

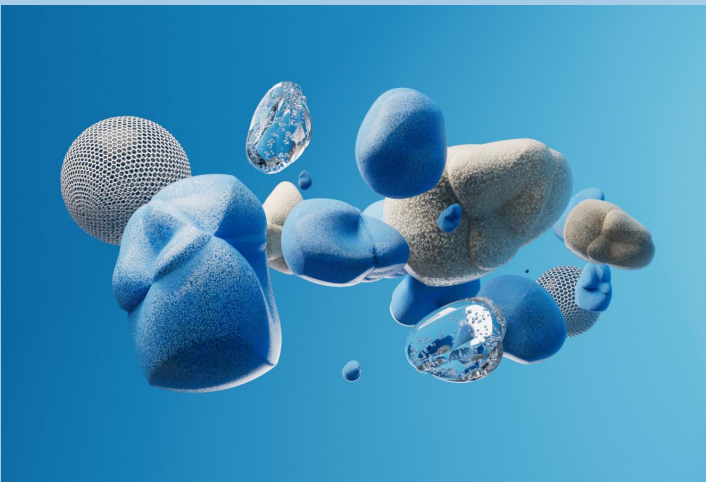


Press conference

Capital markets day

November 13, 2023





Philippe Kehren

Incoming CEO of SOLVAY

- 52 years old
- Currently President of Soda Ash & Derivatives and Head of Sustainability at Solvay
- An industrial authority with 30-year experience in multiple management roles
- Joined Solvay in 2012 after various management roles at Rhodia
- Oversaw successful turnaround of soda ash business, while accelerating the energy transition

A new chapter

We are mastering
the elements essential
to our world

SOLVAY
MASTERING THE ESSENTIAL

Our Ambition

Consolidate **#1 market position**

Be **THE** benchmark on cost

Sustain **top quartile** profitability and returns

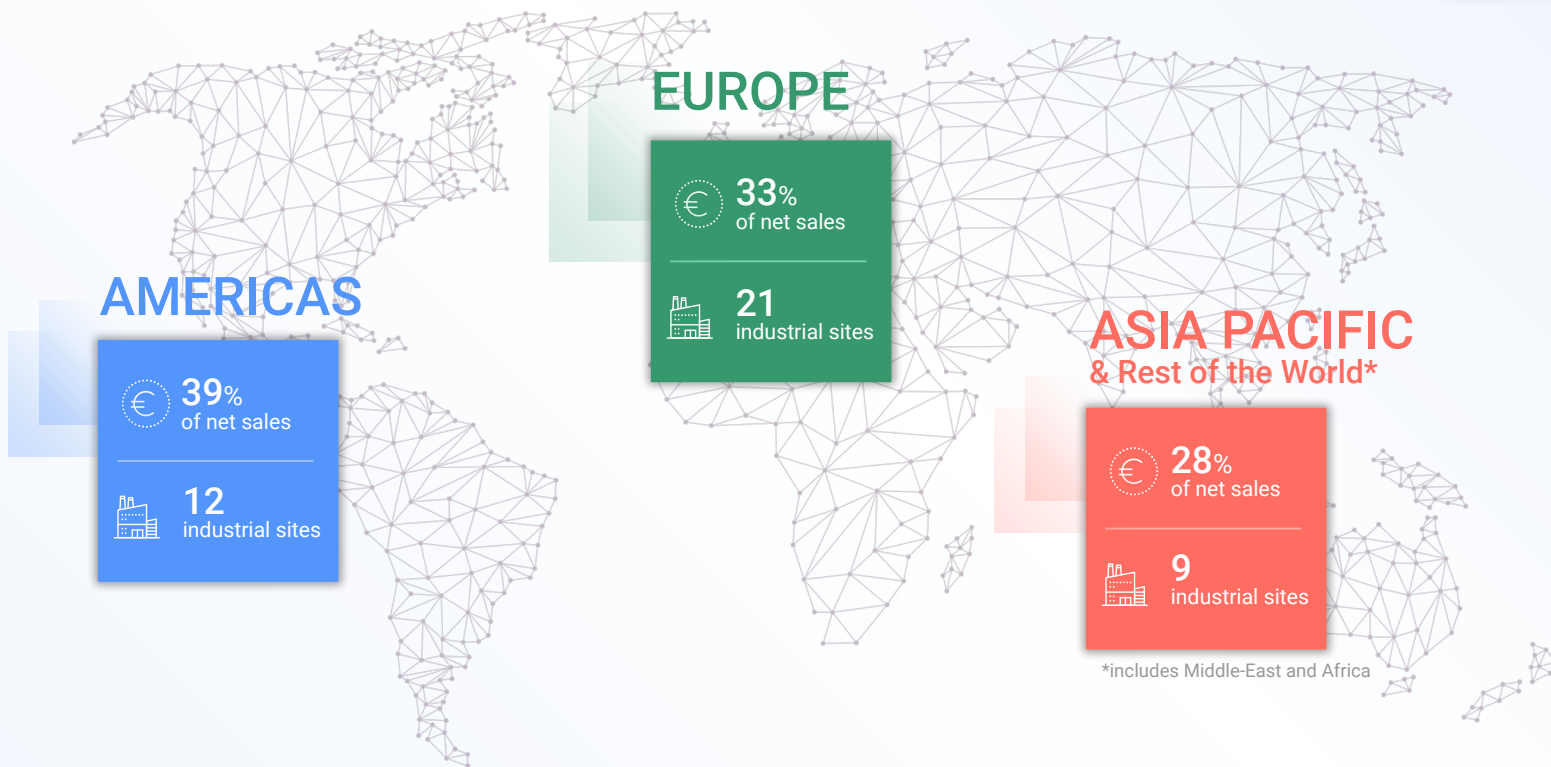
Deliver **carbon neutrality** through process innovation

