(b) *Modification:*

The Bonds and these Conditions may be amended without the consent of the Bondholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Bondholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Bondholders.

11 NOTICES

Any notice to the Bondholders will be valid if delivered to the Securities Settlement System for transmission to the Securities Settlement System participants and, so long as the Bonds are listed on the Regulated Market of the Luxembourg Stock Exchange and the rules of that stock exchange so require, if published in a leading daily newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort* or the *Tageblatt*) or on the website of the Luxembourg Stock Exchange, www.bourse.lu. If any such publication is not practicable, notice shall be validly given if published in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of such delivery or publication or, if published more than once or on different dates, on the first date on which such publication is made or, if published through the Securities Settlement System, on the date which is seven days after delivery of the notice to the Securities Settlement System.

12 PRESCRIPTION

Claims against the Issuer for the payment of principal and interest in respect of the Bonds shall become time-barred 10 years (in the case of principal) and 5 years (in the case of interest) from the due date for payment thereof.

13 FURTHER ISSUES

The Issuer may from time to time, without the consent of the Bondholders, create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Bonds.

14 GOVERNING LAW AND JURISDICTION

- (a) *Governing law:* The Bonds and any non-contractual obligations arising out of or in connection with the Bonds are governed by, and shall be construed in accordance with, Belgian law.
- (b) *Jurisdiction:* The Issuer agrees for the benefit of the Bondholders that any dispute in connection with the Bonds or any non-contractual obligations in connection with the Bonds shall be subject to the exclusive jurisdiction of the courts of Brussels.

Schedule 1 – Provisions of meetings of Bondholders

Interpretation

1 In this Schedule:

- 1.1 references to a “**meeting**” are to a meeting of Bondholders of a single series of Bonds and include, unless the context otherwise requires, any adjournment;
- 1.2 references to “**Bonds**” and “**Bondholders**” are only to the Bonds of the series and in respect of which a meeting has been, or is to be, called and to the holders of those Bonds, respectively;
- 1.3 “**agent**” means a holder of a Voting Certificate or a proxy for, or representative of, a Bondholder;
- 1.4 “**Block Voting Instruction**” means a document issued by a Recognised Accountholder or the Securities Settlement System in accordance with paragraph 8;
- 1.5 “**Electronic Consent**” has the meaning set out in paragraph 30.1;
- 1.6 “**Extraordinary Resolution**” means a resolution passed (a) at a meeting of Bondholders duly convened and held in accordance with this Schedule 1 (*Provisions on meetings of Bondholders*) by a majority of at least 75 per cent. of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;
- 1.7 “**Ordinary Resolution**” means a resolution with regard to any of the matters listed in paragraph 4 and passed or proposed to be passed by a majority of at least 50 per cent. of the votes cast;
- 1.8 “**Recognised Accountholder**” means an entity recognised as account holder in accordance with the Belgian Companies Code with whom a Bondholder holds Bonds on a securities account;
- 1.9 “**Securities Settlement System**” means the securities settlement system operated by the NBB or any successor thereto;
- 1.10 “**Voting Certificate**” means a certificate issued by a Recognised Accountholder or the Securities Settlement System in accordance with paragraph 7;
- 1.11 “**Written Resolution**” means a resolution in writing signed by the holders of not less than 75 per cent. in principal amount of the Bonds outstanding; and
- 1.12 references to persons representing a proportion of the Bonds are to Bondholders, proxies or representatives of such Bondholders holding or representing in the aggregate at least that proportion in nominal amount of the Bonds of that series for the time being outstanding.

General

2 All meetings of Bondholders will be held in accordance with the provisions set out in this Schedule.

- 2.1 For so long as the relevant provisions relating to meetings of bondholders of the Belgian companies code of 7 May 1999 (the “**Existing Code**”), cannot be derogated from, where any provision of this Schedule would conflict with the relevant provisions of the Existing Code, the mandatory provisions of the Existing Code will apply.
- 2.2 Where any of the provisions of this Schedule would be illegal, invalid or unenforceable, that will not affect the legality, validity and enforceability of the other provisions of this Schedule.

Extraordinary Resolution

3 A meeting shall, subject to the Conditions and (except in the case of sub-paragraph 3.5) only with the consent of the Issuer and without prejudice to any powers conferred on other persons by this Schedule, have power by Extraordinary Resolution.

- 3.1 to sanction any proposal by the Issuer for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Bondholders against the Issuer (other than in accordance with the Conditions or pursuant to applicable law);
- 3.2 to assent to any modification of this Schedule or the Bonds proposed by the Issuer or the Paying Agent;
- 3.3 to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- 3.4 to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- 3.5 to appoint any persons (whether Bondholders or not) as a committee or committees to represent the Bondholders' interests and to confer on them any powers (or discretions which the Bondholders could themselves exercise by Extraordinary Resolution);
- 3.6 to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Bonds or to approve the exchange or substitution of the Bonds into shares, bonds or other obligations or securities of the Issuer or any other person, in each case in circumstances not provided for in the Conditions or in applicable law; and
- 3.7 to accept any security interests established in favour of the Bondholders or a modification to the nature or scope of any existing security interest or a modification to the release mechanics of any existing security interests,

provided that the special quorum provisions in paragraph 18 shall apply to any Extraordinary Resolution (a “**special quorum resolution**”) for the purpose of sub-paragraph 3.6 or for the purpose of making a modification to the Conditions, the Bonds or this Schedule which would have the effect (other than in accordance with the Conditions or pursuant to applicable law):

- (i) to amend the dates of maturity or redemption of the Bonds or date for payment of interest or interest amounts;
- (ii) to assent to an extension of an interest period, a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest;
- (iii) to assent to a reduction of the nominal amount of the Bonds or a modification of the conditions under which any redemption, substitution or variation may be made;
- (iv) to alter the method of calculating the amount of any payment in respect of the Bonds or the date for any such payment in circumstances not provided for in the Conditions;
- (v) to change the currency of payment of the Bonds;
- (vi) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution; or
- (vii) to amend this proviso.

Ordinary Resolution

4 Notwithstanding any of the foregoing and without prejudice to any powers otherwise conferred on other persons by this Schedule, a meeting of Bondholders shall have power by Ordinary Resolution:

- 4.1 to assent to any decision to take any conservatory measures in the general interest of the Bondholders;
- 4.2 to assent to the appointment of any representative to implement any Ordinary Resolution; or
- 4.3 to assent to any other decisions which do not require an Extraordinary Resolution to be passed.

Any modification or waiver of any of the Conditions shall always be subject to the consent of the Issuer.

Convening a meeting

- 5 The Issuer may at any time convene a meeting. A meeting shall be convened by the Issuer upon the request in writing of Bondholders holding at least 10 per cent. in principal amount of the Bonds for the time being outstanding. Every meeting shall be held at a time and place approved by the Paying Agent.
- 6 Convening notices for meetings of Bondholders shall be given to the Bondholders in accordance with Condition 11 (*Notices*) not less than fifteen days prior to the relevant meeting. The notice shall specify the day, time and place of the meeting and the nature of the resolutions to be proposed and shall explain how Bondholders may appoint proxies or representatives obtain Voting Certificates and use Block Voting Instructions and the details of the time limits applicable.

Arrangements for voting

- 7 A Voting Certificate shall:
 - 7.1 be issued by a Recognised Accountholder or the Securities Settlement System;
 - 7.2 state that on the date thereof (i) the Bonds (not being Bonds in respect of which a Block Voting Instruction has been issued which is outstanding in respect of the meeting specified in such Voting Certificate and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the Securities Settlement System) held to its order or under its control and blocked by it and (ii) that no such Bonds will cease to be so held and blocked until the first to occur of:
 - 7.2.1 the conclusion of the meeting specified in such certificate or, if applicable, any such adjourned meeting; and
 - 7.2.2 the surrender of the Voting Certificate to the Recognised Accountholder or the Securities Settlement System who issued the same; and
 - 7.3 further state that until the release of the Bonds represented thereby the bearer of such certificate is entitled to attend and vote at such meeting and any such adjourned meeting in respect of the Bonds represented by such certificate.
- 8 A Block Voting Instruction shall:
 - 8.1 be issued by a Recognised Accountholder or the Securities Settlement System;
 - 8.2 certify that the Bonds (not being Bonds in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the Securities Settlement System) held to its order or under its control and blocked by it and that no such Bonds will cease to be so held and blocked until the first to occur of:
 - 8.2.1 the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and

- 8.2.2 the giving of notice by the Recognised Accountholder or the Securities Settlement System to the Issuer, stating that certain of such Bonds cease to be held with it or under its control and blocked and setting out the necessary amendment to the Block Voting Instruction;
- 8.3 certify that each holder of such Bonds has instructed such Recognised Accountholder or the Securities Settlement System that the vote(s) attributable to the Bond(s) so held and blocked should be cast in a particular way in relation to the resolution or resolutions which will be put to such meeting or any such adjourned meeting and that all such instructions cannot be revoked or amended during the period commencing 48 hours prior to the time for which such meeting or any such adjourned meeting is convened and ending at the conclusion or adjournment thereof;
- 8.4 state the principal amount of the Bonds so held and blocked, distinguishing with regard to each resolution between (i) those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution, (ii) those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution and (iii) those in respect of which instructions have been so given to abstain from voting; and
- 8.5 naming one or more persons (each hereinafter called a “proxy”) as being authorised and instructed to cast the votes attributable to the Bonds so listed in accordance with the instructions referred to in 8.4 above as set out in such document.
- 9 If a holder of Bonds wishes the votes attributable to it to be included in a Block Voting Instruction for a meeting, he must block such Bonds for that purpose at least 48 hours before the time fixed for the meeting to the order of the Paying Agent with a bank or other depository nominated by the Paying Agent for the purpose. The Paying Agent or such bank or other depository shall then issue a Block Voting Instruction in respect of the votes attributable to all Bonds so blocked.
- 10 No votes shall be validly cast at a meeting unless in accordance with a Voting Certificate or Block Voting Instruction.
- 11 The proxy appointed for purposes of the Block Voting Instruction or Voting Certificate does not need to be a Bondholder.
- 12 Votes can only be validly cast in accordance with Voting Certificates and Block Voting Instructions in respect of Bonds held to the order or under the control and blocked by a Recognised Accountholder or the Securities Settlement System and which have been deposited at the registered office at the Issuer not less than 48 hours before the time for which the meeting to which the relevant voting instructions and Block Voting Instructions relate, has been convened or called. The Voting Certificate and Block Voting Instructions shall be valid for as long as the relevant Bonds continue to be so held and blocked. During the validity thereof, the holder of any such Voting Certificate or (as the case may be) the proxies named in any such Block Voting Instruction shall, for all purposes in connection with the relevant meeting, be deemed to be the holder of the Bonds to which such Voting Certificate or Block Voting Instruction relates.
- 13 In default of a deposit, the Block Voting Instruction or the Voting Certificate shall not be treated as valid, unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business.
- 14 A corporation which holds a Bond may, by delivering at least 48 hours before the time fixed for a meeting to a bank or other depository appointed by the Paying Agent for such purposes a certified copy of a resolution of its directors or other governing body or another certificate evidencing due authorisation (with, in each case, if it is not in English, a translation into English), authorise any person to act as its representative (a “**representative**”) in connection with that meeting.

Chairman

- 15 The chairman of a meeting shall be such person as the Issuer may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Bondholders or agents present shall choose one of their number to be chairman, failing which the Issuer may appoint a chairman. The chairman need not be a Bondholder or agent. The chairman of an adjourned meeting need not be the same person as the chairman of the original meeting.

Attendance

- 16 The following may attend and speak at a meeting of Bondholders:
- 16.1 Bondholders and their respective agents, financial and legal advisers;
 - 16.2 the chairman and the secretary of the meeting;
 - 16.3 the Issuer and the Paying Agent (through their respective representatives) and their respective financial and legal advisers; and
 - 16.4 any other person approved by the Meeting.

No one else may attend or speak.

