



Full-year 2022 results

February 23, 2023



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Broad and strong progress on Solvay One Planet

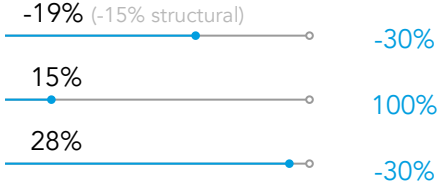


Climate

- Reduce our GHG emissions (scope 1 & 2)
- Phase out coal solid fuels
- Reduce pressure on biodiversity

Progress

2030 targets



Resources

- Sustainable solutions, % of Group sales
- Double our sales from circular economy
- Reduce non-recoverable industrial waste
- Reduce intake of freshwater



Better life

- Aim for zero accident
- Accelerate DEI and parity in mid & senior management



Full-year 2022 earnings

Progress in 2022 versus 2018 baseline
 Accident progress is 2022 comparison versus 2019
 DEI: Diversity, Equity and Inclusion

Record full-year 2022 performance

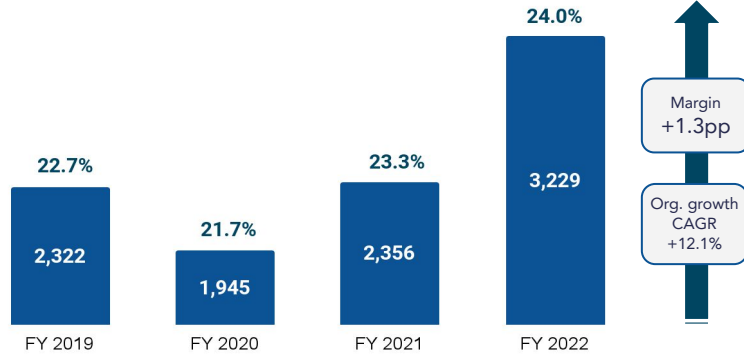


Net Sales	EBITDA Underlying	Free Cash Flow Continuing operations	ROCE
€13.4bn	€3.2bn	€1.1bn	16%
<ul style="list-style-type: none">+25.6% organic yoy+24.4% pricing+1.3% volumes	<ul style="list-style-type: none">+28.7% organic yoy24.0% EBITDA margin	<ul style="list-style-type: none">15th quarter of positive FCFFCF conversion at 34%	<ul style="list-style-type: none">New record levelVersus 11.4% end of 2021 and 8.1% end of 2019

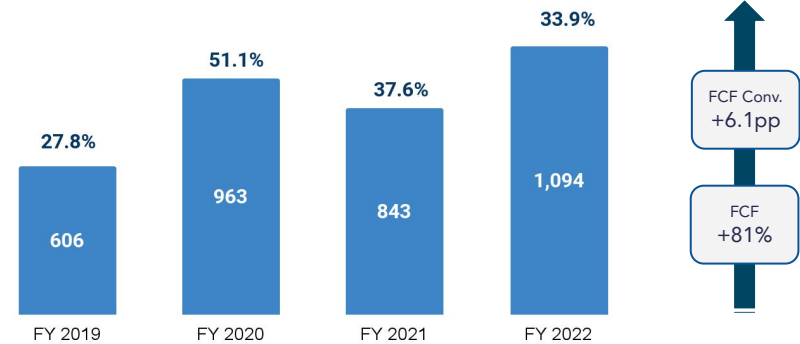
Strong delivery on all financial metrics



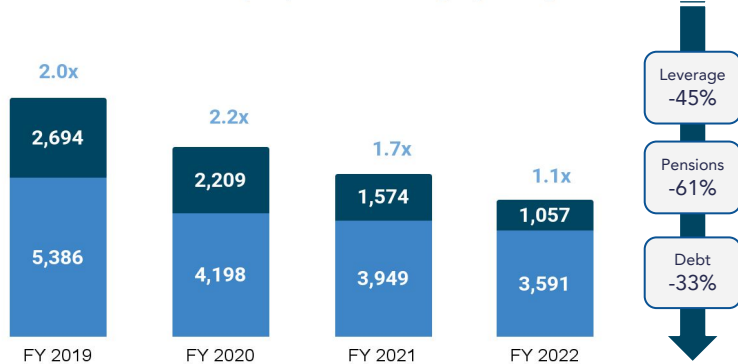
Underlying EBITDA (€m) & Margin (%)



