




Progress beyond

Third Quarter 2021 Results

October 28, 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. The texture is highly detailed and repetitive.

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.

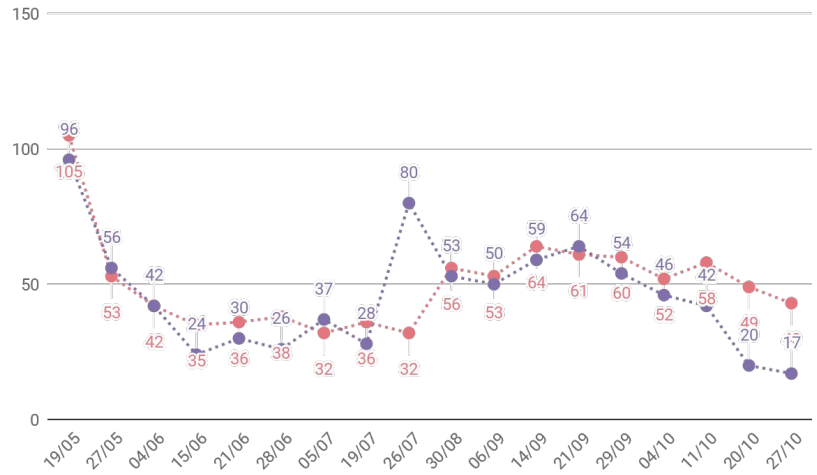
This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, any securities.

Health and safety remain our top priority



Likely cases quarantine

Confirmed cases



Source: Solvay

Measures in place

- Safety measures for all our employees
- Responsible business travel policy

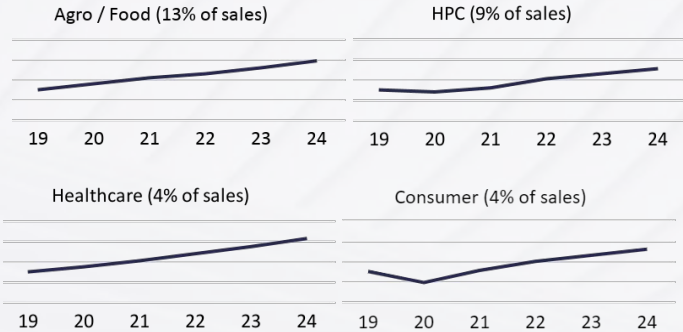
Solvay Solidarity Fund

- Flood relief efforts in Europe and China
- Hurricane Ida relief efforts in the US

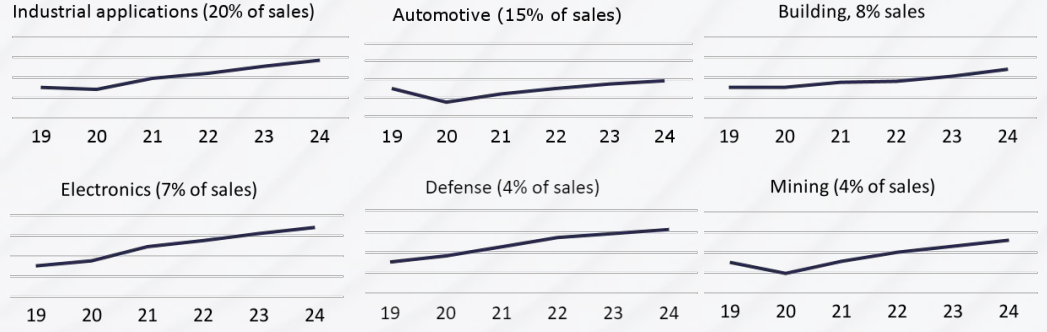
Most of our markets are in recovery mode



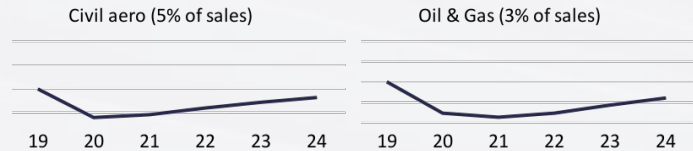
Resilient through 2020 (~30%)