Quorum and Adjournment

- 17 No business (except choosing a chairman) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Bondholders, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place as the chairman may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.
- 18 One or more Bondholders or agents present in person shall be a quorum:
- 18.1 in the cases marked “**No minimum proportion**” in the table below, whatever the proportion of the Bonds which they represent
 - 18.2 in any other case, only if they represent the proportion of the Bonds shown by the table below.

| Purpose of meeting | Any meeting except for a meeting previously adjourned through want of a quorum | Meeting previously adjourned through want of a quorum |
|--------------------------------------|---|--|
| | Required proportion | Required proportion |
| To pass a special quorum resolution | 75 per cent. | 25 per cent. |
| To pass any Extraordinary Resolution | A clear majority. | No minimum proportion |
| To pass an Ordinary Resolution | 10 per cent. | No minimum proportion |

- 19 The chairman may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 17.

- 20 At least ten days' notice of a meeting adjourned due to the quorum not being present shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. Subject as aforesaid, it shall not be necessary to give any other notice of an adjourned general meeting.

Voting

- 21 Each question submitted to a meeting shall be decided by a show of hands, unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman, the Issuer or one or more persons representing 2 per cent. of the Bonds.
- 22 Unless a poll is demanded, a declaration by the chairman that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.
- 23 If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.
- 24 A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once.
- 25 On a show of hands or a poll every person has one vote in respect of each nominal amount equal to the minimum Specified Denomination of the Bonds so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.
- 26 In case of equality of votes the chairman shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

Effect and Publication of an Extraordinary and an Ordinary Resolution

- 27 An Extraordinary Resolution and an Ordinary Resolution shall be binding on all the Bonds, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Ordinary Resolution or an Extraordinary Resolution to Bondholders within fourteen days but failure to do so shall not invalidate the resolution.

Minutes

- 28 Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.
- 29 The minutes must be published on the website of the Issuer within fifteen (15) days after they have been passed.

Written Resolutions and Electronic Consent

- 30 For so long as the Bonds are in dematerialised form and settled through the Securities Settlement System, then in respect of any matters proposed by the Issuer:
- 30.1 Where the terms of the resolution proposed by the Issuer have been notified to the Bondholders through the relevant clearing system(s) as provided in sub-paragraphs 30.1.1 and/or 30.1.2, the Issuer shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Paying Agent

or another specified agent in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Bonds outstanding (the “**Required Proportion**”) by close of business on the Relevant Date (“**Electronic Consent**”). Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. The Issuer shall not be liable or responsible to anyone for such reliance.

30.1.1 When a proposal for a resolution to be passed as an Electronic Consent has been made, at least fifteen days’ notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Bondholders through the relevant clearing system(s). The notice shall specify, in sufficient detail to enable Bondholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the “**Relevant Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).

30.1.2 If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall be deemed to be defeated. Such determination shall be notified in writing to the Paying Agent. Alternatively, the Issuer may give a further notice to Bondholders that the resolution will be proposed again on such date and for such period as determined by the Issuer. Such notice must inform Bondholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph 30.1.1 above. For the purpose of such further notice, references to “**Relevant Date**” shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer which is not then the subject of a meeting that has been validly convened in accordance with paragraph 6 above, unless that meeting is or shall be cancelled or dissolved.

30.2 To the extent Electronic Consent is not being sought in accordance with paragraph 30.1, a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution or an Ordinary Resolution passed at a meeting of Bondholders duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Bondholders through the relevant clearing system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders. For the purpose of determining whether a resolution in writing has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer (a) by accountholders in the clearing system(s) with entitlements to the Bonds or (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, the Securities Settlement System, Euroclear, Clearstream or any other relevant alternative clearing system (the “**relevant clearing system**”) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of Bonds is clearly identified

together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

- 31 A Written Resolution or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Bondholders whether or not they participated in such Written Resolution and/or Electronic Consent.

FORM OF THE BONDS AND SETTLEMENT

The Bonds will be issued in dematerialised form (*gedematerialiseerd/dématérialisé*) in accordance with the Belgian Companies Code and cannot be physically delivered. The Bonds will be represented exclusively by book-entries in the records of the Securities Settlement System operated by the NBB. There are no bearer certificates, whether in global or definitive form.

The Securities Settlement System maintains securities accounts in the name of authorised participants only. Bondholders therefore will normally not hold their Bonds directly at the NBB, but will hold them on a securities account with a financial institution which is a participant in the Securities Settlement System, or which holds them through another financial institution which is such a participant. The Belgian Companies Code contains provisions aimed at protecting the Bondholders in the event of the insolvency of a financial institution through which the Bonds are held in the system. The Bonds held in the name of such financial institution with the Securities Settlement System or another financial institution which is participant to the Securities Settlement System are then to be returned to the respective Bondholders, are not part of the insolvent financial institution's assets, and are not available to the creditors of that financial institution.

Access to the Securities Settlement System is available through its Securities Settlement System participants whose membership extends to securities such as the Bonds. Most credit institutions established in Belgium are participants in the Securities Settlement System. Euroclear, Clearstream, SIX SIS, INTERBOLSA and Monte Titoli are also authorised participants. Investors can thus hold their Bonds on securities accounts in Euroclear, Clearstream, SIX SIS, INTERBOLSA and Monte Titoli in the same way as they would for any other types of securities. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Securities Settlement System participants through which they hold their Bonds. For practical purposes, the fact that the Bonds are ultimately held by Euroclear, Clearstream, SIX SIS, INTERBOLSA and Monte Titoli in the Securities Settlement System is immaterial, and the Bonds can be held and cleared in Euroclear, Clearstream, SIX SIS, INTERBOLSA and Monte Titoli in accordance with the usual procedures. Certain types of Belgian investors (being those that are not eligible for holding "exempt-accounts" — see Section "*Taxation*" below), however, may not hold their Bonds through Euroclear, Clearstream, SIX SIS, INTERBOLSA or Monte Titoli (save if they do so through another intermediary financial institution which is also a participant in the Securities Settlement System and which will be responsible for the withholding of tax).

The Securities Settlement System offers a "delivery against payment" settlement service in respect of the Bonds. Similarly, payments of interest and principal owing under Bonds will be made through the NBB.

The Securities Settlement System, Euroclear, Clearstream, SIX SIS, INTERBOLSA, Monte Titoli and any other direct or indirect participants to the Securities Settlement System function under the responsibility of their respective operators. The Issuer and the Paying Agent shall have no responsibility in this respect.

USE OF PROCEEDS

The net proceeds of the issue of Bonds are intended to be used by the Issuer for general corporate purposes of the Group, including the early repayment of the outstanding USD 800 million 3.4% notes due 2020 issued by Solvay Finance (America), LLC.

DESCRIPTION OF THE ISSUER

General overview

Solvay SA (“**Solvay**”) is an advanced materials and specialty chemicals company, committed to developing chemistry that addresses key societal challenges. Solvay innovates and partners with customers worldwide in many diverse end markets. Its products are used in planes, cars, batteries, smart and medical devices, as well as in mineral and oil & gas extraction, enhancing efficiency and sustainability. Its light-weighting materials promote cleaner mobility, its formulations optimise the use of resources and its performance chemicals improve air and water quality. It carries out its business under the name of Solvay and operates a business model based on complementary activities with two specialty growth platforms – Advanced Materials and Advanced Formulations - backed up by a resilient cash contributor, Performance Chemicals, which enables it to generate capital to finance innovation.

Solvay SA is a publicly traded company. It is listed on Euronext Brussels under the symbol “SOLB” and forms part of the BEL20 index.

Headquartered in Brussels, Belgium, Solvay has approximately 125 industrial sites and 21 R&I sites and is present in 62 countries across Europe, North America, Latin America, and Asia and the rest of the world.

Strategy

Solvay aims to participate in the reshaping of the global chemical industry and the development of a model of chemistry that addresses society’s sustainability challenges while striving to become a high-growth, higher margin and less cyclical company.

2018 was decisive in simplifying and streamlining its organisation and processes to make Solvay more agile, more outward-looking, with a sharper focus on its customers’ needs across the Group, from the Board to the shop floor. Solvay builds on its ability to understand its customers and forge long-lasting relationships to co-create innovative solutions that meet their challenges.

Solvay also began an in-depth cultural transformation to support growth and unlock its potential. By introducing new working practices and encouraging three behaviours – I trust, I take smart risks, I focus on customer needs – Solvay aims to take customer-focus and collaboration ever further, empower its people and accelerate innovation in 2019 and beyond. Solvay is seizing the opportunities of digitalisation to build on the excellence that has always been one of Solvay’s features, enhance employee experience, support Solvay in its culture transformation, and bring innovation to its industrial processes.

New profile

More global

Solvay has strengthened its geographic footprint. Each of the three key regions – the Americas, Europe, and Asia – generates around one third of the Group’s net sales. Such balanced geographic distribution reduces the impact of adverse regulatory, economic, and political developments.

More balanced

More than one half of the Group’s activities take place in markets expanding faster than growth in gross domestic product. The portfolio transformation reached a key milestone in 2017, with the Group scaling back cyclical and low-growth businesses and divesting the polyamides business. By addressing a more diverse range of market segments, Solvay is able to reduce its exposure to negative evolutions on its markets.

More specialty

The breakdown of Solvay's net sales as of 31 December 2018 is approximately 43% Advanced Materials, 30% Advanced Formulations, and 27% Performance Chemicals. Roughly 70% of its net sales as at 31 December 2018 were generated by its specialty clusters. Its activities are complementary: Solvay operates a business model based on two growth engines (Advanced Materials and Advanced Formulations), backed up by a resilient cash contributor (Performance Chemicals) which enables it to generate cash to finance innovation.

More sustainable

As at 31 December 2018, approximately 50% of Solvay's product portfolio consisted of sustainable solutions for its customers, well on the way to exceeding Solvay's target of 50% by 2025 according to its Sustainable Portfolio Management ("SPM") methodology. SPM is a tool that helps Solvay identify opportunities which will have a positive impact on its performance. It has enabled Solvay to reorient its activities toward more sustainable and expanding markets.

Priorities for the future

Unleashing Solvay's full potential

Today and tomorrow, Solvay is committed to maximising organic growth. Unflagging customer focus and sustainable innovation will be its dual drivers, supported by its new culture and its committed people. Solvay aims to be the lead provider of sustainable solutions for its customers. Solvay has confirmed its 2025 extra-financial targets. Regarding greenhouse gas, Solvay switched to a commitment in absolute terms, aiming at reducing its emissions by 1 million tons.

Strengthening its management model

After focusing on upgrading its business portfolio, Solvay's next challenge consists in adapting its organisation to make it simpler, more agile, and more outward-looking, and thus better meet its customers' expectations. Solvay is transforming the way it works, adapting its employees' behaviours, driving a deep cultural change throughout the organisation. This cultural change is based on customer focus, collaboration and entrepreneurship. Furthermore, the digital transformation is under way, and there are already clear benefits. Digital technologies will be an enabler for its transformation, boosting excellence in human resources, marketing and sales, supply chain, and industrial.

Generating organic and sustainable growth

The transformation of the organisation will strengthen its business model, supporting the rapid growth and the innovation capabilities of its Global Business Units. It will not only provide Solvay with the ability and agility to develop market-oriented competitive solutions for its customers, it will also enable disruptive innovation and the creation of significant synergies at Group level. Solvay is focusing primarily on its specialty clusters – Advanced Materials and Advanced Formulations – and targeting organic EBITDA growth (excluding foreign exchange and scope effects). Growth in these sectors is underpinned by innovation, its technological leadership, and its presence across diversified markets.

Innovation

Solvay expects to innovate faster by embedding new, collaborative ways of working and leveraging internal and external connections. Innovation is a key enabler of customer-intimacy and Solvay intends to step up collaboration with customers in its 21 major research centres. In Brussels, Solvay has decided to build a unique Advanced Material Science Applications Center, where it will co-develop with its customers, designing and testing prototypes, mainly in the aerospace and automotive industries. With 1,000 scientists and engineers, its new Research & Innovation Center in Lyon will be world-class and Solvay's largest. Its digital expertise will accelerate and enhance the quality of its research.

Solvay will continue trying to ensure that all its innovation projects meet sustainability targets, leveraging its SPM methodology. Solvay will also champion collaborative innovation to accelerate the transition to a Circular Economy, an increasingly strategic priority for its customers.