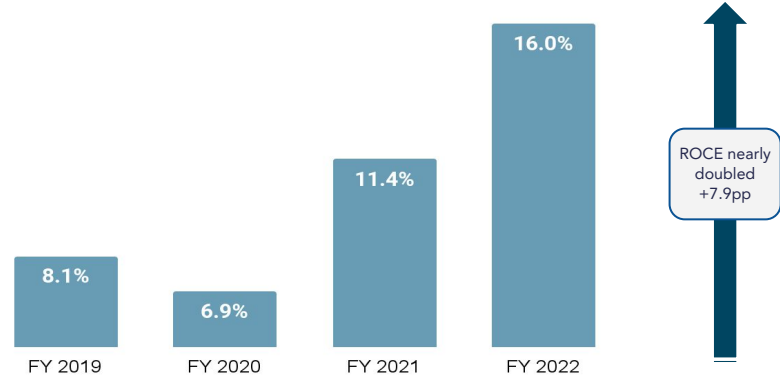
Free Cash Flow (€m) and Conversion (%)



Debt & Pensions (€m) and Leverage (times)



Return On Capital Employed (%)

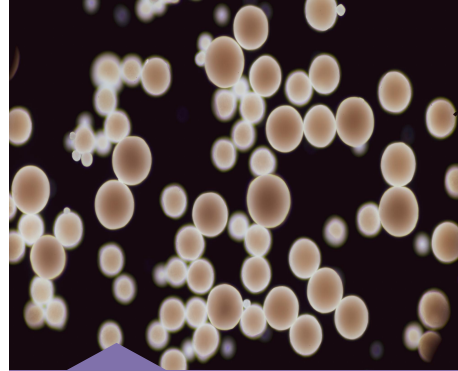


A stronger and better company



	2024 G.R.O.W. Targets, set in Nov 2019	2022 Achievements	Improvement 2019-2022
Net sales	-	€13,426m	9.7% CAGR
Underlying EBITDA	Mid-single digit growth (annual average growth) ✓	€3,229m	12.1% CAGR
Margin	-	24.0%	+1.3pp
Costs savings	Exceed €350m annual run rate (raised to €500m) ^[1] ✓	€79m	€467m cum.
FCF	-	€1,094m	+€3,506m cum.
FCF Conversion	Exceed 30% ^[2] ✓	34%	+6.1pp
Working capital	Reduce WC/sales ratio by 2pp ✓	12%	-3.5pp
Cashout (interest payments & pension cash service)	Reduction by €75m (pensions >40, interests >35) ✓	€245m	-€204m
Underlying Net Debt	-	€3,591m	-€1,947m
Leverage	-	1.1x	-1.0x
Pensions liabilities	-	€1,057m	-€1,615m
ROCE	Exceed 11% ✓	16.0%	+7.9pp

€1 billion of investments for growth



New PVDF line, China



Sodium bicarbonate capacity increase, Bulgaria



Vertical integration in natural vanillin, France

Innovations deliver new customer wins



100% biobased ingredients used for surfactants



New contract for a new PVDF grade for binders



Environmental award at TireTech 2022 for TECHSYN technology

Materials Performance



	Q4 2022 (€m)	% YoY	% YoY organic
Specialty Polymers	787	+42%	+37%
Composite Materials	247	+26%	+16%
Net Sales	1,034	+38%	+31%
EBITDA	306	+48%	+36%
EBITDA Margin	29.6%		



	FY 2022 (€m)	% YoY	% YoY organic
Specialty Polymers	3,121	+44%	+37%
Composite Materials	954	+31%	+21%
Net Sales	4,075	+40%	+33%
EBITDA	1,290	+47%	+37%
EBITDA Margin	31.7%		

Q4 Highlights

- Specialty Polymers' strong performance was driven by both pricing and volume, thanks to sustained demand in most markets including electronics and healthcare, while demand in automotive (incl. EV batteries) slowed in the quarter.
- Composite Materials' growth was driven by the continued recovery in civil aero, mainly in single-aisle programs.
- EBITDA margin at 29.6% or +2.1 percentage points versus last year

Chemicals Performance



	Q4 2022 (€m)	% YoY	% YoY organic
Soda Ash & Deriv.	572	+49%	+42%
Peroxides	198	+13%	+8%
Coatis	186	-10%	-19%
Silica	147	+18%	+15%
Net sales	1,103	+24%	+17%
EBITDA	282	-2%	-10%
EBITDA Margin	25.5%		