Back to or > 2019 levels (~60%)



Behind 2019 (~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 (Mar 2021)

Q3 2021 Performance

Double-digit sales and EBITDA growth



Net sales

€ 2.6 bn

+25% organically yoy;
Above 2019 levels in most
markets

Underlying
EBITDA

€ 599 m

+31% organically yoy;
23.3% EBITDA margin

Free cash flow
continuing operations

€ 276 m

Reflecting higher EBITDA;
9M 2021 at €692 m

Q3 2021 Sales and EBITDA exceeded Q3 2019 level by 6%
on comparable FX & scope basis

Reinvesting in the rebound



Investing for growth

- Expanding Thermoplastics composite capacity in Greenville, US to answer customers' demands in energy, aero, and automotive
- New JV with Shinkong Synthetic Fibers Corporation for electronic grade purity hydrogen peroxide to answer booming Taiwan semiconductor industry



Accelerating Innovation

- Advancing our innovation power in the EU electric vehicle market with next-generation of solid-state electrolytes for batteries
- PVDC recyclability proof-of-concept, used in food, beverage and healthcare multilayer barrier packaging

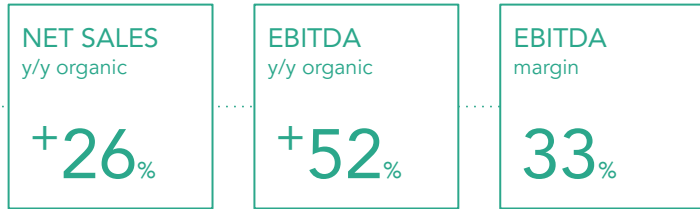


Deploying sustainable solutions

- Actizone™ long lasting disinfection technology now commercialized and being launched in France & Germany
- Growing demand for our clean mobility solutions for the marine industry (SolvAIR) and for lithium extraction for EV batteries

Materials

Q3 2021 performance



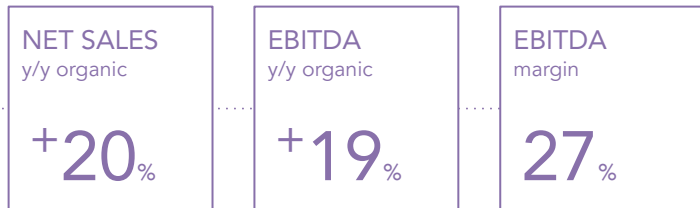
Net sales	vs Q2'21 reported	YoY reported	YoY organic
Specialty Polymers	+6%	+35%	+33%
Composite Materials	+4%	-1%	+6%
Materials	+6%	+24%	+26%

Highlights

- Double-digit volume growth driven by strong demand in automotive, electronics and consumer goods
- Batteries sales for hybrid and electric vehicles up +47%; all other Auto related sales up +46%
- Aero sequential improvement driven by growth in single-aisle aircraft
- Record sales in Specialty Polymers more than offset higher raw materials and energy prices, leading to record EBITDA margin at 33% (+6.1pp year on year)

Chemicals

Q3 2021 performance



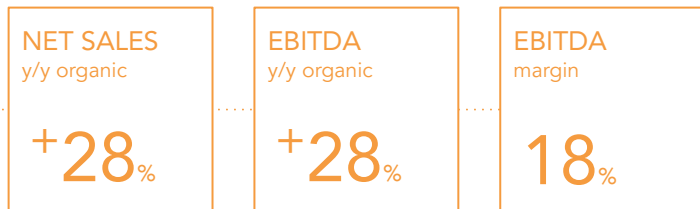
Net sales	vs Q2'21 reported	YoY reported	YoY organic
Soda Ash & Deriv.	+1%	+8%	+8%
Peroxides	+2%	-1%	+11%
Coatis	+15%	+72%	+70%
Silica	+4%	+18%	+17%
Chemicals	+4%	+18%	+20%