Customer-intimacy

Solvay drives customer-intimacy right across the Group, investing in and training its frontline teams, ensuring researchers and marketing colleagues work together to develop solutions that create value for the customers. Solvay is developing feedback programmes between its frontline teams and its customers, to drive continuous improvement, changes in behaviours and differentiation for priority accounts. Its new integrated Excellence Center will also coordinate all its key competencies and support global business units in getting the best from its assets. Its SPM analysis tool allows Solvay to engage with customers on the sustainability profile of value chains, and to initiate discussions on the transition to a circular economy.

Talents

Solvay will continue trying to ensure that its talents make the difference to the quality of its projects. Solvay empowers them by supporting an entrepreneurial and collaborative mindset. As increasing the diversity of its teams is a priority, Solvay is seeking out the profiles that will continue to drive innovation and building the skills that its growth businesses need. Composed of both change agents and specialists, the Excellence Center will also act as a talent incubator to spread the excellence culture across the Group.

History

Solvay was founded in 1863 and has been growing organically and through targeted acquisitions and divestments since then. Solvay SA was first listed on the Brussels stock exchange (now Euronext Brussels) in 1967. Major corporate events in the last ten years are described below.

In 2010, the Group took the decision to divest its pharmaceuticals branch to focus on the chemicals industry, in particular on two areas: chemicals and plastics. In 2011, it launched a friendly takeover bid for the French chemical company Rhodia S.A. (“**Rhodia**”), successfully completing the acquisition for US\$4.0 billion in September 2011 and swiftly integrating Rhodia’s business lines and adopting elements of its corporate culture into what became the Solvay Way, Solvay’s approach to corporate social responsibility.

In 2012, the Group instituted its transformation plan, pursuant to which it continued to pursue its focus on the chemicals industry. In October 2013, Solvay acquired the privately-held U.S. company Chemlogics for US\$1.3 billion, doubling Solvay’s U.S.-based oil and gas market capacity.

On 31 July 2014, Solvay announced the signature of a binding agreement to sell its sulfuric acid virgin production and regeneration business Eco Services to affiliates of CCMP Capital Advisors, LLC. The transaction terms corresponded to an enterprise value of US\$890 million. The Eco Services business was sold on 1 December 2014, resulting in proceeds of EUR 721 million.

On 31 December 2014, Solvay completed the acquisition of the Ryton® PPS (polyphenylene sulphide) business from U.S.-based petrochemical company Chevron Phillips Chemical Company for US\$220 million, expanding its offering of high-performance polymers and entering a solid growth market. This acquisition is part of Solvay’s strategic development into a more specialised solutions provider, delivering higher growth and greater returns while reducing cyclicity.

In 2015, Solvay acquired Cytec for US\$75.25 per share, or approximately US\$5.5 billion, in order to deliver cost synergies and capture significant business opportunities in advanced light-weighting materials for the aerospace and automotive industries and in specialty chemicals for mining.

In 2016, Solvay divested its shares in Inovyn, a chlorovinyls joint venture it had set-up with Ineos, and in Solvay Indupa, producers of PVC and caustic soda in Brazil and Argentina. In 2017, Solvay sold its stake in its Thai subsidiary Vinythai and completed the sale of Acetow, which is active in the cellulose acetate tow business.

In 2017, Solvay launched the divestment of its polyamide business, a crucial step in Solvay's transformation towards a multi-specialty chemicals company. Under the proposed terms of the agreement, the transaction is based on an enterprise value of EUR 1.6 billion. In January 2019, the EU Commission cleared Solvay's Polyamides divestment. The closing of the transaction is expected in the second part of 2019 after all remaining closing conditions have been fulfilled, including the divestment of a remedy package to a third-party buyer to address the European Commission's competition concerns. In August 2019, Solvay and BASF have reached an agreement with Domo Chemicals whereby Domo Chemicals is to acquire Solvay's Polyamide assets that needed to be divested to a third party as part of the EU Commission's merger control clearance process.

Business overview

Solvay is currently organised into three operating segments, each with a business model that responds to its specific growth dynamics and competitive challenges. These are further subdivided into Global Business Units (or "GBUs") which are run as separate businesses directly responsible for delivering results, reflecting Solvay's decentralised management system.

Its business model focuses on two growth engines, Advanced Materials and Advanced Formulations, that serve fast-growing markets driven by sustainability trends – Next generation mobility and Resources efficiency – and delivered approximately 77% of the Group's EBITDA as at 31 December 2018. Its resilient Performance Chemicals businesses contribute to support its growth.

The three operating segments are:

- *Advanced Materials* is a leader in markets with high entry barriers and strong returns on investment, this segment is a major contributor to the Group's performance and growth. Innovation, combined with global presence and long-term partnerships with customers, provides a compelling competitive edge to industries seeking increased energy efficiency and less polluting alternatives. Advanced Materials offers a unique portfolio of high-performance polymers and composite technologies used primarily in sustainable mobility applications. Its solutions enable weight reduction and enhance performance while improving CO₂ and energy efficiency. Major markets served include next-generation mobility in automotive and aerospace, healthcare and electronics.
- Specialty Polymers is a world leader in high-performance polymers, offers an unmatched portfolio of Specialty Polymers with over 35 product lines available in more than 1,500 formulations designed for use in demanding markets around the world. These high-performance plastics, polymers, fluids and elastomers are designed to meet the property requirements of demanding industries.
- Composite Materials is a global provider of advanced materials solutions for the manufacture of high-quality, high-performance and complex composite structures used in aerospace, automotive, mass transportation, oil & gas and other demanding industrial and consumer applications. The business is strongly committed to driving the industrialisation of the composites industry with next generation products and processes enabling to meet its customers' rate and cost targets. Resin infusion and out-of-autoclave technologies as well as automation and manufacturing technologies are being developed for that purpose.
- Special Chem is a world leader in Fluorine Chemistry and rare-earth formulations. It maintains this position through innovation, using its distinct knowledge for high-end applications such as

heat exchangers, automobile catalysis and Li-ion batteries as well as luminescence and high-precision polishing. Special Chem also develops its Electronics platform as a niche player with strong partners.

- Silica is a global leader in Highly Dispersible Silica that are found in green and high-performance tires. Silica also offers a range of consumer and industrial goods solutions in animal nutrition, homecare, oral care and battery separators. This advanced material is used for its reinforcing, abrasive, carrying, anti-caking and porous properties.
- *Advanced Formulations* are characterised by their high customer and application-driven approach and relatively low capital intensity. Their offering addresses major societal trends, meeting ever stricter requirements with respect to the environment and energy savings as well as the challenges of the mass consumer markets. Advanced Formulations include a broad-based portfolio of surface chemistries focused on improving the world's resource efficiency. The segment offers customised formulations that alter fluids behaviour to optimise yield while reducing environmental impact. Major markets include resource efficiency in oil & gas, mining and agriculture, as well as consumer goods, and food.
 - Novecare is a global leader in specialty surfactants, natural & synthetic polymers and amines. Novecare engineers and develops formulations that provide its customers sustainable and differentiated solutions with functional qualities designed to modify fluid behaviour and deliver cleansing, softening, moisturising, gelling, texturing, penetrating of dispersal properties. Products are found in a variety of end-markets, including home and personal care, agricultural specialties, industrial & architectural coatings, oil & gas and several industrial applications.
 - Technology Solutions is a leader in specialty mining reagents, phosphorus-based chemistry and UV stabilisation of polymers. The global business unit serves a diverse range of markets, from mining, agriculture and agrochemicals to automotive, electronics, life sciences and industrial markets, among others. Its chemical formulations are tailored to address customers' specific needs, with key technologies centring on selective modification of surface chemistry, manipulation of phosphorus chemistry in support of diverse applications and transformation of polyolefin performance characteristics.
 - Aroma Performance is the world's largest integrated producer of vanillin for food, flavours & fragrances industries and synthetic intermediates used in perfumery, pharmaceuticals, agrochemicals and electronics.
- *Performance Chemicals*' businesses have developed leading positions in chemical intermediates through scale and technology, developing applications and industrial innovation for optimised costs. Performance Chemicals hosts chemical intermediate businesses focused on mature and resilient markets. Solvay is a world leader in soda ash and peroxides and major markets served include building and construction, consumer goods and food. It provides resilient profitability thanks to good pricing and market dynamics, underpinned by high quality assets. As from the third quarter of 2017, Performance Chemicals also encompasses the remaining business activities previously included in the Functional Polymers segment: following the signing of the binding agreement with German chemical company BASF for the sale of its Polyamides business in September 2017, those polyamide activities, which constituted the major part of Functional Polymers, were reclassified to discontinued operations.
 - Soda Ash & Derivatives: Soda Ash & Derivative is the world's largest producer of soda ash and sodium bicarbonate, sold primarily to the glass industries and also used in detergents, agro, food and feed industries. It provides resilient profitability thanks to good pricing, dynamics growing at mid-single digit rate, underpinned by high-quality assets.

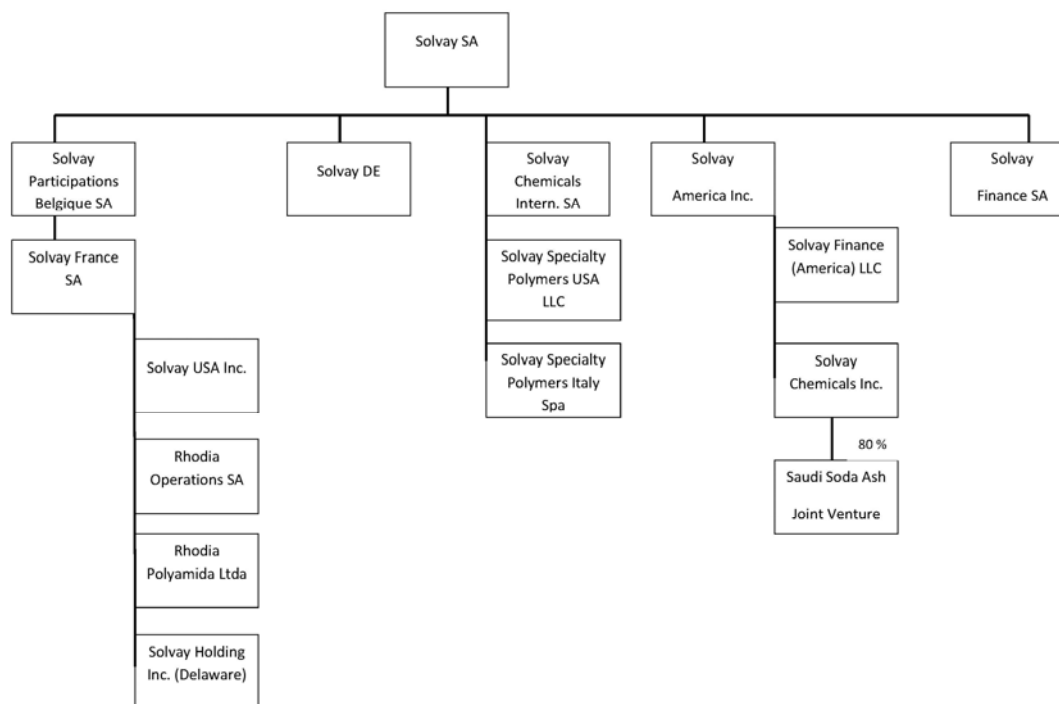
- Peroxides is a worldwide market and technology leader in Hydrogen Peroxide. Providing functional qualities such as bleaching, oxidation or disinfection, it delivers innovative products and tailored services to the pulp, chemicals, aquaculture, food, mining, waste water treatment, home care and textile industries. With its joint venture partner Peróxidos do Brasil, Solvay Peroxides is developing a new plant concept, myH2O2®, especially designed for installation at customer sites in remote locations.
- Coatis provides solubility solutions. The business produces and sells oxygenated solvents made from ketone, ethanol and other renewable sources, and produces phenol and derivatives such as polyamide intermediates. From its industrial base and the development of innovations and applications, Coatis is a leader in Latin America and is in full expansion in the North American, European and Asian markets. Its products serve the paint and coating, packaging printing ink, automotive, adhesive, construction, plywood, laminate, leather, pulp and paper, casting, fragrance and cosmetic, and institutional, industrial and domestic cleaning markets. Since 2019, Coatis incorporates the Fibras activities (formerly in Functional Polymers) that is the largest polyamide-based yarn producer in Latin America
- Functional Polymers only consists of the PVC joint venture Rusvinyl, which does not contribute to net sales.
- *Corporate & Business Services* include corporate and other business services, such as Group research & innovation or energy services, whose mission is to optimise energy consumption and reduce CO2 emissions.