SOLVAY

At a glance



Balanced global geographical exposure



Leadership across businesses



Soda Ash

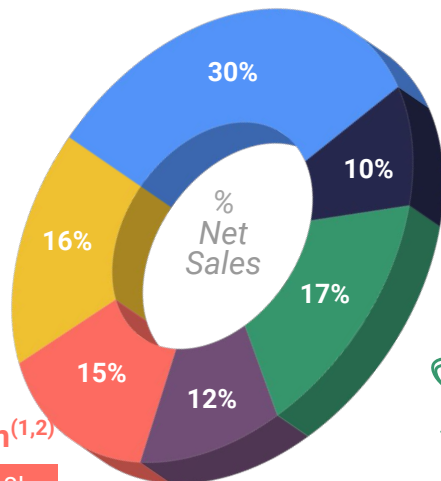
Net Sales €1.7bn

Coatis

Net Sales €0.9bn



Solvents
(Latin America)



Bicar

Net Sales €0.5bn



Peroxides⁽¹⁾

Net Sales €0.9bn

Special Chem^(1,2)

Net Sales €0.8bn



Rare earths
for auto catalysts

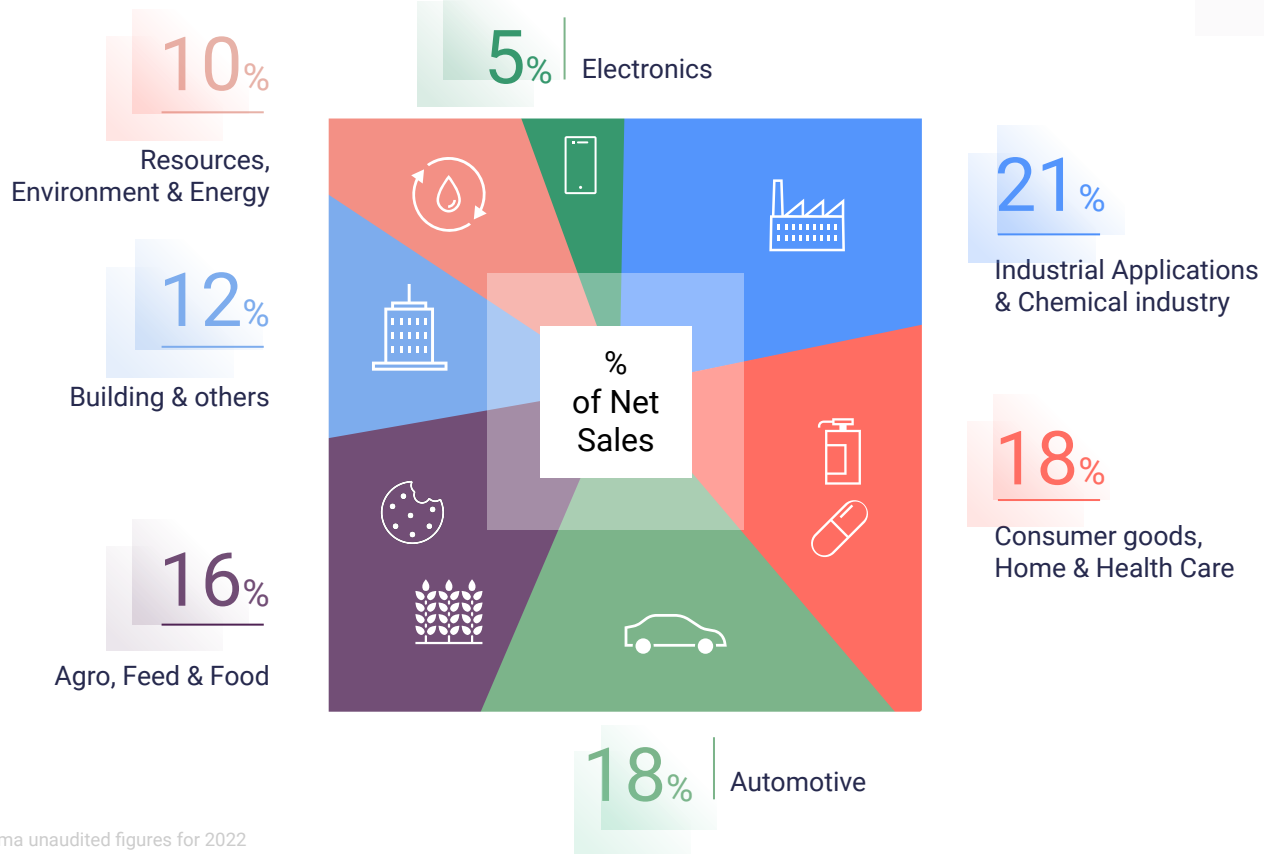
Silica

Net Sales €0.6bn



Highly Dispersible
Silica

Essential to multiple end-markets



Top Quartile performance



Strategy founded on 4 key priorities

Market
Leadership

Leverage

#1 position
in every
market

Cost & Process
Leadership