	FY 2022 (€m)	% YoY	% YoY organic
Soda Ash & Deriv.	2,221	+47%	+41%
Peroxides	773	+22%	+17%
Coatis	870	+17%	+5%
Silica	631	+35%	+30%
Net Sales	4.496	+34%	+27%
EBITDA	1,188	+18%	+10%
EBITDA Margin	26.4%		

Q4 Highlights

- Soda Ash & Derivatives' strong performance was driven by pricing and resilient demand. Higher bicarbonate volumes supported growth in the quarter, underpinned by flue gas treatment and pharma applications.
- Peroxides benefited from higher pricing while slower demand slightly reduced volumes in the quarter.
- Continued normalization to mid-cycle levels at Coatis and Rusvinyl as demand softens, particularly in Europe
- Silica benefited by higher prices while volumes were slightly lower.

Solutions Performance



	Q4 2022 (€m)	% YoY	% YoY organic
Novelcare	436	+1%	-7%
Special Chem	255	+21%	+21%
Techn. Solutions	190	+33%	+25%
Aroma Performance	121	-10%	-14%
Oil & Gas Solutions	145	+6%	-1%
Net Sales	1,146	+8%	+3%
EBITDA	174	-3%	-11%
EBITDA Margin	15.2%		

	FY 2022 (€m)	% YoY	% YoY organic
Novelcare	1,905	+23%	+16%
Special Chem	1,040	+24%	+23%
Techn. Solutions	740	+32%	+23%
Aroma Performance	575	+21%	+15%
Oil & Gas Solutions	586	+40%	+29%
Net Sales	4,846	+26%	+20%
EBITDA	944	+35%	+25%
EBITDA Margin	19.5%		

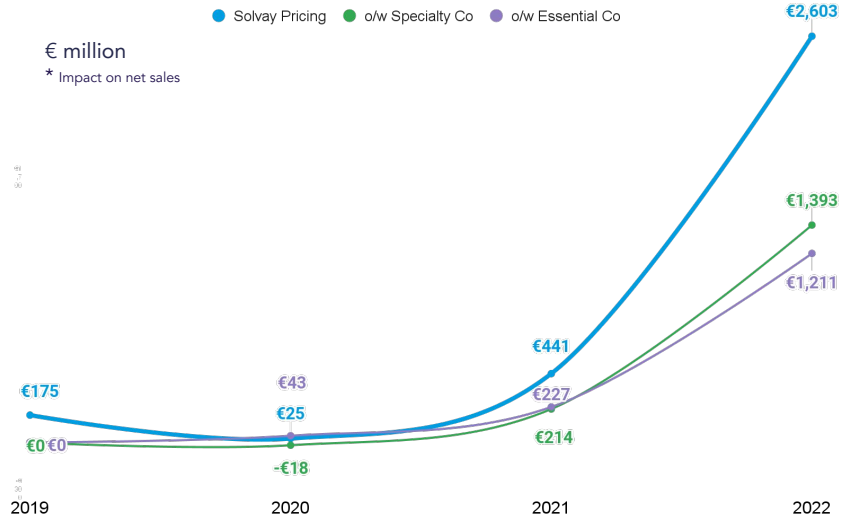
Q4 Highlights

- Novelcare was impacted by the weakening construction and consumer markets, which lowered demand in coatings and personal care, while the agro market was resilient backed by higher prices.
- Special Chem benefited from price increases across most markets, with demand remaining weak in automotive catalysts.
- Technology Solutions saw growth in both volumes and pricing, supported by sustained demand in mining, particularly copper.
- Aroma Performance faced challenges in the quarter with lower volumes of vanillin used in flavors & fragrance markets.
- Oil & Gas Solutions' sales growth was driven by prices in core markets.