Each of the GBUs within an operating segment is responsible for its own business, including production, sales, and research and innovation (“R&I”).

Organisational structure

Solvay operates its business through several direct and indirect wholly owned subsidiaries. Solvay is the direct or indirect parent company of these subsidiaries.

The diagram below shows a simplified legal structure of the Group, reflecting an overview of Solvay’s main subsidiaries. For a list of Solvay’s subsidiaries, companies accounted for under the equity method and associates, as well as a list of joint arrangements including joint operations and joint ventures, see the 2018 consolidation scope in the consolidated financial statements for the financial year ended 31 December 2018, which are incorporated by reference in this Prospectus.



Ratings of Solvay

The main credit ratings of Solvay as at the date of this Prospectus are included in the table below:

| Rating agencies | Long term debt rating | Short term rating |
|-----------------|-----------------------|-------------------|
| S & P | BBB (stable) | A2 |
| Moody's | Baa2 (stable) | P2 |

Ratings can change. Various ratings exist. Investors should look at www.solvay.com for the most recent ratings and for the underlying full analysis of each rating agency to understand the meaning of each rating.

Each of Moody's Investors Service Limited and S&P Global Ratings Europe Limited is established in the European Union and is included in the updated list of credit rating agencies registered under Regulation (EC) No. 1060/2009 (as amended) of the European Parliament and of the Council of 16 September 2009 on credit rating agencies published on the European Securities and Markets Authority's website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>).

The description of the ratings can be found on the website of the relevant rating agencies. No information from any such website is deemed to be incorporated in or forms part of this Prospectus. Solvay does not take any responsibility for the information contained on any such website.

Legal and arbitration proceedings

Solvay is exposed to disputes, litigation and judicial or administrative proceedings in the ordinary course of its business. The Group is exposed to legal risk, particularly in the areas of product liability, contractual obligations, antitrust laws, patent disputes, tax assessments and environmental matters. In this context, litigation cannot be avoided and is sometimes necessary to defend the rights and interests of the Group.

The outcome of proceedings cannot be predicted with certainty. It is therefore possible that adverse final court decisions or arbitration awards could lead to liabilities (and expenses) that are not covered or not fully covered by provisions or insurance and could materially affect the revenues and earnings of the Group.

Ongoing legal proceedings involving the Solvay group currently considered to involve significant risks are outlined below. The legal proceedings described below do not represent an exhaustive list. The fact that litigation proceedings are reported below is without relation to the merits of the cases. In all the cases cited below, Solvay is defending itself vigorously and believes in the merits of its defences.

For certain cases, Solvay has established provisions in accordance with applicable accounting principles to cover its assessment of the financial risk and defence costs. These assessments can involve a series of complex judgments about future events and can rely heavily on estimates and assumptions. Solvay's assessments are based on estimates and assumptions that have been deemed reasonable by management. Management believes that the aggregate provisions recorded for these matters are adequate based upon currently available information. However, given the inherent uncertainties related to these cases and in estimating contingent liabilities, Solvay could, in the future, incur judgments that have a material adverse effect on its results of operations in any particular period.

In addition, in the normal course of business, the Group may be subject to audit by the tax authorities in the countries in which it operates. Those audits could result in additional tax liabilities and payments, including penalties for late payment and interest.

Except as set forth below, there have been no governmental, judicial or arbitration proceedings (including any such proceedings which are pending or threatened of which Solvay is aware) during a period covering twelve months prior to the date of this Prospectus which may have, or have had in the recent past, significant effects on Solvay's financial position and profitability.

Antitrust proceedings

In 2006, the European Commission imposed fines against Solvay (including Ausimont SpA, acquired by Solvay in 2002) for alleged breaches of competition rules in the peroxygen market for which Solvay was fined.

Joint civil lawsuits were filed before the Court of Dortmund (Germany) in 2009 against Solvay and other manufacturers based on the alleged antitrust violation, claiming damages from the manufacturers on a joint and several basis. The value of the claims is worth EUR 63 million (excluding interest) after settlements were reached between the plaintiff and most of the defendants. Several questions on the jurisdiction of the Court of Dortmund have been submitted to the European Court of Justice, and proceedings before the Court of Dortmund are pending.

In Brazil, CADE (the Brazilian antitrust authority) issued fines against Solvay and others in May 2012 relating to Hydrogen Peroxide activity and in February 2016 related to perborate activity (Solvay's shares of these fines amount to EUR 29.6 million and EUR 3.99 million respectively). Solvay has filed claims contesting these administrative fines before the Brazilian Federal Court.

HSE related proceedings

In October 2009, the public prosecutor of the Criminal Court of Alessandria (Italy) charged several individuals (including employees and former employees of Solvay and Ausimont SpA, now Solvay Specialty Polymers Italy – SSPI) in relation to alleged criminal violations of environmental laws and public health legislation. The provisional claims of civil parties admitted to the trial amounted to about EUR 105 million.

In December 2015, the Assize Court of Alessandria sentenced three local Solvay/SSPI Managers to imprisonment and awarded civil damages of around EUR 400,000. Appeal was lodged by all parties before the Assize Court of Appeal of Turin which rendered its decision in June 2018 confirming: 1) acquittal of two SSPI Managing Directors; 2) sentence of three Solvay/SSPI Managers reduced to 1 year and 8 months imprisonment, these to now be suspended sentences; 3) damages to EUR 400,000 to civil parties, with rejection of other civil claims; 4) dismissal of charge of remediation omission; 5) SSPI not liable for damages to Alessandria

Municipality. The Public Prosecutor Office lodged an appeal only limited to the duration of the sentence of the three Solvay/SSPI managers. This proceeding is now pending before the Cassation Court.

As of the end of 2016, seventeen civil proceedings have been brought before the Civil Court of Livorno (Italy) by past workers and relatives of deceased workers at the Rosignano site seeking damages (provisionally quantified at EUR 9 million) in relation to diseases allegedly caused by exposure to asbestos. Three of the seventeen proceedings have been dismissed so far.

Pharmaceutical activities (discontinued)

In the context of the sale of the pharmaceutical activities in February 2010, the contractual arrangements have defined terms and conditions for the allocation and sharing of liability arising out of the activities before the sale.

Subject to limited exceptions, Solvay's exposure for indemnifications to Abbott for liabilities arising out of sold activities is limited to an aggregate amount representing EUR 500 million and is limited in duration.

This includes indemnification against certain potential liabilities for the US testosterone replacement therapy (TRT) litigation focusing on the drug ANDROGEL®. These claims are proceeding at varying rates of resolution.

Management and corporate governance

Administrative, management, supervisory bodies and senior management structure

The management structure of Solvay is composed of a Board of Directors and an Executive Committee chaired by the Chief Executive Officer.

Board of Directors

Powers and Responsibilities of the Board

The Board of Directors is vested with the power to perform all acts that are necessary or useful for the realisation of Solvay's purpose, except for those actions that are specifically reserved by law or the Articles of Association to the Shareholder's Meeting or other management bodies.

In particular, the Board is responsible for:

- matters for which it has exclusive responsibility, either by law or under the by-laws, for example:
 - the preparation and approval of the consolidated and unconsolidated periodic financial statements and the related communications;
 - adoption of accounting standards (in this case the IFRS standards for the consolidated accounts and Belgian standards for Solvay's unconsolidated accounts);
 - convening shareholders' meetings and drawing up the agenda and proposals for resolutions to be submitted to them (concerning, for example, financial statements, dividends, amendments to the by-laws, etc.);
- setting the general strategies and general policies of the Group, taking into account the sustainable development model and objectives adopted by the Group;
- approving the reference frameworks for internal control and for risk management;
- adopting the budget and long-term plan, including investments, R&I and financial objectives;

- appointing the chairman, the members of the Executive Committee, the general managers and the corporate secretary, and setting their missions and the extent of the delegation of powers to the Executive Committee;
- supervision of the Executive Committee and ratification of its decisions, where required by law;
- appointing from among its members a chairman and creating from among its members an Audit Committee, a Compensation Committee, a Nomination Committee and a Finance Committee, defining each Committee's mission and determining its composition and its duration;
- major decisions concerning acquisitions, divestitures, the creation of joint ventures and investments. Major decisions are considered to be those involving amounts of EUR 50 million or more;
- setting the compensation of the chairman of the Executive Committee and of the Executive Committee members;
- establishing internal Corporate Governance and Compliance rules.

The Board of Directors has reserved certain key areas for itself and has delegated the remainder of its powers to an Executive Committee.

Composition of the Board of Directors

Pursuant to the Articles of Association, the Board of Directors must be comprised of at least five members. As of the date of this Prospectus, the Board of Directors comprises fifteen members.

Pursuant to the Corporate Governance Code, at least half of the directors should be non-executive and a large majority of the non-executive directors should be independent in accordance with the criteria defined by law and the Corporate Governance Code. The composition of the Board of Directors effective as of the date of the Prospectus complies with these recommendations.

Pursuant to the Corporate Governance Code, the chairperson of the Board of Directors and the CEO should not be the same individual and the Chairperson should be a non-executive director. The composition of the Board of Directors effective as of the date of this Prospectus complies with these recommendations.

After seeking the opinion of the Nomination Committee, the Board of Directors submits directors' appointments, renewals, resignations or dismissals to the Ordinary Shareholder's Meeting. The Ordinary Shareholders' Meeting appoints directors for a term of four years. The upper age limit for the directors is 70.

The current Board of Directors is composed of the following directors:

| Name | Year of birth | Position | Director since | Mandate expires |
|------------------------------|----------------------|-------------------------|-----------------------|------------------------|
| Nicolas Boël | 1962 | Chairman ⁽¹⁾ | 1998 | 2021 |
| Ilham Kadri | 1969 | Chief Executive Officer | 2019 | 2021 |
| Bernard de Laguiche | 1959 | Non-Executive Director | 2006 | 2021 |
| Jean-Marie Solvay | 1956 | Non-Executive Director | 1991 | 2020 |
| Charles Casimir-Lambert | 1967 | Non-Executive Director | 2007 | 2023 |
| Hervé Coppens-d'Eeckenbrugge | 1957 | Independent Director | 2009 | 2021 |
| Evelyn du Monceau | 1950 | Independent Director | 2010 | 2021 |

| | | | | |
|------------------------------|------|----------------------|------|------|
| Françoise de Viron | 1955 | Independent Director | 2013 | 2021 |
| Amparo Moraleda Martinez | 1964 | Independent Director | 2013 | 2021 |
| Rosemary Thorne | 1952 | Independent Director | 2014 | 2022 |
| Gilles Michel | 1956 | Independent Director | 2014 | 2022 |
| Marjan Oudeman | 1958 | Independent Director | 2015 | 2023 |
| Agnès Lemarchand- Poirier | 1954 | Independent Director | 2017 | 2021 |
| Philippe Tournay | 1959 | Independent Director | 2018 | 2022 |
| Matti Lievonon | 1958 | Independent Director | 2018 | 2022 |

Note:

- (1) Chairman since 2012 and non-executive director prior to that date.

At the annual general shareholders' meeting that took place on 14 May 2019:

- Solvay's Board size was reduced from 16 to 15 members as the mandate of Mr. Yves-Thibault de Silguy expired as he has reached the age limit set forth in the Charter of Corporate Governance; and
- the mandates of Mr. Charles Casimir-Lambert and Ms. Marjan Oudeman were renewed for a term of four years following a review of their performance and individual contributions to the discussions within the boardroom, which remains for the majority independent.

The business address for all of the directors is rue de Ransbeek/Ransbeekstraat 310, 1120 Brussels, Belgium.

