



Progress beyond

Second Quarter 2021 Results

July 29, 2021

A close-up photograph of a woven composite material, likely SolvaLite, showing a complex, interlocking pattern of fibers in shades of grey and blue.

Our SolvaLite™ composites are up to 40% lighter than metal, allowing manufacturers to create more energy-efficient vehicles that contribute to reducing CO₂ emissions.



This presentation may contain forward-looking information. Forward-looking statements describe expectations, plans, strategies, goals, future events or intentions. The achievement of forward-looking statements contained in this presentation is subject to risks and uncertainties relating to a number of factors, including general economic factors, interest rate and foreign currency exchange rate fluctuations, changing market conditions, product competition, the nature of product development, impact of acquisitions and divestitures, restructurings, products withdrawals, regulatory approval processes, all-in scenario of R&D projects and other unusual items. Consequently, actual results or future events may differ materially from those expressed or implied by such forward-looking statements.

Should known or unknown risks or uncertainties materialize, or should our assumptions prove inaccurate, actual results could vary materially from those anticipated. The Company undertakes no obligation to publicly update or revise any forward-looking statements.

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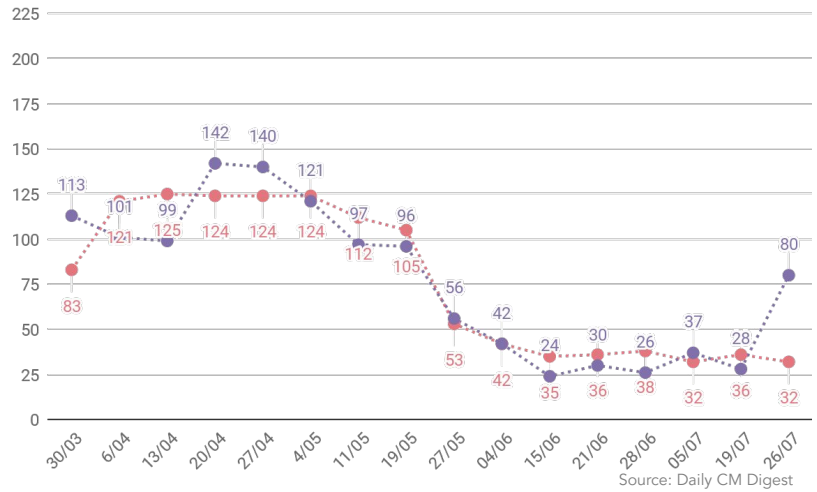
Health and safety remain our top priority



Likely cases quarantine



Confirmed cases



Measures in place

- Safety measures for all our employees
- 10,000 employees working remotely
- Business travel banned, except for critical customer needs

Vaccination campaigns

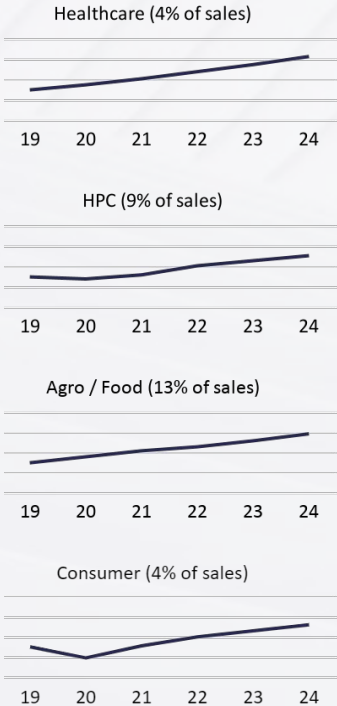
Solvay Solidarity Fund

- India and Italy (Covid-19)
- Europe and China (flood victims)

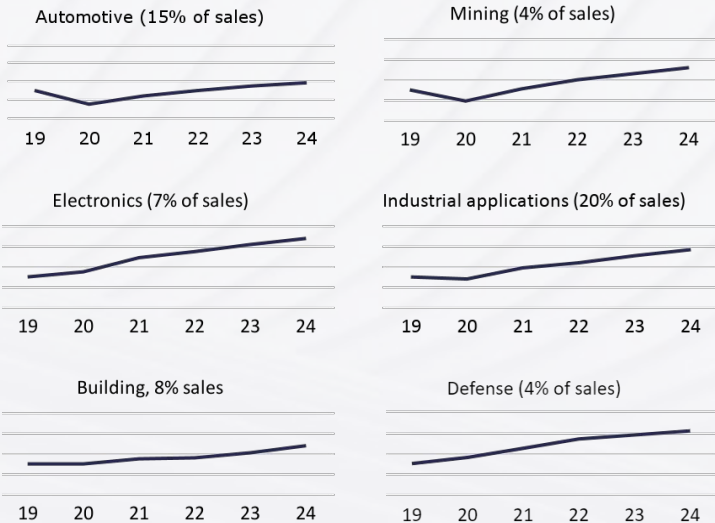
Recovery back to 2019 levels for >90% of Solvay's markets