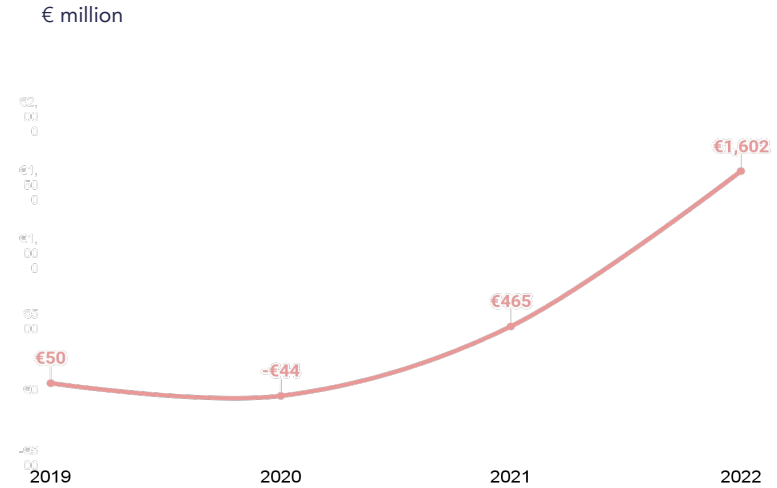
€1 billion of net pricing in 2022



Pricing



Variable costs



in € million	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22
Solvay Pricing	€13	€23	€1	-€13	€4	€29	€139	€269	€475	€690	€836	€602
o/w Specialty Co	€1	€11	-€6	-€24	-€8	€6	€64	€152	€248	€390	€428	€327
o/w Essential Co	€13	€12	€8	€10	€12	€23	€75	€117	€227	€300	€409	€275
Variable costs	€2	-€8	€30	€19	-€15	-€50	-€145	-€255	-€369	-€414	-€485	-€334
Solvay Net Pricing	€15	€16	€32	€6	-€11	-€21	-€6	€14	€106	€276	€351	€268
Year-to-date Net Pricing	€15	€31	€62	€68	-€11	-€32	-€38	-€24	€106	€382	€733	€1,001

Structural cost reduction

93% of 2024 cost savings achieved



Realized in FY
2020

€175m

Realized in FY
2021

€213m

Realized in FY
2022

€79m

Permanent structural levers

- Restructuring: ~50% of total
- Indirect costs reductions: ~30%
- Productivity efficiencies: ~20%

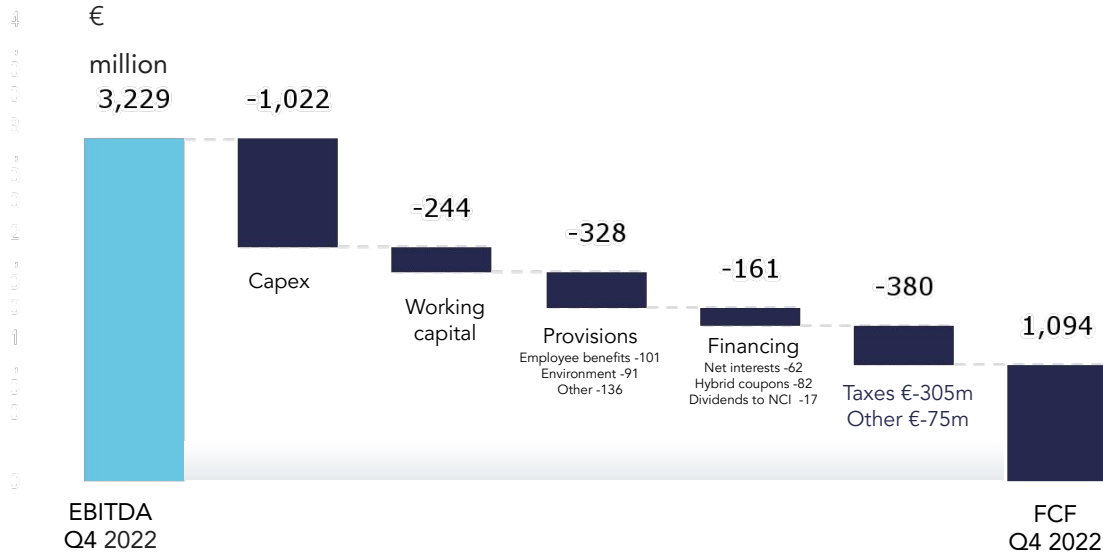
Total costs savings to date

€467m

Targeted annual run-rate by 2024

€500m

Strong free cash flow generation



€ 1,094 m in 2022

vs. € 843m in 2021

Main drivers

- Record profit
- Investment in growth
- Higher working capital
- No dividend from Rusvinyl JV

EBITDA 2021	Variation versus 2021					FCF 2021
	Capex	Working capital	Provisions	Financing	Taxes & Others	
2,356	-286	-157	-26	52	-204	843

Key enabler to a **sustained FCF conversion of 34%**

2023 Full-year outlook



Dividend
Proposed

€0.20 increase to
€4.05 per share

EBITDA
Underlying organic*

-3% to -9%
year-on-year

Free cash flow
continuing operations

around
€750m

* at constant forex and scope



2023 opens a new chapter



Full-year 2022 Earnings

This timetable is indicative and reflects a likely scenario. ECo and SCo are not reflective of the future company names.