General Information on the Directors

The directors hold the following directorships (apart from their directorships of Solvay or its subsidiaries) and memberships of administrative, management or supervisory bodies and/or partnerships:

| Name | Position |
|-------------------------|---|
| Nicolas Boël | Director and Member of the Nomination and Remuneration Committees of Sofina SA |
| Ilham Kadri | Board Member & Audit Committee Member of A.O. Smith Corporation (US) |
| Bernard de Laguiche | Managing Director of Solvac Chairman of the Board of Peroxidos do Brazil Ltda, Curitiba (Brazil) Board member of Le Pain Quotidien Brasil Ltda, Sao Paulo and Luxembourg Founder and President of Grupo Ortus SA, Curitiba (Brazil) President of Agro Mercantil Vila Rica Ltda, Parana (Brazil) |
| Jean-Marie Solvay | Chairman of the Board of the International Solvay Institutes Chief Executive Officer of Albrecht RE Immobilien GmbH & Co KG Member of the Board of the Innovation Fund SA |
| Charles Casimir-Lambert | Management of family's global interests |

| | |
|---------------------------------|---|
| Hervé Coppens d'Eeckenbrugge | Director of Vital Renewable Energy Company LLC (Delaware) |
| Evelyn du Monceau | Chair of the Board and Chair of the Governance, Nomination and Compensation Committee of UCB SA Member of the Board of Directors of La Financière de Tubize SA Member of the Corporate Governance Commission |
| Françoise de Viron | Professor at the Faculty of Psychology and Education Sciences and Louvain School of Management (Université catholique de Louvain, Belgium) Academic Member of the Center of Research Entrepreneurial Change and Innovative Strategies, and of Interdisciplinary Group of Research in Socialization, Education and Training of the Interdisciplinary Research Group in Adult Education at the Université catholique de Louvain (Belgium) Chairman and Director of AISBL EUCEN - the European Universities Continuing Education network |
| Amparo Moraleda Martinez | Acting CEO, Scottish Power (UK) part of Iberdrola Group Member of the Board of Airbus SE (The Netherlands) Member of the Board of Caixabank SA (Spain) Member of the Board of Vodafone plc (UK) Member of the Consejo rector of Consejo Superior de Investigaciones Cientificas Member of the Spanish Royal Academy of Economics and Financial Sciences |
| Rosemary Thorne | Member of the Board and Chair of Audit Committee of Merrill Lynch International (UK) |
| Gilles Michel | Independent Director IB Valeo - Independent Director Non-Executive Director of GML-I |
| Marjan Oudeman | Chairman of the Board of Ronald McDonald Children's Fund Member of the Supervisory Board of the Rijksmuseum (the Netherlands) Member of the Supervisory Board of Aalberts Industries NV and SHV Holding NV Board member of UPM-Kymmene Corporation and PJSC Novolipetsk steel |
| Agnès Lemarchand- Poirier | Independent Board Member of Companies St Gobain (France) and BioMérieux (France) |
| Philippe Tournay | Presa SA Owner & Managing Director Fondation Tournay Solvay, Vice Chairman |
| Matti Lievonen | CET member (Finland) Chairman of the Board of Fortum Board, SSA |

Member of the Board of Nynäs AB, Ilmarinen, Supervisory Board
Member (Finland)
Member of the Board of HE Finnish Fair Foundation

None of the directors has a potential conflict of interests between his/her duties to Solvay and his/her private interests and/or any other duties he or she may have.

Committees of the Board

General

The Board of Directors is assisted by four Committees: the Audit Committee, the Finance Committee, the Compensation Committee and the Nomination Committee. These Committees do not have decision-making powers. They are advisory in nature and report to the board of Directors, which takes the decisions. Terms of office on the four Committees are for two years and are renewable.

The Audit Committee

The members of the Audit Committee are all non-executive Board members and at least a majority of them are independent Board members. The members of the Audit Committee as at the date of the Prospectus are Rosemary Thorne (Chairman), Bernard de Laguiche, Marjan Oudeman, Charles Casimir-Lambert, Baron Hervé Coppens d'Eeckenbrugge and Agnès Lemarchand.

The main tasks of the Audit Committee include: (i) ensuring the conformity of financial statements and communications of Solvay and the Group to generally accepted accounting principles (IFRS for the Group; Belgian accounting standards for the parent company); (ii) monitoring the effectiveness of the Group's internal control systems and risk management; (iii) examining the areas of risk that can potentially have a material effect on the Group's financial situation; (iv) verifying the scope/programs and results of internal audit; (v) making a proposal to the Board of Directors on the appointment of the external auditor; (vi) examining the scope of the external audit and the way it is implemented; and (vii) monitoring the scope and the nature of the additional services provided by the external auditor.

The Finance Committee

The members of the Finance Committee as at the date of the Prospectus are Nicolas Boël (Chairman), Ilham Kadri, Bernard de Laguiche, Baron Hervé Coppens d'Eeckenbrugge, Gilles Michel and Matti Lievonen. The Chief Financial Officer is invited to attend the Finance Committee meetings.

The Committee gives its opinion on financial matters such as the amounts of the interim and final dividends, the levels and currencies of indebtedness in the light of interest rate developments, the hedging of foreign-exchange and energy risks, the hedging policy of the long term incentives plans, the content of financial communication, the financing of major investments. It finalises the preparation of the press releases announcing the quarterly results. It may also be called on to give opinions on Board policies on these matters.

The Compensation Committee

The members of the Compensation Committee as at the date of the Prospectus are Nicolas Boël (Chairman), Jean-Marie Solvay, Evelyn du Monceau, Françoise de Viron, Amparo Moraleda and Gilles Michel. A majority of the members of this Committee have independent Director status within the meaning of the law. The Chairman of the Executive Committee is invited to meetings, except for matters that concern him personally. The meetings are prepared by the Group General Manager Human Resources, who attends the meetings.

The Compensation Committee fulfils the missions imposed on it by law. In particular, it advises the Board of Directors on compensation policy and compensation levels for members of the Board of Directors and the Executive Committee, and is informed yearly about the compensation of the General Management. It also gives its opinion to the Board of Directors and/or Executive Committee on the Group's principal compensation policies (including long term incentive plans). It also prepares the report on compensation.

The Nomination Committee

The members of the Nomination Committee as at the date of the Prospectus are Amparo Moraleda (Chairman), Nicolas Boël, Jean-Marie Solvay, Evelyn du Monceau, Françoise de Viron and Gilles Michel. A majority of the members of the Nomination Committee are independent non-executive Directors. The chairman of the Executive Committee is invited to meetings, except for matters that concern him personally.

The Nomination Committee gives its opinion on appointments to the Board of Directors (chairman, new members, renewals and Committees), to Executive Committee positions (chairmanship and members) and to general management positions.

Executive Committee

Role and responsibilities, composition, structure and organization

The Board of Directors has delegated the following powers to the Executive Committee:

- day-to-day management of Solvay;
- overseeing the proper organisation and functioning of Solvay and the Group companies and ensuring oversight of their activities, in particular the introduction of a process for identification, management and control of the principal risks;
- introduction of a management process to find and retain talent and nominate senior executives for the Group (with the exception of its own members, general managers and the corporate secretary, for which the Board of Directors expressly reserves exclusive power of appointment);
- compensation of the Group's senior executives (other than compensation of its own members);
- decisions regarding acquisitions and divestitures (including of intellectual property), for which the maximum amount is set at EUR 50 million (debt and other commitments included). The Board of Directors is to be informed of any decision involving amounts over EUR 10 million;
- decisions on investment expenditures, for which the maximum amount is set at EUR 50 million. The Board of Directors is to be informed of decisions involving amounts over EUR 10 million;
- decisions on substantial commercial transactions and financial operations that do not imply any change in the financial structure of Solvay and/or the Group;
- proposal to the Board of Directors, for its decision, of the principal policies of the Group and the setting of other policies;
- proposals to the Board of Directors for its decision:
 - general strategies (including the effect of these strategies on the budget, the plan and resource allocation) and general policies of the Group, in particular regarding compensation, annual investment program and research and taking into account the sustainable development model and objectives adopted by the Group;
 - the budget and the plan including investments, R&I and financial objectives;

- appointment to general manager positions and the position of corporate secretary;
- general organisation of Solvay and/or the Group;
- major financial transactions that modify the financial structure of Solvay and/or the Group;
- consolidated and unconsolidated periodic financial statements as well as related communications;
- implementation of decisions of the Board of Directors;
- submission to the Board of Directors of all questions lying within its competence and regular reports on the exercise of its mission.

The Executive Committee does not constitute a “*comité de direction*”/“*directiecomité*” within the meaning of Article 524bis of the Belgian Companies Code.

The Executive Committee is composed of five members or, as of 1 September 2019, six members. Each of them supervises a certain number of Global Business Units, departments or geographical regions.

Executive Committee members are appointed by the Board of Directors for two-year renewable terms. The Board of Directors has set an age limit of 65 for Executive Committee membership.

As at the date of the Prospectus, the Solvay Executive Committee consists of the following members:

| Name | Year of birth | Position | Year of first appointment | Term of office ends |
|------------------------|----------------------|---|----------------------------------|----------------------------|
| Ilham Kadri | 1969 | Chairman of the Executive Committee and CEO | 2019 | 2021 |
| Vincent De Cuyper | 1961 | Executive Committee member | 2006 | 2020 |
| Karim Hajjar | 1963 | Executive Committee member and CFO | 2013 | 2019 |
| Augusto Didonfrancesco | 1959 | Executive Committee member | 2018 | 2020 |
| Hua Du | 1969 | Executive Committee member | 2018 | 2020 |
| Hervé Tiberghien | 1964 | Executive Committee member and Chief HR Officer | 2019 ¹ | 2021 |

The business address for all of the members of the Executive Committee is rue de Ransbeek/Ransbeekstraat 310, 1120 Brussels, Belgium.

¹ Appointed as from 1 September 2019.

General information on the members of the Executive Committee

The members of the Executive Committee hold the following directorships (apart from their directorships of Solvay or its subsidiaries) and memberships of administrative, management or supervisory bodies and/or partnerships:

| Name | Position |
|------------------------|-----------------|
| Ilham Kadri | See above. |
| Vincent De Cuyper | / |
| Karim Hajjar | / |
| Augusto Didonfrancesco | / |
| Hua Du | / |
| Hervé Tiberghien | / |

No member of the Executive Committee has any conflicts of interests between any duties he/she owes to the Company and any private interests and/or other duties.

Corporate governance

As a company incorporated under Belgian law and listed on Euronext Brussels (and Euronext Paris), Solvay adheres to the principles and provisions of the Belgian Corporate Governance Code 2009 (in this section, the “Code”). The Code uses the “comply or explain” concept, which means that if a company chooses to deviate from any of the Code’s principles, it must explain its reasons for doing so in the “Corporate Governance” section of its annual report. Solvay has not adopted any rules departing from the principles of the Code.

Principal shareholder

Shareholding structure

The following table shows the participations of Solvac SA (a company incorporated under Belgian law, the shares of which are admitted to trading on Euronext Brussels) and Solvay Stock Option Management SPRL (a company incorporated under Belgian law of which all shares are indirectly owned by Solvay) in the shareholding structure of Solvay SA based on the number of shares outstanding on 30 August 2019. This is based on information available to the Company through notifications received in accordance with the Belgian Law of 2 May 2007 on disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market and laying down miscellaneous provisions (the “Transparency Law”).

| | Total number of shares held | % of voting rights |
|-------------------------------------|--|-----------------------------------|
| Solvay shareholders | | |
| Solvac SA | 32,511,125 | 30.71 |
| Solvay Stock Option Management SPRL | 3,177,067 | 3.013 |
| BlackRock Inc. | 3,503,871 | 3.31 |
| Free float | 66,671,853 | 62.877 |
| Total | 105,876,416 | 100 |

Note:

- (1) The most recent notification made to the FSMA and to the Company in accordance with the Transparency Law in respect of Solvac SA is dated 4 July 2016, in respect of Solvay Stock Option Management SPRL is dated 22 March 2018 and in respect of BlackRock Inc. is dated 30 July 2019.