Drive

Excellence &
competitiveness

Energy
Transition

Deliver

Carbon
neutrality

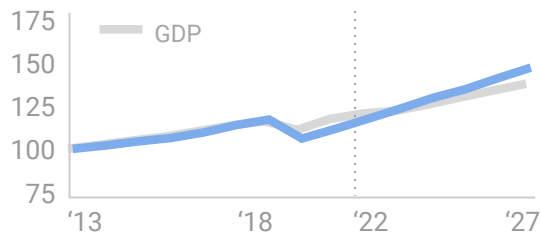
Capital
Discipline

Prioritize

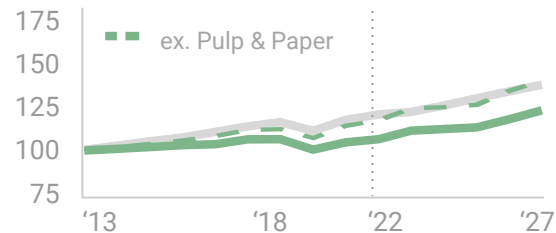
Cash
generation
& dividends

Portfolio: 75% aligned with GDP growth

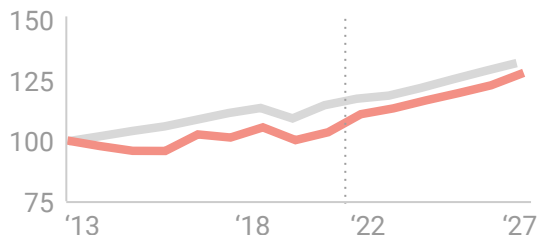
Soda ash



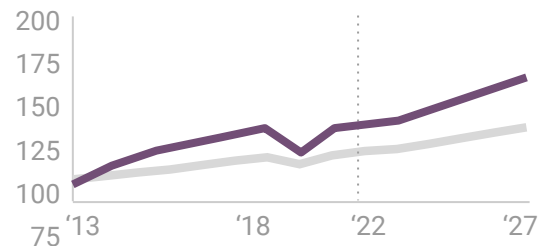
H₂O₂



Phenol



Silica



Portfolio : 25% materially outpacing GDP

Soda ash

Lithium carbonate used in Batteries

15-20%

H_2O_2

Battery recycling & urban mining

15-20%

Coatis

Green solvents

15-20%

Highly Dispersible Silica

Circular Silica (Rice Husk based)