Highlights

- Growth driven by increased volumes across all businesses
- Strong demand for bicarbonate (record sales in the US) as well as for soda ash; peroxides growth underpinned by HPPO demand
- Silica growth related to demand for replacement tires and innovation
- Another record performance at Coatis with higher volumes and prices
- Higher volumes and prices more than offset inflationary costs, leading to an EBITDA margin of 27.3%

Solutions

Q3 2021 performance



Net sales	vs Q2'21 reported	YoY reported	YoY organic
Novelcare	+2%	+20%	+25%
Special Chem	0%	+20%	+26%
Techn. Solutions	+4%	+26%	+27%
Aroma Performance	+8%	+18%	+16%
Oil & Gas	+18%	+80%	+68%
Solutions	+4%	+25%	+28%

Highlights

- Broad based volume growth and pricing drove double-digit sales growth across businesses
- Mining, Agro, Coatings, and Home and Personal care markets all supportive of growth
- Strong demand in semiconductors, while automotive applications slightly impacted by the ongoing chip shortages
- Continued demand in food, flavors and fragrances markets supported Aroma business
- Volume growth outweighed rising raw materials, energy and logistics costs, leading to an EBITDA margin of 18.3%

Structural cost reduction

~70% of 2024 cost savings achieved



Realized in
Q3 2021

€41m

Permanent structural levers

- Restructuring €18 m
- Indirect costs reductions €15 m
- Productivity efficiencies €6 m

Realized in
9M 2021

€172m

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

Total costs savings to date

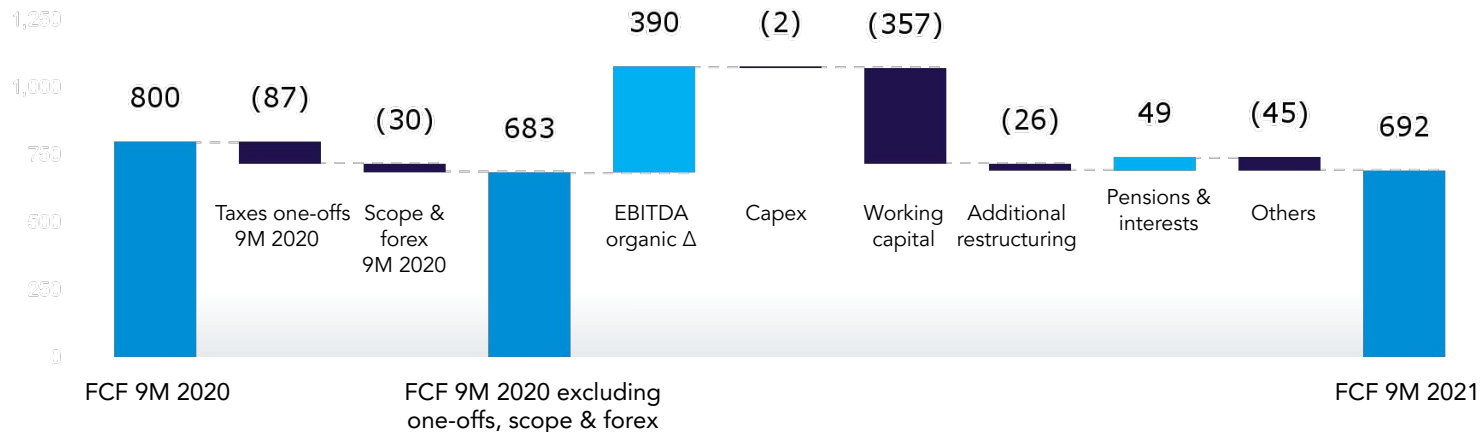
€347m

Costs savings by 2024

€500m

Sustained cash generation

10th consecutive quarter of positive free cash flow



Main drivers

- Higher EBITDA
- Low capex due to supply chain constraints

NET DEBT
Leverage ratio

1.8x

S&P
stable outlook

BBB

MOODY'S
stable outlook

Baa2

2021 Full Year Outlook: EBITDA confirmed, FCF upgraded



Structural
cost savings

€200 m

EBITDA
in a range between

€2.2 - €2.3 bn

Confirmed

Free cash flow
continuing operations

€800 m

Upgraded from €750 m

Barring additional deterioration related to another wave of Covid-19 in the fourth quarter
Includes around €400m of expected raw materials/energy/logistics inflation (from previous €200-250m)
Reported 2019 FY EBITDA was €2.3bn, equivalent to €2.1bn on constant FX and scope