Principal Shareholder

The Principal Shareholder of Solvay is Solvac SA, a company incorporated under Belgian law, listed on Euronext Brussels and a majority of whose shares (around 77%, as published on the website of Solvac as of 30 August 2019) are held by members of various branches of the founding families of Solvay. The Principal Shareholder has the same voting rights as any other holder of shares.

Its shares, all of which are registered, may freely be held by physical persons and, subject to prior approval of the board of directors of Solvac SA, by certain categories of legal entities fulfilling specific conditions.

Shareholders' arrangements

As of the date of this Prospectus and to the knowledge of Solvay, there is no shareholders' agreement in force related to Solvay which could at a subsequent date result in a change in control of Solvay.

Share capital

As of the date of this Prospectus, the issued and paid-up share capital of Solvay amounted to EUR 1,588,146,240 and was represented by 105,876,416 shares without nominal value, each Share representing 1/105,876,416rd of the share capital. All shares belong to the same class of securities.

General information

Corporate profile

| | |
|---|---|
| Company name: | Solvay SA |
| Form: | Public limited liability company incorporated in the form of a <i>société anonyme/naamloze vennootschap</i> under Belgian law |
| Registered office: | rue de Ransbeek/Ransbeekstraat 310 1120 Brussels Belgium |
| Telephone number of registered office: | +32 (2) 26 42 111 |
| Website: | www.solvay.com |
| Register of legal entities: | No. 0403.091.220 |
| Place of registration: | Brussels, Belgium |
| Date of incorporation: | 26 December 1863 |
| Financial year: | From 1 January to 31 December |

The information set out on the website of Solvay does not form part of this Prospectus.

Corporate purpose

According to Article 3 of its Articles of Association, Solvay's corporate purpose is the following:

To hold and manage, directly or indirectly, interests in companies, enterprises or entities whose purpose is directly or indirectly linked to the manufacturing, exploitation, marketing, research and development of industrial and commercial activities or services primarily but not exclusively in the chemicals sector, its different disciplines and specialties, and activities connected, derived from and incidental thereto as well as activities in the sector of the exploitation and processing of natural resources, in Belgium as well as abroad.

To conduct, both in Belgium and abroad, on its own behalf or on behalf of third parties, the manufacturing, exploitation, marketing, research and development, handling, processing, transportation and management activities in the business sectors noted above.

In general, it may exercise any commercial, industrial, financial or research operations, or those involving real or moveable property, in Belgium and abroad, with a direct or indirect connection or benefiting directly or indirectly the realisation of its corporate purpose.

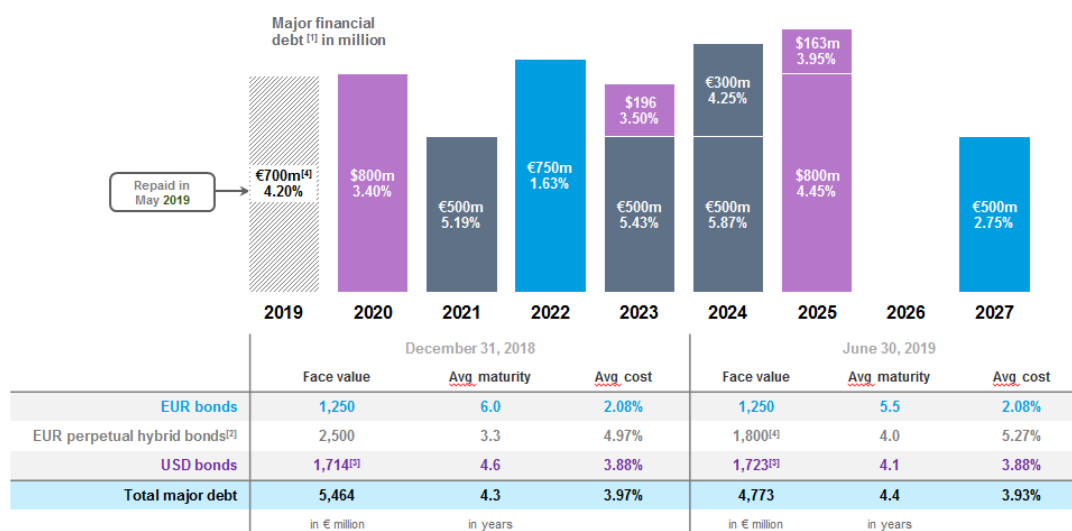
Financing arrangements

The Group has entered into a number of financing arrangements in order to diversify its financing sources. As at 30 June 2019, the Group had access to a Belgian treasury notes programme for a total aggregate amount of EUR 1.5 billion (of which EUR 1,043 million was drawn as at 30 June 2019) and a US commercial paper programme for a total aggregate amount of USD 500 million (unused), as well as a EUR 2 billion syndicated revolving credit facility (unused) and EUR 1.5 billion bilateral revolving credit facilities (of which EUR 300 million was drawn as at 30 June 2019). Please also refer to the note F36 (*Net indebtedness*) of the 2018 annual report of the Issuer.

In May 2019, Solvay Finance SA exercised its first call option and repaid its EUR 700 million hybrid bond (ISIN XS0992293570 / Common Code 099229357).

The table below provides an overview of the Group's major financial debt as of December 2018 and June 2019 (after the repayment of the abovementioned hybrid bonds):

BALANCED MATURITIES ALLOWING FLEXIBILITY



21 | Q2 & H1 2019 Results
July 31, 2019

[1] Major debt only, excluding cost of currency swaps
[2] At first call date
[3] USD 1,960 million
[4] Solvay exercised the first call option on the €700 million hybrid bond on May 12, 2019



Material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by Solvay and are currently in effect at the date of this Prospectus and could result in any Group member

being under an obligation or entitlement that is material to Solvay's ability to meet its obligation to holders of the Bonds.

BT, Telecom services contract

Solvay signed a telecom services contract with BT Belgium, effective 1 July 2012, and valid until 30 June 2015, which was renewed until 31 December 2020. Under this contract, telecom services are outsourced at a global level, for 45 countries. Those telecom services include Remote Access Services, Wide Area Network and audio conferencing services.

IBM, Application hosting contract

Solvay signed an application hosting contract with IBM Belgium, effective 1 August 2012, and valid until 31 December 2022. Application hosting refers to data centre activities including support to enterprise resource planning ("ERP") solutions as well as non-ERP solutions. This is a global agreement for the Group.

SAP, ERP Framework contract

Solvay signed a global ERP contract for the Group with SAP Belgium, effective 1 January 2012 and automatically renewed every year. ERP products are bought through purchase orders under this ERP framework contract.

Northgate Arinso, Payroll outsourcing contract

Solvay signed a global Payroll outsourcing contract for the Group with Northgate Arinso Belgium NV/ SA, effective 1 November 2013, and valid until 31 March 2024.

Verizon, Managed firewall and secure web browsing

Solvay entered into a master Services Agreement with Verizon Belgium Luxembourg SA/NV with an effective date of 1 July 2010. In 2010, there was only one Service Tower, the Service Tower A "Managed Firewall" services. Then, the parties added another service tower, the Service Tower B "Secured Web Browsing" which became effective on 1 September 2012. Both Service Tower contracts are valid until 31 December 2020. This is a global contract.

Cap Gemini, Application maintenance services

Solvay signed a global Master Services Agreement with CapGemini technology Services, effective 23 February 2015, that is valid until 30 June 2021. Application maintenance services refer to development of the SAP application, and development and maintenance of other applications, including document, internet and other standalone applications.

CGI, Support application services

Solvay signed a Master Services Agreement with CGI France, effective 23 February 2015, that is valid until 30 September 2023. This contract covers support IS application services delivered globally.

Tibco, Office automation services

Solvay signed a Master Services Agreement with Tibco, effective 15 December 2014 that is valid until 31 December 2019. This contract covers office automation services for PCs in France.

Ricoh, Printing services

Solvay signed a Global Master Services Agreement with Ricoh Europe PLC, effective 1 July 2014 that is valid until 30 June 2020. This contract covers imaging services delivered globally.

Dell products, hardware, servers and related products

Solvay signed a Master Services Agreement with Dell Products, effective 1 January 2016 that is valid until 31 December 2019. This contract covers hardware purchases delivered globally.

Insight Technology Solutions, Microsoft software licenses

Solvay signed a contract with Insight Technology Solutions Belgium, effective 1 July 2016 that is valid until 30 April 2022. This contract covers the purchase of Microsoft licenses (windows, office and windows servers).

Revevol, Google managed services

Solvay signed a Master Services Agreement with Revevol Sarl, effective 1 June 2012 that is valid until 30 April 2021. This contract covers service tower A “Managed services”, service tower B “Authentication system services” (until 30 November 2019), service tower C “Aodocs” and service tower D “Digital Signage”.

SAS Institute, data analytics licenses

Solvay signed a license agreement with SAS Institute, effective 14 June 2016 that is valid until 30 December 2020. This contract covers the purchase of data analytics licenses.

Joint Venture Agreements

Butachimie SNC

Invista is a 50-50 joint venture partner of Solvay in Butachimie SNC, which owns the world’s largest adiponitrile (ADN) production facility in Chalampé, France. On 17 April 2014, Solvay renewed this Butachimie joint venture agreement, extended the joint venture for an additional 99 years and negotiated an option to reserve for Solvay capacity in the new ADN plant Invista plans to build in China.

SODI SP JSCo

In 1997, Solvay entered into a joint venture that produces soda ash and related products, called Sodi SP; Solvay’s interests in this venture is owned by Solvay Sisecam Holding, of which Solvay SA holds a 75% stake, with the remaining 25% being held by Sisecam, a company incorporated under the laws of Turkey. Sodi has a maximum capacity of 1.5 million tonnes of soda ash per year, making it Europe’s largest sodium carbonate producer.

RusVinyl LLC

RusVinyl LLC is a joint venture between Solvay (50%, through Solvin Holding Nederland B.V.) and Sibur (50%), operating a Polyvinyl Chloride (PVC) Integrated Plant near Kstovo, the Nizhniy Novgorod region. RusVinyl PVC plant uses the cutting-edge European technologies (BAT – Best Available Techniques) that assure the necessary range of PVC with low process costs, and will comply with the most rigorous environmental requirements of the Russian Federation. The yearly plant capacities are 300 kilotons of PVC-suspension, 30 kilotons of PVC-emulsion and 225 kilotons of caustic soda.

HPPO (Hydrogen Peroxides for Propylene Oxide)

Between 2008 and 2016, Solvay Peroxides doubled its production capacity with the construction of three Hydrogen Peroxide mega plants based on high productivity technology through joint venture between Solvay (50%) and several partners (the remaining 50% in each joint venture): 230 kilotons per year plant in Antwerp (Belgium), with The Dow Chemical Company and BASF; 330 kilotons per year plant in Map Ta Phut (Thailand), with The Dow Chemical Company and 300 kilotons per year plant in Jubail Saudi Arabia, with Sadara Chemical Company.

TAXATION

The tax legislation in force in the jurisdiction of a potential investor, in the Issuer's country of incorporation (i.e., the Kingdom of Belgium) and in any other relevant jurisdiction may have an impact on the income which may be received from the Bonds. The statements herein regarding taxation are based on the laws in force in the Kingdom of Belgium and the Grand Duchy of Luxembourg as of the date of this Prospectus and are subject to any changes in law, potentially with a retroactive effect. The following overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Bonds. Each prospective holder or beneficial owner of Bonds should consult its tax advisor as to the Belgian or Luxembourg tax consequences of any investment in or ownership and disposition of the Bonds or that of any other relevant jurisdiction.

Common Reporting Standard

Following recent international developments, the exchange of information will be governed by the Common Reporting Standard (“CRS”).

On 15 January 2018, 98 jurisdictions signed the multilateral competent authority agreement (“MCAA”), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

More than 50 jurisdictions have committed to a specific and ambitious timetable leading to the first automatic information exchanges in 2017, relating to income year 2016 (“**early adopters**”). More than 50 jurisdictions have committed to exchange information as from 2018.

Under CRS, financial institutions resident in a CRS country would be required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On 9 December 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation (“**DAC2**”), which provides for mandatory automatic exchange of financial information as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU.

The Belgian government has implemented DAC2, respectively the Common Reporting Standard, pursuant to the law of 16 December 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes (the “**Law of 16 December 2015**”).