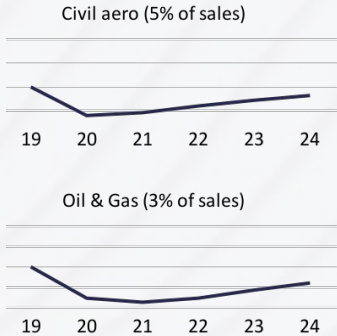
Resilient through 2020 (30%)



On track back to 2019 levels (~60%)



Slower recovery (<10%)



All % references full year 2020 figures

Sources: Market recovery expectations derived from Oxford Economics (except Automotive - LMC production volume) and revised by Solvay Strategic Intelligence Team (March 2021)

Q2 2021 Performance

Strong rebound with double-digit sales and EBITDA growth



Net sales

€ 2.4 bn

+20% organic yoy;
back to 2019 levels in
most markets

Underlying
EBITDA

€ 602 m

+47% organic yoy;
24.5% EBITDA margin

Free cash flow
continuing operations

€ 135 m

seasonal payments

Q2 2021 EBITDA exceeded Q2 2019 level by 3%
on comparable FX & scope basis



1

Battery
platform

2

Specialty
Polymers for
Automotive

3

H₂O₂ for
electronics

Reinvesting in the rebound

Market segment & region annual figures

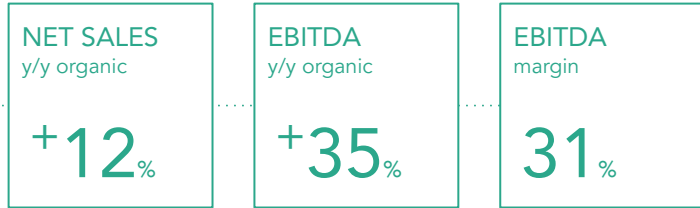


Region (% 2020 Net Sales)	Group	Materials	Chemicals	Solutions
Europe	29%	30%	36%	22%
North America	28%	34%	18%	31%
Latin America	11%	2%	21%	9%
Asia and rest of the world	32%	34%	25%	38%

End markets (% 2020 Net Sales)	Group	Materials	Chemicals	Solutions
Automotive & Aerospace	22%	48%	14%	8%
Industrial Applications	20%	11%	23%	24%
Consumer, HPC, Healthcare	18%	12%	23%	17%
Agro, Feed & Food	13%	3%	19%	16%
Resources & Environment	12%	8%	9%	19%
Building	8%	4%	11%	9%
Electrical & Electronics	7%	13%	0%	7%

Materials

Q2 2021 performance



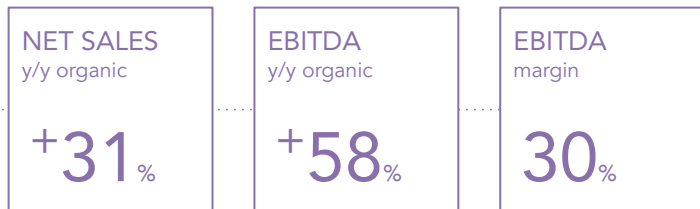
Net sales	vs Q1'21 reported	YoY reported	YoY organic
Specialty Polymers	+5%	+16%	+20%
Composite Materials	-2%	-21%	-8%
Materials	+3%	+4%	+12%

Highlights

- Double-digit volume growth driven by continued strong demand in automotive, electronics and consumer goods
- 82% growth in batteries for hybrid and electric vehicles
- Headwinds remain in civil aero, yet sequentially improved vs Q1
- Strong EBITDA margins (+6pp) thanks to volumes in Specialty Polymers and structural cost reductions esp in Composites

Chemicals

Q2 2021 performance



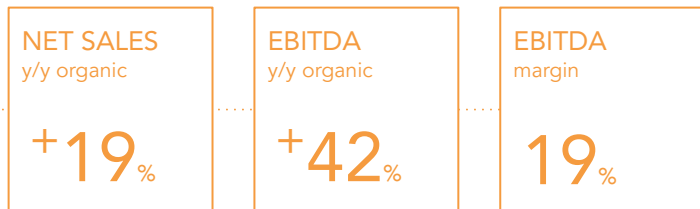
Net sales	vs Q1'21 reported	YoY reported	YoY organic
Soda Ash & Deriv.	+3%	+8%	+10%
Peroxides	0%	+2%	+17%
Coatis	+13%	n.m.	+99%
Silica	-2%	+68%	+70%
Chemicals	+4%	+25%	+31%