Q&A



Progress beyond

Annexes



Reinventing Solvay to unleash our full potential



WHY

Our Purpose

We bond people, ideas and elements to reinvent progress

Our Vision

Sustainable shared value for all

HOW

Our Strategy

- G** Growth
- R** Resilience
- O** Optimization
- W** Win


Solvay One Planet
Sustainability goals

Our Organization and Culture

Our new common operating model helps us work more efficiently

Changing our behaviors to be more "customer-obsessed"

WHAT

Our Solutions

We align our technologies to customer and societal needs driven by secular trends



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%

2030 Solvay One Planet goals

10 ambitious objectives to reduce our global impact



Align greenhouse gas emissions with Paris Agreement & SBTi¹

Reduce by 26% (-2%/y)



Phase out coal

Achieve 100%



Reduce pressure on biodiversity²

Reduce by 30%



Increase sustainable solutions
% of Group sales

Achieve 65% vs 50%



Increase circular economy³
% of Group sales

More than double



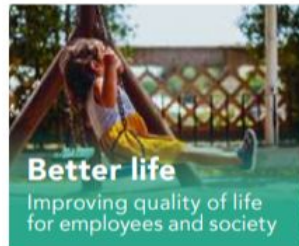
Reduce non-recoverable industrial waste

Reduce by 30%



Reduce intake of freshwater

Reduce by 25%



Safety (MTAR⁴ indicator)

Aim for zero



Women in mid & senior management levels

Achieve 50% by 2035



Extend maternity leave time and open it to co-parents

16 weeks regardless of the gender in 2021



ONE DIGNITY

to foster diversity, equity and inclusion

1: SBTi: Science Based Targets initiative,
2: ReCiPe method for biodiversity impact assessment (under development),
3: Circular economy indicators have been adapted to align with the Circulytics® developed by the Ellen MacArthur Foundation,
4: Medical Treatment Accident Rate 2018 baseline

Key figures



<i>Underlying, in € million</i>	Q3 2021	Q3 2020	% yoy	9M 2021	9M 2020	% yoy
Net sales	2,573	2,103	+22.4%	7,402	6,751	+9.6%
EBITDA	599	473	+26.6%	1,784	1,481	+20.5%
<i>EBITDA margin</i>	23.3%	22.5%	+0.8pp	24.1%	21.9%	+2.2pp
EBIT	421	277	+51.9%	1,227	850	+44.2%
Net financial charges	-64	-71	+10.2%	-181	-204	+11.5%
Income tax expenses	-74	-20	n.m.	-228	-119	n.m.
<i>Tax rate</i>				24%	20%	+4.4pp
Profit / (loss) attributable to Solvay shareholders	273	176	+54.9%	790	522	+51.4%
Basic EPS from continuing operations (in €)	2.64	1.71	+54.4%	7.63	4.86	+50.9%
Capex in continuing operations		116			411	
FCF to Solvay shareholders from continuing operations		366			801	
FCF to Solvay shareholders (total)		365			796	
FCF conversion ratio (LTM)		54.8%			54.8%	
Net financial debt	4,052			4,052		