20-25%

Bicar

Flue Gas Treatment

9-11%

$e-H_2O_2$

Process chemicals for Semicon manufacturing

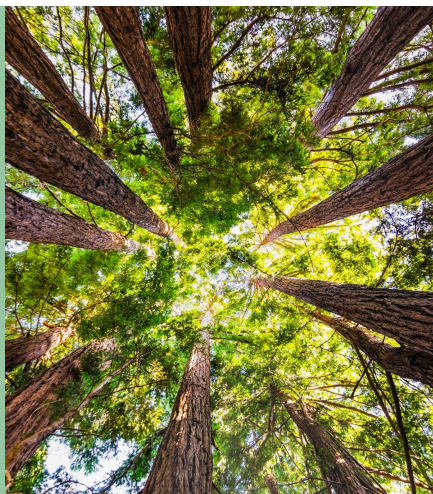
20-25%

Rare Earth

Permanent magnets for wind power & EV

9-11%

Our One Planet Roadmap



CARBON NEUTRAL
Scope 1 & 2 by 2050

CLIMATE

-30% Scope 1 & 2
GHG Emissions ¹
by 2030

-20% Scope 3
GHG Emissions ¹
by 2030

Coal Phase out ²
by 2030



BETTER LIFE

Safety RIIR ³
Aim for zero

Gender parity ⁴
in 10 years

Living wage to
100% of workforce
by 2026

¹ Reference year 2021. For Scope 3, "focus five" categories

² Where renewable alternatives exist

³ Reportable Injuries and Illnesses per 200,000 work hours

⁴ Mid and senior management

2028 Targets

Organic EBITDA Growth (in %)	Mid Single-Digit per year average
Underlying EBITDA Margin (in %)	Mid to High 20s
Total Gross Savings	€300 mn run-rate
Free cash flow Conversion (in %)	Exceed mid 30s
ROCE (in %)	Increasing to low 20s
Stable to increasing dividends	
Investment grade credit rating	

See glossary on page X for definitions



Key Takeaways

Leading, resilient, sustainable and essential

Enhanced delivery unlocked by separation

Cost leader & best-in-class profitability underpin dividends

An exciting New Chapter...