Highlights

- Growth driven by significant higher volumes across each business
- Record sales of Bicar and continued recovery in flat glass serving building and automotive markets
- Demand recovery across all peroxides applications and regions, supported by HPPO mega plants
- Sustained strong growth for replacement tires and higher specialty grades thanks to market share gains
- Sustained exceptional Coatis sales
- Strong EBITDA margin (+5pp) due to favorable market conditions combined with lower fixed costs

Solutions

Q2 2021 performance



Net sales	vs Q1'21 reported	YoY reported	YoY organic
Novecare	+7%	+11%	+21%
Special Chem	-1%	+21%	+33%
Techn. Solutions	+6%	+15%	+17%
Aroma Performance	-1%	-8%	-5%
Solutions	+4%	+11%	+19%

Highlights

- Higher volumes driven by strong demand across many markets including automotive and electronics
- Higher production levels, new mine wins and supportive copper prices
- Food, flavors and fragrances demand remains stable
- +2.5pp EBITDA margin further reflecting both sales momentum and cost reduction improvements across all businesses

Cost reduction momentum... continues

Realized in
Q2 2021

€51m

Permanent structural levers

- Restructuring €22 m
- Indirect costs reductions €24 m
- Productivity efficiencies €5 m

Realized in
H1 2021

€131m

On track to deliver ~€200 m structural cost savings in 2021



Total costs savings to date

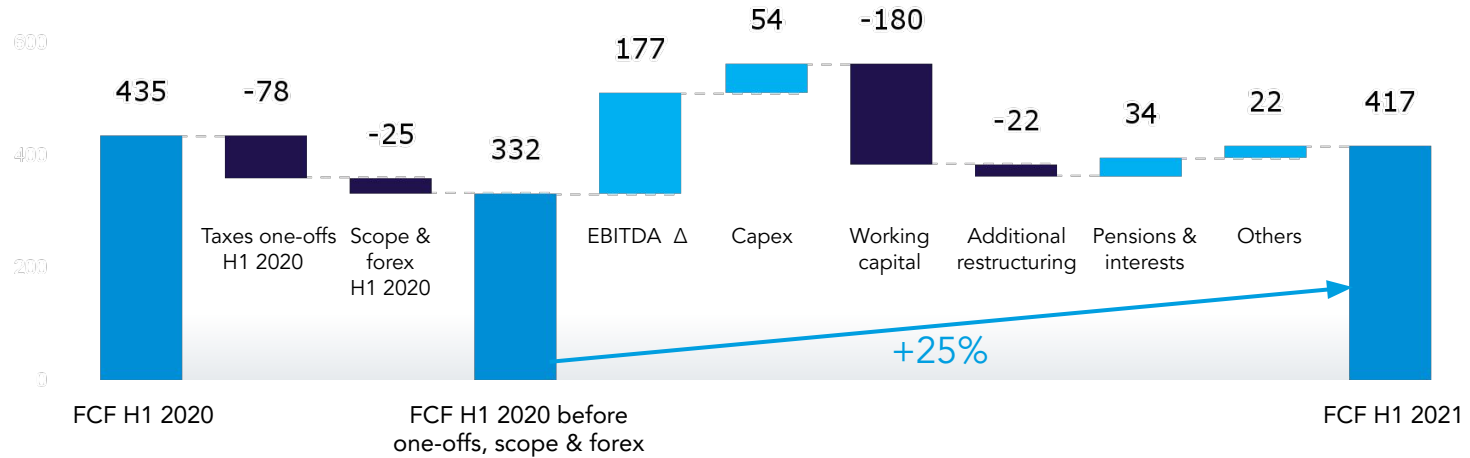
€306m

Costs savings by 2024

€500m

Sustained cash generation

25% increase excluding scope and one-time benefit in 2020



Main drivers

- Higher EBITDA
- Working capital discipline

NET DEBT
Leverage ratio
2.0x

S&P
stable outlook
BBB

MOODY'S
stable outlook
Baa2

2021 outlook



Structural
cost savings

€200 m

EBITDA
in a range between

€2.2 - €2.3 bn

up from €2.0 to €2.2 bn

Free cash flow
continuing operations

€750 m

up from €650 m

Barring additional deterioration related to another wave of Covid-19 in the second half
Includes €200-250m of expected raw material/logistics/energy inflation
Reported 2019 FY EBITDA was €2.3bn, equivalent to **€2.1bn** on constant FX and scope



Q&A



Progress beyond