Segment review



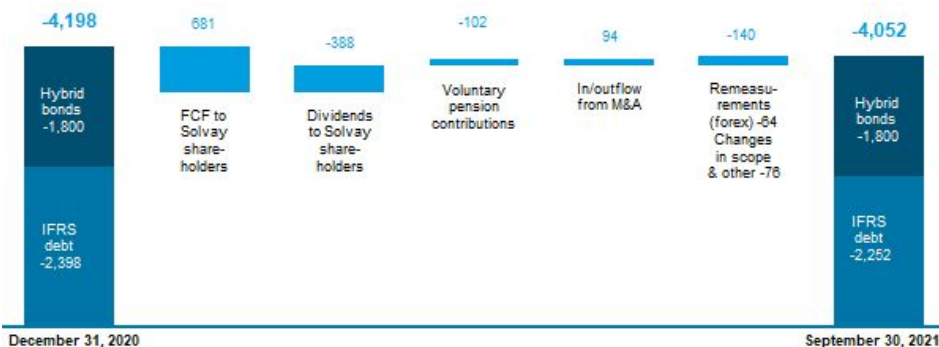
<i>(in € million)</i>	Q3 2021	Q3 2020	% yoy	9M 2021	9M 2020	% yoy
Net sales	2,573	2,103	+22.4%	7,402	6,751	+9.6%
Materials	752	606	+24.2%	2,152	2,076	+3.7%
Specialty Polymers	570	423	+35.0%	1,617	1,365	+18.5%
Composite Materials	182	183	-0.6%	534	711	-24.8%
Chemicals	856	725	+18.0%	2,466	2,184	+12.9%
Soda Ash & Derivatives	380	350	+8.3%	1,124	1,090	+3.1%
Peroxides	156	157	-0.7%	461	478	-3.6%
Coatis	204	119	+71.5%	538	338	+59.0%
Silica	117	99	+17.8%	343	277	+23.8%
Solutions	964	770	+25.2%	2,780	2,487	+11.8%
Novecare	384	320	+20.2%	1,114	1,004	+11.0%
Special Chem	209	174	+19.9%	630	554	+13.7%
Technology Solutions	145	116	+25.5%	417	366	+14.0%
Aroma Performance	119	101	+17.8%	338	336	+0.8%
Oil & gas	107	60	+79.7%	281	227	+23.8%
Corporate	1	1	-27.4%	5	5	+2.2%
EBITDA	599	473	+26.6%	1,784	1,481	+20.5%
Materials	246	161	+52.5%	672	560	+20.1%
Chemicals	234	201	+16.5%	723	606	+19.3%
Solutions	177	142	+24.3%	521	429	+21.3%
Corporate	-58	-31	-84.0%	-132	-114	-15.7%
EBITDA margin	23.3%	22.5%	+0.8pp	24.1%	21.9%	+2.2pp
Materials	32.7%	26.6%	+6.1pp	31.2%	27.0%	+4.3pp
Chemicals	27.3%	27.7%	-0.4pp	29.3%	27.8%	+1.6pp
Solutions	18.3%	18.4%	-0.1pp	18.7%	17.3%	+1.5pp

Strengthening our balance sheet

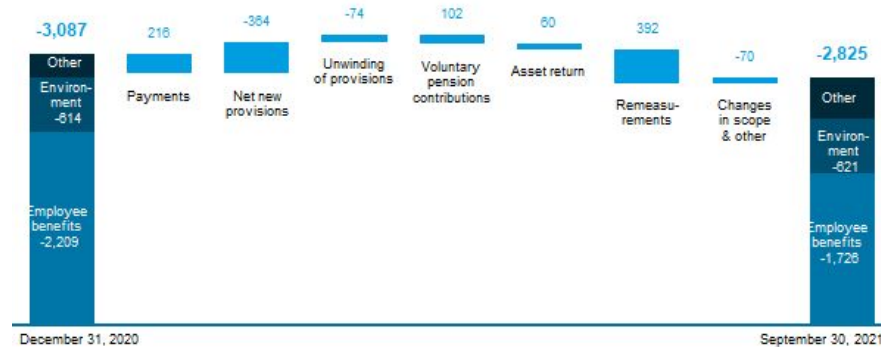
Significant reduction in net debt and provisions



Net debt in million € vs end of 2020



Provisions in million € vs end of 2020



Underlying net debt slightly down at €4.1 billion

- free cash flow, and
- proceeds from divestments
- offsetting the dividend payment