Q&A

Annexes



Solvay One Planet broad and strong progress



	Objective	2022	2021	Progress vs. 2018	Comment	2030 targets
Climate	Align greenhouse gas emissions (scope 1&2) with Paris Agreement (Mt)	10.3 -6.4% (-4% structural)	11.0	-19% (-15% structural)	Progress at 2x Paris Agreement	Reduce by 30%
	Phase out coal solid fuels ^(a) (Petajoules)	28	27	-15%	4 plants exiting coal	Exit 5 plants
	Biodiversity (year on year)	-5%	-13%	-28%	Global Biodiversity score improved	Reduce negative pressure by 30%
Resources	Sustainable solutions, % of Group sales	55%	50% ^(b)	+5%	Acceleration driven by growth in Materials and Solutions	Achieve 65%
	Circular economy, % of Group sales	9%	8% ^(c)	n.a.	Progress rapidly approaching the 2030 target	More than double (10%)
	Non-recoverable industrial waste (kt)	56	58	-36%	Exceeded the 2030 target	Reduce by 30%
	Freshwater intake (Mm3)	330	315 ^(d)	-	change in methodology	Reduce by 25%
Better life	Safety (Reportable Injury and Illness rate - RIIR) ^(e)	0.34	0.43	-	Reinforcing safety measures at all sites	Aim for zero
	Diversity (% of women in middle/senior management) ^(f)	26.5%	25.0%	2.8pp	Increasing trend toward parity goals	Achieve 50%
	Equity	Publication of gender pay gap in April 2022 and corrective measures in place with a gap analysis for 951 people				
	Inclusion	High participation in the inaugural Global Employee Share Program				

Strong credentials: Our performance is recognised



MSCI
ESG RATINGS

A rating
(scale AAA to CCC)