As a result of the Law of 16 December 2015, the mandatory automatic exchange of information applies in Belgium (i) as of financial year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective of the fact that the automatic exchange of information by Austria towards other EU Member States is only foreseen as of income year 2017), (ii) as of financial year 2014 (first information exchange in 2016) towards the US and (iii) with respect to any other jurisdictions that have signed the MCAA, as of the respective date determined by Royal Decree. In a Royal Decree of 14 June 2017, it has been determined

that the automatic provision of information applies as from 2017 (for the 2016 financial year) for a first list of 18 jurisdictions, and as from 2018 (for the 2017 financial year) for a second list of 44 jurisdictions.

Investors who are in any doubt as to their position should consult their professional advisers.

The proposed financial transactions tax

On 14 February 2013, the EU Commission published a proposal for a Council Directive (the **Draft Directive**) on a common financial transactions tax (the “**FTT**”) for an enhanced cooperation in the area of financial transactions tax. Pursuant to the Draft Directive, the FTT shall be implemented and enter into effect in eleven EU Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain; the “**Participating Member States**”). However, Estonia has since stated that it will not participate.

The Draft Directive has a very broad scope and could, if introduced, apply to certain dealings in the Bonds (including secondary market transactions) in certain circumstances. The issuance and subscription of Bonds should, however, be exempt.

Under the Draft Directive, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Bonds where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, “established” in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

However, the FTT proposal remains subject to negotiation between the Participating Member States (Estonia excluded), and the scope of any such tax is uncertain. Additional EU Member States may decide to participate and/or other Participating Member States may decide to withdraw.

Prospective Bondholders should consult their own tax advisers in relation to the consequences of the FTT associated with the subscription, purchase, holding or disposal of the Bonds.

Belgium

This section provides an overview of the principal Belgian tax consequences for investors receiving interest in respect of, or disposing of, the Bonds and is of a general nature. It does not purport to be a complete analysis of tax considerations relating to the Bonds whether in Belgium or elsewhere.

This overview is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date (or with retroactive effect). Investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below. Investors should consult their professional advisors on the possible tax consequences of subscribing for, purchasing, holding or selling the Bonds under the laws of their countries of citizenship, residence, ordinary residence or domicile. This description is for general information only and does not purport to be comprehensive.

Belgian withholding tax

For Belgian tax purposes, the following amounts are qualified and in principle taxable as “interest”: (i) periodic interest income, (ii) amounts paid by the Issuer in excess of the issue price (whether or not on the maturity date), and (iii) in case of a realization of the Bonds between two interest payment dates, the pro rata of accrued interest corresponding to the detention period.

All payments by or on behalf of the Issuer of interest on the Bonds are in principle subject to the 30 per cent. Belgian withholding tax on the gross amount of the interest, subject to such relief as may be available under Belgian domestic law or applicable double tax treaties.

However, payments of interest and principal under the Bonds by or on behalf of the Issuer may be made without deduction of withholding tax in respect of the Bonds if and as long as at the moment of payment or attribution of interest they are held by certain investors (the “**Eligible Investors**”, as defined below) in an exempt securities account (an “**Exempt Account**”) that has been opened with a financial institution that is a direct or indirect participant (a “**Participant**”) in the Securities Settlement System. Certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear, Clearstream, SIX SIS, INTERBOLSA and Monte Titoli are directly or indirectly Participants for this purpose.

Participants to the Securities Settlement System must enter the Bonds which they hold on behalf of Eligible Investors in an Exempt Account. Payments of interest and principal made in respect of Bonds held in an Exempt Account by or on behalf of the Issuer may be made free of Belgian withholding tax.

Eligible Investors are those entities referred to in article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax (*arrêté royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier/koninklijk besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing*) which include, inter alia:

- (a) Belgian companies subject to Belgian corporate income tax, as referred to in article 2, §1, 5°, b) of the Belgian Income Tax Code of 1992 (*wetboek van inkomstenbelastingen 1992/code des impôts sur les revenus 1992*) (the “**BITC**”);
- (b) institutions, associations or companies specified in article 2, §3 of the law of 9 July 1975 on the control of insurance companies other than those referred to in a) and c), and without prejudice to the application of article 262, 1° and 5° of the BITC;
- (c) semi-public social security organizations (*parastatalen/institutions parastatales*) and institutions assimilated thereto specified in article 105, 2° of the Royal Decree of 27 August 1993 implementing the BITC;
- (d) non-resident Investors whose holding of the Bonds is not connected to a professional activity in Belgium as specified in article 105, 5° of the same decree;
- (e) Belgian qualifying investment funds, recognized in the framework of pension savings, provided for in article 115 of the same decree;
- (f) companies, associations and other taxpayers provided for in article 227, 2° of the BITC which have used the income generating capital for the exercise of their professional activities (*belasting van niet inwoners/impôt des non-résidents*) in Belgium and which are subject to non-resident income tax pursuant to article 233 of the same code;
- (g) the Belgian State in respect of investments which are exempt from withholding tax in accordance with article 265 of the BITC;
- (h) collective investment funds (such as investment funds (*beleggingsfondsen/fonds de placement*) governed by foreign law being an indivisible estate managed by a management company for the account of the participants, provided that the fund units are not offered publicly in Belgium or otherwise marketed in Belgium; and
- (i) Belgian resident corporations, not referred to under (a), when their activities exclusively or principally consist of the granting of credits and loans.

Eligible Investors do not include, *inter alios*, Belgian resident investors who are individuals or Belgian non-profit making organizations, other than those mentioned under (b) and (c) above.

The above categories only summarise the detailed definitions contained in Article 4 of the Royal Decree of 26 May 1994, as amended, to which investors should refer for a precise description of the relevant eligibility rules.

Upon opening of an Exempt Account, an Eligible Investor is required to provide a statement of its eligible status on a form approved by the Belgian Minister of Finance and send it to the Participant to the Securities Settlement System where this account is kept. There are no ongoing declaration requirements for Eligible Investors, save that they need to inform the Participants of any changes to the information contained in the statement of their eligible status. However, Participants are required to report annually to the NBB as to the eligible status of each of the investors for whom they hold Bonds in an Exempt Account during the preceding calendar year.

An Exempt Account may be opened with a Participant by an intermediary (an “**Intermediary**”) in respect of Bonds that the Intermediary holds for the account of its clients (the “**Beneficial Owners**”), provided that each Beneficial Owner is an Eligible Investor. In such a case, the Intermediary must deliver to the Participant a statement on a form approved by the Minister of Finance confirming that (i) the Intermediary is itself an Eligible Investor, and (ii) the Beneficial Owners holding their Bonds through it are also Eligible Investors. A Beneficial Owner is also required to deliver a statement of its eligible status to the Intermediary.

These identification requirements do not apply to central securities depositaries, as defined by Article 2, §1, 1) of Regulation (EU) n° 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012, acting as participants to the Securities Settlement System, provided that (i) they only hold Exempt Accounts, (ii) they are able to identify the holders for whom they hold Bonds in such account and (iii) the contractual rules agreed upon by these central securities depositaries acting as participants to the Securities Settlement System include the contractual undertaking that their clients and account owners are all Eligible Investors.

Hence, these identification requirements do not apply to Bonds held in Euroclear, Clearstream, SIX SIS, INTERBOLSA, Monte Titoli or any other central securities depository (as defined in article 2,1,1 of Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories (“**CSD**”)) as Participant to the Securities Settlement System (each a “**NBB-CSD**”), provided that the relevant NBB-CSD (i) only holds Exempt Accounts and (ii) is able to identify the holders for whom they hold Bonds in such an Exempt Account. For the identification requirements not to apply, it is furthermore required that the contracts which were concluded by the relevant NBB-CSD as Participants include the commitment that all their clients, holder of an account, are Eligible Investors.

Belgian Income tax

Belgian resident individuals

The Bonds may be held only by Eligible Investors. Consequently, the Bonds may not be held by Belgian resident individuals as they do not qualify as Eligible Investors.

Belgian resident companies

Interest attributed or paid to corporate Bondholders who are Belgian residents for tax purposes, i.e. who are subject to the Belgian Corporate Income Tax (*impôt des sociétés/vennootschapsbelasting*), as well as capital gains realized upon the sale of the Bonds are taxable at the ordinary corporate income tax rate of in principle 29.58 per cent. (including the 2 per cent. crisis surcharge). Furthermore, subject to certain conditions, small and

medium-sized companies (as defined by article 15, §1 to §6 of the Belgian Companies Code) are taxable at the reduced corporate income tax rate of 20.4 per cent. (including the 2 per cent. crisis surcharge) for the first EUR 100,000 of their taxable base. As of assessment year 2021 linked to a taxable period starting at the earliest on 1 January 2020, the ordinary corporate income tax rate will be 25 per cent., and the reduced corporate income tax rate applicable to small and medium sized companies (as defined by article 15, §1 to §6 of the Belgian Companies Code) will be 20 per cent. The withholding tax retained by, or on behalf of, the Issuer will, subject to certain conditions, be creditable against any corporate income tax due and any excess amount will in principle be refundable, all in accordance with the applicable legal provisions.

Capital losses realised upon the sale of the Bonds are in principle tax deductible.

Other tax rules apply to investment companies within the meaning of article 185bis of the BITC.

Belgian legal entities

Belgian legal entities that are Belgian residents for tax purposes, i.e., which are subject to Belgian legal entities tax (*impôts des personnes morales/rechtspersonenbelasting*), which qualify as Eligible Investors and which consequently have received gross interest income, are required (if such entities cannot invoke a final withholding tax exemption) to declare and pay the 30 per cent. withholding tax themselves to the Belgian tax authorities (which withholding tax then generally also constitutes the final taxation in the hands of the relevant investors).

Belgian legal entities are not liable to income tax on capital gains realized on the sale of the Bonds, unless the capital gains qualify as interest (as defined in the section “*Belgian Withholding Tax*”). Capital losses are in principle not tax deductible.

Organisations for Financing Pensions

Interest and capital gains derived by Organisations for Financing Pensions (*Organismen voor de Financiering van Pensioenen/Organismes de Financement de Pensions*) within the meaning of the Law of 27 October 2006 on the activities and supervision for occupational retirement provision (*Wet van 27 oktober 2006 betreffende het toezicht op de instellingen voor bedrijfspensioenvoorzieningen/Loi du 27 octobre 2006 relative au contrôle des institutions de retraite professionnelle*), are in principle exempt from Belgian corporate income tax. Capital losses are in principle not tax deductible. Subject to certain conditions, any Belgian withholding tax that has been levied can be credited against any corporate income tax due and any excess amount is in principle refundable.

Belgian non-residents

For a non-resident of Belgium for Belgian tax purposes which is not holding the Bonds through a Belgian establishment and is not investing in the Bonds in the course of a Belgian professional activity, the mere acquisition, ownership or disposal of the Bonds will in principle not give rise to any Belgian tax liability in respect of income or capital gains, provided that they qualify as Eligible Investors and hold their Bonds in an Exempt Account.

A non-resident company having allocated the Bonds to the exercise of a professional activity in Belgium through a Belgian establishment is subject to practically the same rules as a Belgian resident company (see above).

Inheritance duties

No Belgian inheritance duties will be levied in respect of the Bonds if the deceased Bondholder was not a Belgian resident at the time of his or her death.

Tax on stock exchange transactions and tax on repurchase transactions

A tax on stock exchange transactions (*taks op de beursverrichtingen/taxe sur les opérations de bourse*) will be levied upon the sale and purchase (and any other transactions for consideration) in Belgium of the Bonds on a secondary market, if such transaction is either entered into or carried out in Belgium through a professional intermediary. The rate applicable for secondary sales and purchases in Belgium through a professional intermediary is 0.12% with a maximum amount of EUR 1,300 per transaction and per party. The tax is due separately from each party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

The acquisition of Bonds upon their issuance (primary market) is not subject to the tax on stock exchange transactions.