Leverage ratio decreased to 1.8x versus 2.2x at the end of 2020

Provisions decreased by €262 million to €2.8 billion

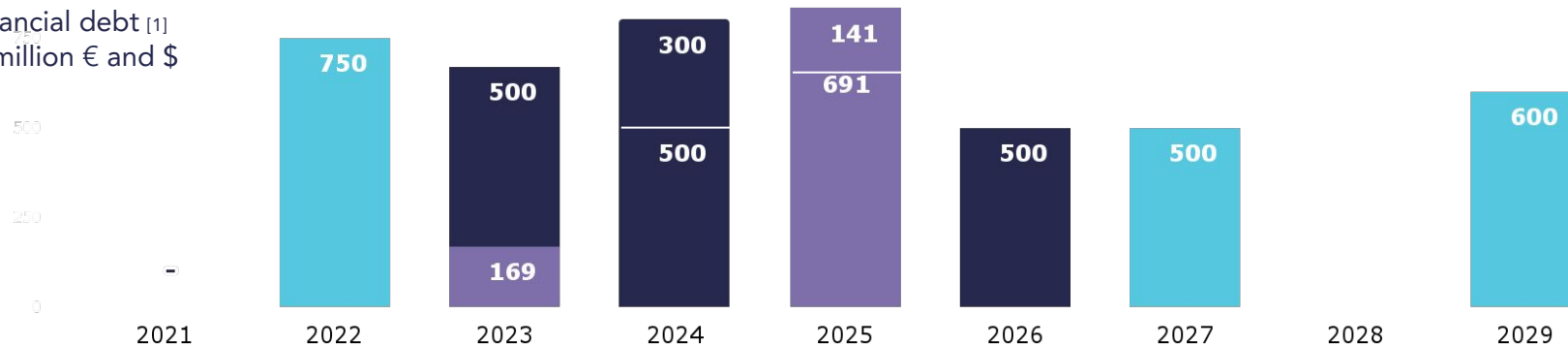
- higher discount rates
- €364 million new liabilities mainly on restructuring provisions in Q1 2021 and to provisions for warranties given in previous M&A deals
- €102 million voluntary contributions (last two tranches of €150 million each in the next 12 months)

Balanced maturities

Deleveraging and reduced of cost of debt



Financial debt [1]
in million € and \$



Period	31 December 2020			30 September 2021			Variation over the period		
	Face value	Avg. maturity	Avg. cost	Face value	Avg. maturity	Avg. cost	Face value	Avg. maturity	Avg. cost
EUR Bonds	1,850	5.5	1.56%	1,850	4.8	1.56%	0	-0.7	0.00%
EUR Perpetual Hybrid Bonds [2]	1,800	3.7	4.54%	1,800	2.9	4.54%	0	-0.8	0.00%
US Bonds [3]	945	4.5	4.22%	1,001	3.7	4.22%	56	-0.8	0.00%
Total	4,595	4.6	3.28%	4,651	3.8	3.28%	56	-0.8	0.00%
	in € million	in years	in %	in € million	in years	in %	in € million	in years	in %

[1] Major debt only, excluding cost of currency swaps

[2] At first call date

[3] US\$ 1,160 m

Why invest?

We aim to reshape the global chemical industry by delivering solutions that meet the world's sustainability challenges and provide critical solutions in fast-growth markets.

We focus on creating long-term value and we do so efficiently, which results in steady annual revenue and cash generation, a strong track record of continued shareholders distribution with a stable dividend, and one of the highest margins among our competitors. And above all, sustainable value creation is at the core of the way we conduct business.



Future growth potential
fuelled by megatrends

.....



Customer partnerships
drive innovation

.....



Global scale, diversity of
products and end-markets,
reliable infrastructure

.....



Key leadership positions

.....



Proven resilience
through Crises



Bold ESG Ambition with
Solvay ONE Planet

Thank you.



Progress beyond

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