Reporting Matters
In the top 10 reports



Recognition
on Biodiversity

ISS ESG

B- rating
Prime company

MOODY'S | ESG Solutions

#6/39 in the sector



FTSE4Good

Member of FTSE4Good

ecovadis

Top 2%



A-
Scale A to D

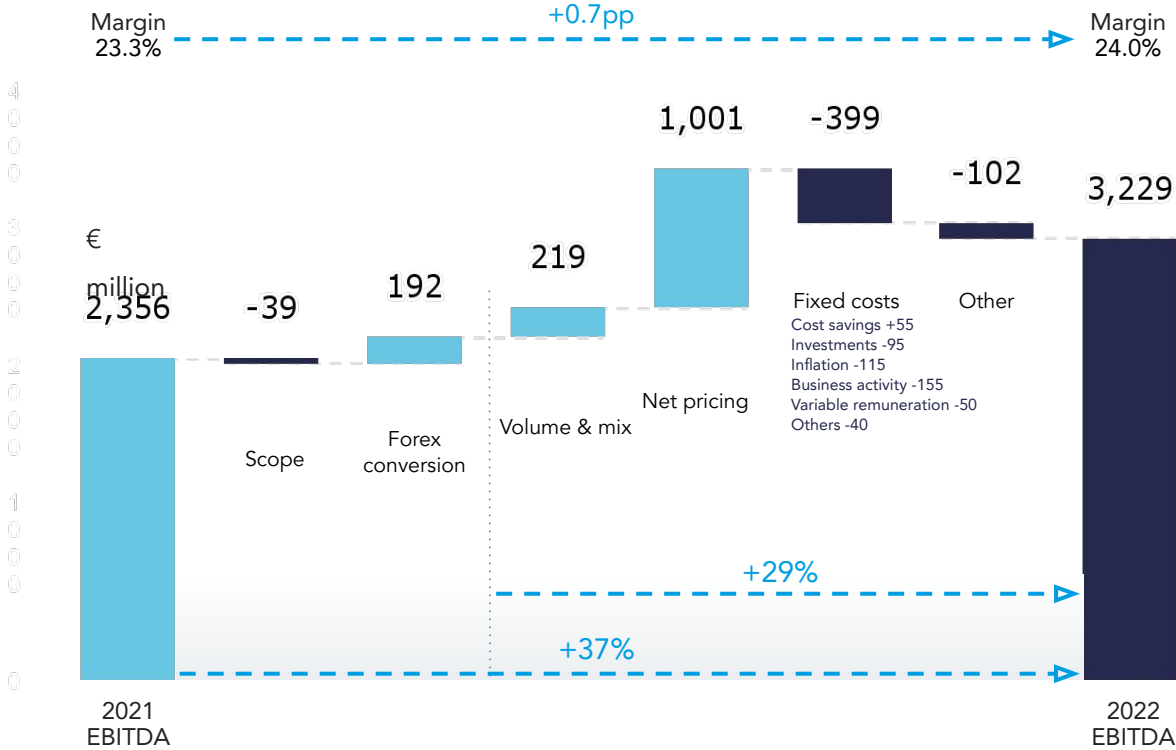
chemsec
CHEMSCORE

C-
(from A+ to D-)

Fourth quarter and full-year 2022 earnings



Double-digit EBITDA growth



€3,229m in 2022

vs. €2,356m in 2021

Main drivers

- Pricing more than offset variable and fixed costs inflation
- Resilience in key end-markets supported volumes
- Higher fixed costs on inflation, strong activity and investments

EBITDA reached a new annual record

Key figures



Underlying, in € million	Q4 2022	Q4 2021	% yoy	FY 2022	FY 2021	% yoy
Net sales	3,286	2,703	+21.6%	13,426	10,105	+32.9%
EBITDA	736	572	+28.6%	3,229	2,356	+37.0%
<i>EBITDA margin</i>	22.4%	21.2%	+1.2pp	24.0%	23.3%	+0.7pp
EBIT	517	374	+38.4%	2,426	1,600	+51.6%
Net financial charges	-39	-54	+27.3%	-202	-235	+13.7%
Income tax expenses	-76	-59	-27.9%	-453	-287	-57.9%
<i>Tax rate</i>				21.8%	23.5%	-1.7pp
Profit / (loss) attributable to Solvay shareholders	396	250	+58.2%	1,743	1,040	+67.6%
Basic EPS	3.81	2.41	+58.0%	16.80	10.05	+67.3%
Basic EPS from continuing operations (in €)	3.85	2.41	+59.7%	16.79	10.02	+67.5%
Capex	458	324	+41.4%	1,022	736	+38.8%
FCF to Solvay shareholders from continuing operations	170	150	+13.3%	1,094	843	+29.8%
FCF to Solvay shareholders (total)	170	149	+14.4%	1,094	830	+31.8%
FCF conversion ratio (LTM)				34.4%	37.6%	-3.2pp
Net financial debt				3,591	3,949	-9.1%
Underlying leverage ratio				1.1	1.7	-33.7%
CFROI				8.1%	6.9%	+1.2pp
ROCE				16.0%	11.4%	+4.7pp

Segment review



Underlying, in € million	Q4 2022	Q4 2021	% yoy	% organic	FY 2022	FY 2021	% yoy	% organic
Net sales	3,286	2,703	+21.6%	+15.2%	13,426	10,105	+32.9%	+25.6%
Materials	1,034	751	+37.7%	+31.2%	4,075	2,903	+40.4%	+32.6%
Specialty Polymers	787	555	+41.7%	-	3,121	2,173	+43.6%	-
Composite Materials	247	195	+26.2%	-	954	730	+30.7%	-
Chemicals	1,103	891	+23.8%	+16.7%	4,496	3,357	+33.9%	+26.5%
Soda Ash & Derivatives	572	385	+48.8%	-	2,221	1,509	+47.2%	-
Peroxides	198	175	+13.0%	-	773	636	+21.6%	-
Coatis	186	207	-10.3%	-	870	745	+16.8%	-
Silica	147	124	+18.4%	-	631	467	+35.4%	-
Solutions	1,146	1,058	+8.3%	+2.6%	4,846	3,838	+26.3%	+19.6%
Novicare	436	433	+0.7%	-	1,905	1,546	+23.2%	-
Special Chem	255	210	+21.1%	-	1,040	840	+23.8%	-
Technology Solutions	190	143	+32.6%	-	740	560	+32.2%	-
Aroma Performance	121	135	-10.4%	-	575	473	+21.4%	-
Oil & Gas	145	137	+5.7%	-	586	418	+40.3%	-
Corporate & Business Services	3	2	+9.3%	+6.2%	9	7	+31.4%	+41.4%
EBITDA	736	572	+28.6%	+18.7%	3,229	2,356	+37.0%	+28.7%
Materials	306	207	+48.1%	+36.1%	1,290	879	+46.8%	+36.9%
Chemicals	282	286	-1.5%	-9.9%	1,188	1,009	+17.7%	+10.1%
Solutions	174	180	-3.1%	-11.2%	944	701	+34.7%	+25.0%
Corporate & Business Services	-27	-101	+73.4%	-	-194	-232	+16.6%	-
EBITDA margin	22.4%	21.2%	+1.2pp	-	24.0%	23.3%	+0.7pp	-
Materials	29.6%	27.5%	+2.1pp	-	31.7%	30.3%	+1.4pp	-
Chemicals	25.5%	32.1%	-6.6pp	-	26.4%	30.1%	-3.6pp	-
Solutions	15.2%	17.0%	-1.8pp	-	19.5%	18.3%	+1.2pp	-