Pursuant to the Law of 25 December 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, the scope of application of the tax on stock exchange transactions has been extended as of 1 January 2017 to secondary market transactions of which the order is directly or indirectly made to a professional intermediary established outside of Belgium by (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium (both referred to as a “**Belgian Investor**”). In such case, the tax on stock exchange transactions is due by the Belgian Investor (who will be responsible for the filing of a stock exchange tax return and for the timely payment of the amount of stock exchange tax due) unless that individual or entity can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*bordereau/borderel*), at the latest on the business day after the day on which the relevant transaction was realized. The qualifying order statements must be numbered in series and duplicates must be retained by the financial intermediary. A duplicate can be replaced by a qualifying agent day-today listing, numbered in series. Alternatively, professional intermediaries established outside Belgium have the possibility to appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities (a “**Stock Exchange Tax Representative**”). Such Stock Exchange Tax Representative will then be liable towards the Belgian Treasury for the tax on stock exchange transactions on behalf of clients that fall within one of the aforementioned categories (provided that these clients do not qualify as exempt persons for stock exchange tax purposes – see below) and to comply with the reporting obligations and the obligations relating to the order statement (*bordereau/borderel*) in that respect. If such a Stock Exchange Tax Representative would have paid the stock exchange tax due, the Belgian Investor will, as per the above, no longer be the debtor of the stock exchange tax.

A request for annulment has been introduced with the Constitutional Court in order to annul the application of the tax on stock exchange transactions to transactions carried out with professional intermediaries established outside of Belgium (as described above). The Constitutional Court has asked a preliminary question in that regard to the Court of Justice of the European Union. If the Constitutional Court were to annul said application of the tax on stock exchange transactions without upholding its effects, restitution could be claimed of the tax already paid.

A tax on repurchase transactions (*taks op de reportverrichtingen/taxe sur les reports*) at the rate of 0.085% will be due from each party to any such transaction in which a stockbroker acts for either party (subject to a maximum of EUR 1,300 per party and per transaction).

However, neither of the taxes referred to above will be payable by exempt persons acting for their own account, including investors who are not Belgian residents, provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status, and certain Belgian institutional investors as defined in article 126.1,2° of the Code of miscellaneous duties and taxes (*Wetboek diverse rechten en*

taksen/Code des droits et taxes divers) for the tax on stock exchange transactions and article 139, §2 of the same code for the tax on repurchase transactions.

As stated above, the European Commission has published a proposal for a Directive for a common financial transactions tax. The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions and the tax on repurchase transactions should thus be abolished once the FTT enters into force. The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

Tax on securities accounts

Pursuant to the law of 7 February 2018 introducing a tax on securities accounts, a tax of 0.15 per cent. is levied on Belgian resident and non-resident individuals on their share in the average value of the qualifying financial instruments (including but not limited to shares, notes and units of undertakings for collective investment) held on one or more securities accounts during a reference period of twelve consecutive months starting on 1 October and ending on 30 September of the subsequent year (“**Tax on Securities Accounts**”).

No Tax on Securities Accounts is due provided the holder’s share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. If, however, the holder’s share in the average value of the qualifying financial instruments on those accounts amounts to EUR 500,000 or more, the Tax on Securities Accounts is due on the entire share of the holder in the average value of the qualifying financial instruments on those accounts (and, hence, not only on the part which is at least equal to the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals only fall within the scope of the Tax on Securities Accounts provided they are held on securities accounts with a financial intermediary established or located in Belgium. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

A financial intermediary is defined as (i) a credit institution or a stockbroking firm as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies and (ii) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are, pursuant to national law, admitted to hold financial instruments for the account of customers.

The Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder’s share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (e.g. in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value does not amount to EUR 500,000 or more, but of which the holder’s share in the total average value of these accounts amounts to at least EUR 500,000 EUR). Otherwise, the Tax on Securities Accounts would have to be declared and would be due by the holder itself unless the holder provides evidence that the Tax on Securities Accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a Tax on Securities Accounts representative in Belgium, subject to certain conditions and formalities (“**Tax on Securities Accounts Representative**”). Such a Tax on Securities Accounts Representative will then be liable

towards the Belgian Treasury for the Tax on Securities Accounts due and for complying with certain reporting obligations in that respect.

Non-resident individuals have to report in their annual Belgian non-resident income tax return various securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered as a holder within the meaning of the Tax on Securities Accounts.

Several requests for annulment have been introduced with the Constitutional Court in order to annul the Tax on Securities Accounts. If the Constitutional Court were to annul the Tax on Securities Accounts without upholding its effects, all taxpayers will be authorised to claim restitution of the tax already paid.

Prospective investors are urged to consult their own tax advisors as to the tax consequences of the application of this new tax on their investment in Bonds.

Luxembourg

This section provides an overview of certain Luxembourg tax considerations relating to the Bonds. It specifically contains information on taxes on the income from the securities withheld at source. It does not purport to be a complete analysis of all tax considerations relating to the Bonds, whether in Luxembourg or elsewhere. Prospective purchasers of the Bonds should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Bonds and receiving payments of interest, principal and/or other amounts under the Bonds and the consequences of such actions under the tax laws of Luxembourg. This overview is based upon the law as in effect on the date of this Prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Bonds.

Withholding tax

All payments of interest and principal made by the Issuer in the context of the holding, disposal, redemption or repurchase of the Bonds can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to:

- (i) The application of the amended Luxembourg law of 23 December 2005 which has introduced a 20 per cent. withholding tax (which is final when Luxembourg resident individuals are acting in the context of the management of their private wealth) on interest or similar income paid or ascribed by a paying agent established in Luxembourg to the immediate benefit of Luxembourg tax resident individuals.
- (ii) In addition, pursuant to the amended law of 23 December 2005, Luxembourg resident individuals who are the immediate beneficial owners of interest or similar income paid or ascribed by a paying agent established outside Luxembourg, in a Member State of either the European Union or the European Economic Area, can opt to self-declare and pay a 20 per cent. tax on such income. This 20 per cent. tax is final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding of tax in application of the above-mentioned Luxembourg law of 23 December 2005, as amended is assumed by the Luxembourg paying agent within the meaning of this law and not by the Issuer.

United States

FATCA Withholding

Pursuant to certain provisions of U.S. law, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer believes that it is not a foreign financial institution for these purposes. A number of jurisdictions (including Belgium) have entered into, or have agreed in substance to, intergovernmental agreements (“**IGAs**”) with the United States to implement FATCA, that modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of these rules to instruments such as the Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Bonds, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Bonds, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Bonds characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Bonds. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Bonds, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

Pursuant to a subscription agreement (the “**Subscription Agreement**”), BNP Paribas, Crédit Agricole Corporate and Investment Bank, HSBC Bank plc, Merrill Lynch International and MUFG Securities (Europe) N.V. (together, the “**Managers**”) will jointly and severally agree with the Issuer, subject to the satisfaction of certain conditions contained therein, to subscribe and pay for the Bonds at their issue price of 99.650 per cent. less an agreed combined management and underwriting commission and any agreed expenses. The Subscription Agreement will entitle the Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

General

No action has been or will be taken by the Managers that would permit a public offering of the Bonds or possession or distribution of any offering material in relation to the Bonds in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of the Bonds, or distribution of any offering material relating to the Bonds, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer.

Each Manager has represented and agreed that, in making any offers or sales of Bonds or distributing any offering materials relating thereto in any country or jurisdiction, it has complied and will comply to the best of its knowledge with all applicable laws in such country or jurisdiction.

Neither the Issuer, the Manager(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Bonds by a prospective investor of the Bonds, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

Prohibition of Sales to EEA Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available, and will not offer, sell or otherwise make available, the Bonds to any retail investor in the EEA. For these purposes, the expression “retail investor” means a person who is one (or both) of:

- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; and/or
- (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended) where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United States

The Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each of the Managers has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of

the commencement of the offering and the Issue Date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells the Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Bonds are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of the Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Belgium

Each Manager has represented and agreed that it has not offered, sold or otherwise made available, and will not offer, sell or otherwise make available, any Bonds to consumers (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law, as amended from time to time (*Wetboek van economisch recht/Code de droit économique*) (i.e., any natural person acting for purposes which are outside his/her trade, business or profession).

United Kingdom

Each of the Managers has represented and agreed that:

- (a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Eligible Investors

The Bonds may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994, holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the Securities Settlement System.

GENERAL INFORMATION

- (1) The Bonds have been accepted for settlement through the Securities Settlement System. The International Securities Identification Number (ISIN) is BE6315847804 and the Common Code is 205092099.
- (2) The Legal Entity Identifier of the Issuer is 549300MMVL80RTBP3O28.
- (3) The address of the NBB is Boulevard de Berlaimont 14, B-1000 Brussels, Belgium.
- (4) The issue of the Bonds has been authorised pursuant to a resolution of the Board of Directors of the Issuer dated 6 May 2019 and a resolution of the Executive Committee of the Issuer dated 23 July 2019.
- (5) There has been no significant change in the financial position or the financial performance of the Group since 30 June 2019 and no material adverse change in the prospects of the Issuer since 31 December 2018.
- (6) Except as disclosed on pages 56 to 58 in this Prospectus, the Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including such proceedings which are pending or threatened of which the Issuer is aware) during the last twelve months preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Issuer or the Group.
- (7) For so long as any of the Bonds remains outstanding, the following documents will be available for inspection on the Issuer's website (www.solvay.com):
 - (i) this Prospectus;
 - (ii) the documents incorporated by reference herein; and
 - (iii) the articles of association of the Issuer (as the same may be updated from time to time).

This Prospectus and the documents incorporated by reference herein will also be available, in electronic format, on the website of the Luxembourg Stock Exchange (www.bourse.lu). For the avoidance of doubt, unless specifically incorporated by reference into this Prospectus, information contained on any website does not form part of this Prospectus. The Agency Agreement is, so long as any of the Bonds are outstanding, available for inspection during usual business hours on any weekday (except Saturdays, Sundays and public holidays) at the specified office of the Paying Agent.

- (8) To the knowledge of the Issuer, there is no conflicting interest or any potential conflicts of interest between any duties to the Issuer owed by the persons involved in the offer of the Bonds, the members of its administrative, management and supervisory bodies and their private and other duties.
- (9) There is no natural or legal person involved in the issue of the Bonds and having an interest that is material to the issue of the Bonds, other than certain of the Managers and their affiliates who have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates (including the Bonds). Certain of the Managers or their affiliates that have a lending relationship with the Issuer or its affiliates routinely hedge and certain other of those Managers or their affiliates may hedge, their credit exposure to the Issuer and/or affiliates consistent with their

customary risk management policies. Typically, such Manager and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities (including potentially the Bonds). Any such short positions could adversely affect future trading prices of the Bonds. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

- (10) Except as disclosed on pages 67 to 69 in this Prospectus, there are no material contracts for the Issuer that are not entered into in the ordinary course of the Issuer's business, which could result in any Group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders.
- (11) For the avoidance of doubt, the Issuer shall in any case have no obligation to supplement this Prospectus after the end of its twelve-month validity period.
- (12) No entity or organisation has been appointed to act as representative of the Bondholders. The provisions on meetings of Bondholders are set out in Condition 10 (*Representation of the Bondholders*) and Schedule 1 (*Provisions of meetings of Bondholders*) to the Conditions.
- (13) The total expenses for the admission to trading of the Bonds are estimated at Euro 6,600. The net proceeds of the issue of the Bonds are expected to amount to Euro 595,800,000 after deduction of the costs and expenses.
- (14) The yield of the Bonds to the Maturity Date, as calculated as at the Issue Date on the basis of the issue price of the Bonds, is 0.536 per cent. *per annum*. It is not an indication of future yield.
- (15) The auditor of the Issuer is Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises, Luchthaven Nationaal 1J, 1930 Zaventem, Belgium. Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises, represented by Mr Michel Denayer, have audited the Issuer's accounts for the financial years ended 31 December 2018 and 31 December 2017, without qualification, in accordance with generally accepted auditing standards in Belgium. Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises are a member of *l'Institut des Reviseurs d'Entreprises*.
- (16) In connection with the issue of the Bonds, BNP Paribas (the "**Stabilising Manager**") (or persons acting on behalf of the Stabilising Manager) may over allot Bonds or effect transactions with a view to supporting the price of the Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the Bonds is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.

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