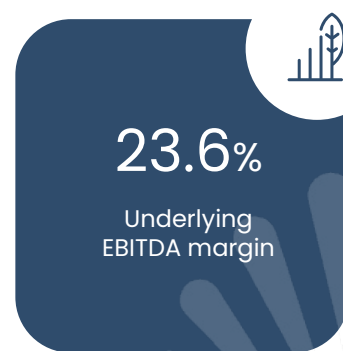
Ilham Kadri



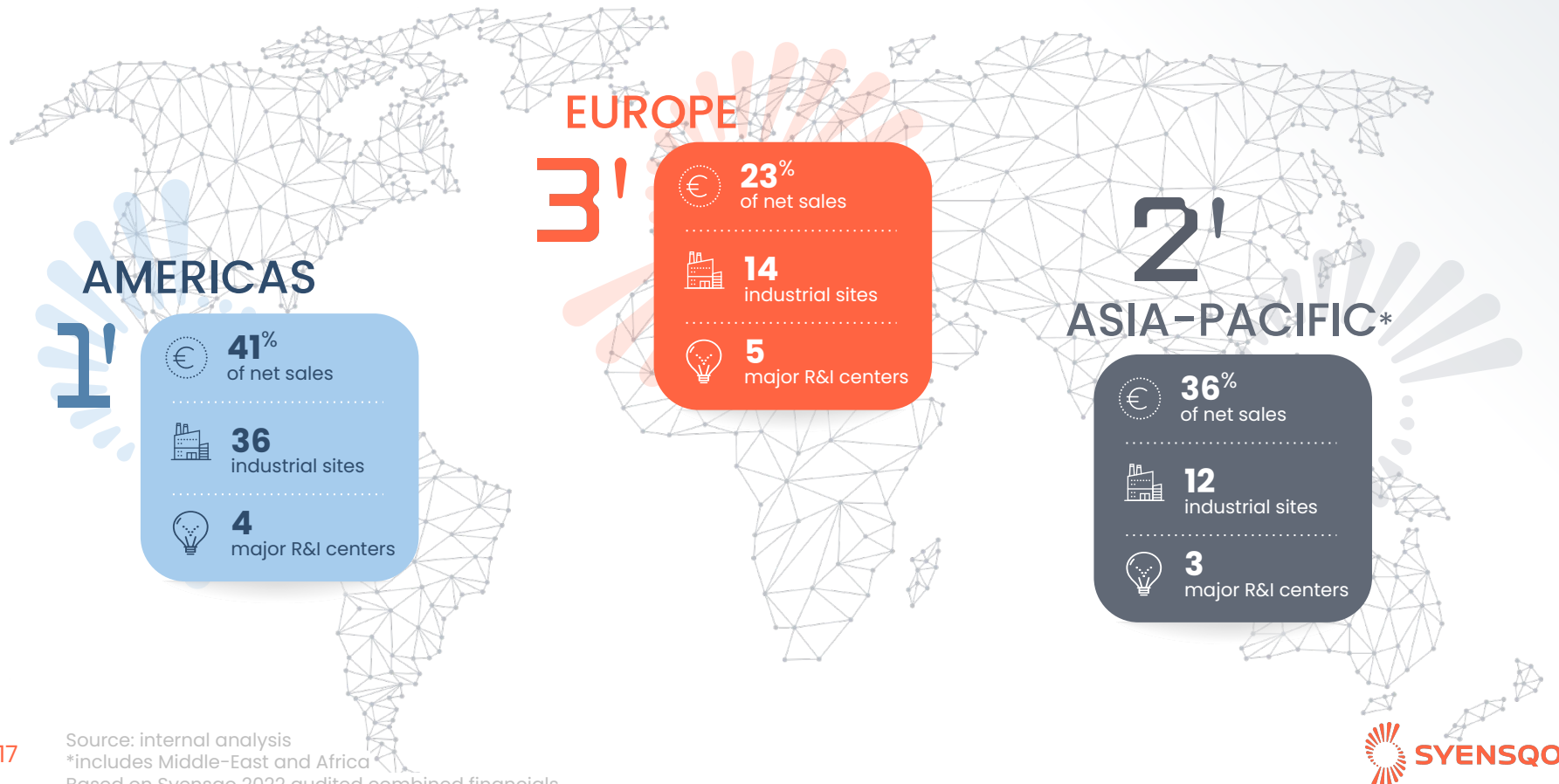
Our Ambition

- Be **THE** prime innovation partner
- Grow **~2X** market
- Deliver **superior** returns