Segment review



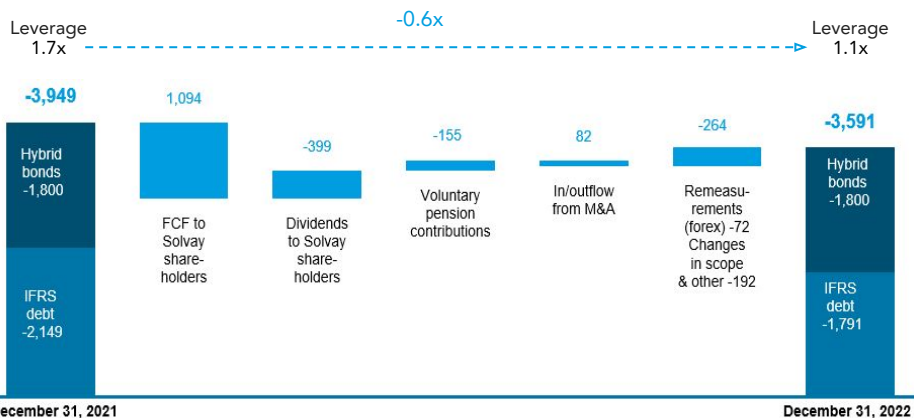
Underlying, in € million	Q4 2022	Q4 2021	% yoy	% organic	FY 2022	FY 2021	% yoy	% organic
Capex in continuing operations	458	324	+41.3%	-	1,022	736	+38.8%	-
Materials					400	251	+59.4%	-
Chemicals					284	212	+34.0%	-
Solutions					242	172	+40.7%	-
Corporate & Business Services					96	101	-5.1%	-
<i>Cash conversion</i>	37.8%	43.4%	-5.6pp	-	68.3%	68.8%	-0.4pp	-
<i>Materials</i>					69.0%	71.4%	-2.4pp	
<i>Chemicals</i>					76.1%	79.0%	-2.9pp	
<i>Solutions</i>					74.4%	75.5%	-1.1pp	
<i>CFROI</i>					8.1%	6.9%	+1.2pp	
<i>Materials</i>					11.6%	9.0%	+2.6pp	
<i>Chemicals</i>					9.4%	10.5%	-1.0pp	
<i>Solutions</i>					8.7%	7.2%	+1.5pp	
Research & innovation					349	298	+17.3%	
Materials					186	138	+35.3%	
Chemicals					29	28	+3.8%	
Solutions					115	103	+12.3%	
Corporate & Business Services					19	30	-36.0%	
Research & innovation intensity					2.6%	2.9%	-0.3pp	
Materials					4.6%	4.7%	-0.2pp	
Chemicals					0.6%	0.8%	-0.2pp	
Solutions					2.4%	2.7%	-0.3pp	

Strengthening our balance sheet

Reduction in net debt and provisions continue



Net debt 2021 - 2022 (in € million)

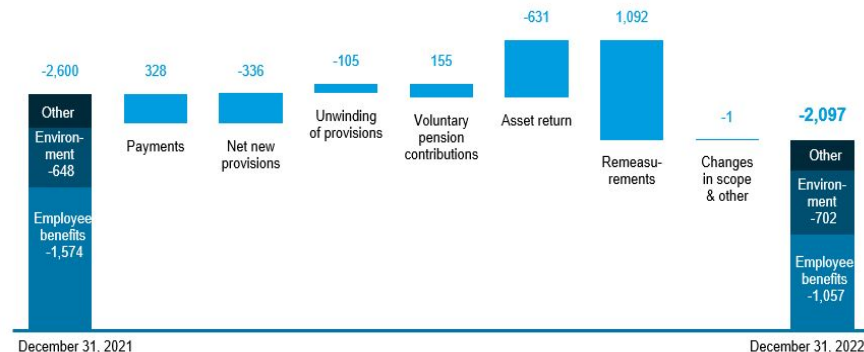


Underlying net debt slightly down at €3.6 billion

- Higher free cash flow generation
- Offsetting the dividend payment

Record low leverage ratio at 1.1x vs 1.7x at the end of 2021

Provisions 2021 - 2022 (in € million)



Provisions decreased by €503 million to €2.1 billion, driven by:

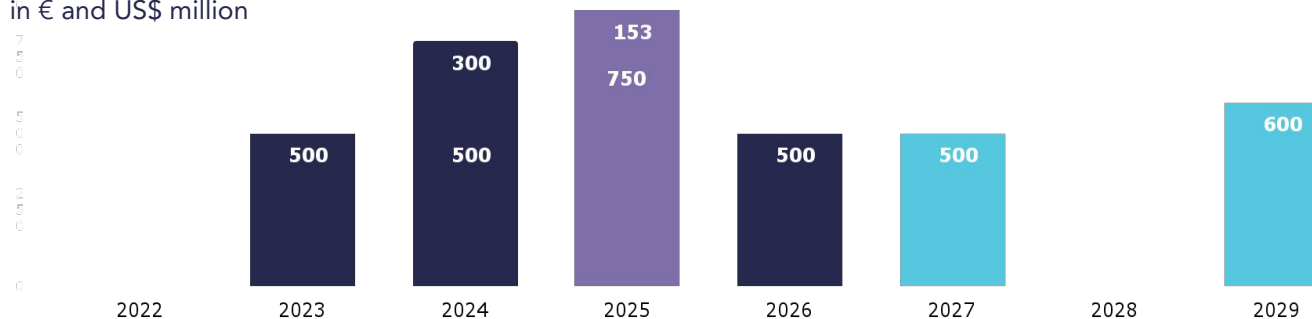
- Higher discount rates
- Additional €155 million voluntary contribution to pension assets in Germany decreased employee benefits provisions
- Lower assets performance
- Increase in environmental provisions €93 million, reflecting the estimated cost of certain remediation activities in West Deptford, NJ over the next 20 years. Additional information is available in the financial report

Balanced maturities

Deleveraging and reduced of cost of debt, record low leverage



Financial debt ⁽¹⁾
in € and US\$ million



NET DEBT
Leverage ratio

1.1x

S&P
Negative outlook

BBB

MOODY'S
Stable outlook

Baa2

Period	31 December 2021			31 December 2022			Variation over the period		
	Face value	Avg. maturity	Avg. cost	Face value	Avg. maturity	Avg. cost	Face value	Avg. maturity	Avg. cost
Bond type									
EUR Bonds ^[1]	1,478	5.4	1.55%	1,100	6.0	1.52%	-378	0.5	-0.03%
EUR Perpetual Hybrid Bonds ^[2]	1,800	2.7	4.54%	1,800	1.7	4.54%	0	-1.0	0.00%
US Bonds ^[3]	1,023	3.4	4.22%	903	2.9	4.36%	-121	-0.6	0.14%
Total	4,301	3.8	3.44%	3,803	3.2	3.63%	-498	-0.6	0.19%
	in € million	in years	in %	in € million	in years	in %	in € million	in years	in %

Major debt only, excluding cost of currency swaps

[1] Full repayment of the Solvay SA bonds (-€377.5 m in 2022)

[2] At first call date

[3] Early repayment of the Cytec bonds (\$196 million) at year end 2022. Outstanding USD 963 million at FX €/€ at the end of 2022

Market segments & geographical footprint



Region (% 2022 Net Sales)	Group	Materials	Chemicals	Solutions
Europe	27%	28%	34%	19%
North America	26%	30%	16%	32%
Latin America	14%	3%	25%	13%
Asia and rest of the world	33%	38%	25%	36%

End markets (% 2022 Net Sales)	Group	Materials	Chemicals	Solutions
Automotive & Aerospace	24%	51%	16%	9%
Industrial applications & Chemical industry	18%	8%	21%	22%
Consumers goods, Healthcare & HPC	16%	12%	21%	14%
Agro, Feed & Food	14%	3%	19%	19%
Resources & Environment	13%	6%	11%	21%
Building	9%	5%	12%	9%
Electronics	7%	14%	0%	6%



TOP 3
Market position
in ~ 90% of
portfolio



55%
Net sales
generated by
sustainable
solutions

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