Top-tier specialty player



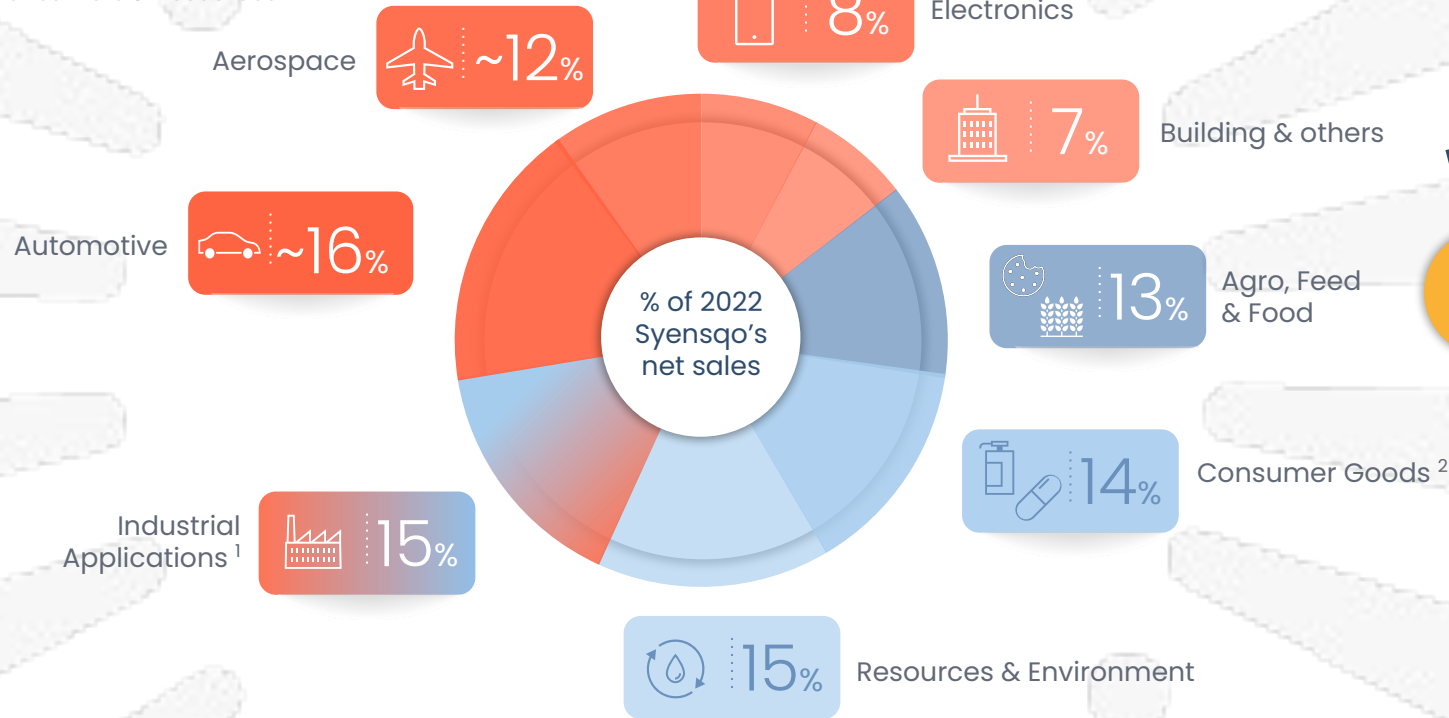
Global and close to our customers



Leadership in growth markets

Materials

Consumers & Resources



TOP 3
Market position*

Source: Management reports

¹ Includes: Chemical Industry

² Includes: Home, Personal & Health Care

*in ~90% of today's portfolio based on net sales

Two complementary specialty businesses

COMMON APPROACHES



Customer
obsessed



Solution
providers



Differentiated
technology
platforms



MATERIALS



DISTINCT PROFILES



CONSUMERS & RESOURCES

Longer product life cycle

Higher capital intensity

Best-in-class margins

Clean Mobility, Electronics, Healthcare

Rapid innovation cycle

Lower capital intensity

Margin improvement potential

Home & Personal Care, Agro, Resources, Building



COMPLEMENTARITY LEADING TO BALANCED EXPOSURES



A sharper focus and intensity

Growth
Engine



EXTEND

Market leading
positions

Innovation
Leadership



PROPEL

Product
development to
new heights

Sustainable
Solutions



EXPAND

Share of sales from
sustainable
solutions

Capital
Discipline



DELIVER

Strengthening ROCE
over the long-term

Technology shifts and megatrends bring significant opportunities across markets

Market							
	Auto – EV and hybrids	Healthcare	Electronics	Aero	Agro	Mining	Home & Personal Care
Trend/ Technology shift							
	Electrification	Aging population	Miniaturization	Lightweighting	Sustainable farming	Energy transition	Naturalness
Expected CAGR 24–28							
	<div>Battery materials</div> <div>Specialty Polymers</div>	<div>Specialty Polymers</div>	<div>Specialty Polymers</div>	<div>Composites</div> <div>Adhesives</div> <div>Specialty Polymers</div>	<div>Green solvents</div> <div>Sustainable seed care solutions</div>	<div>Reagent-based solutions</div> <div>Metal extraction solutions</div>	<div>Biodegradable</div> <div>Biosourced</div>

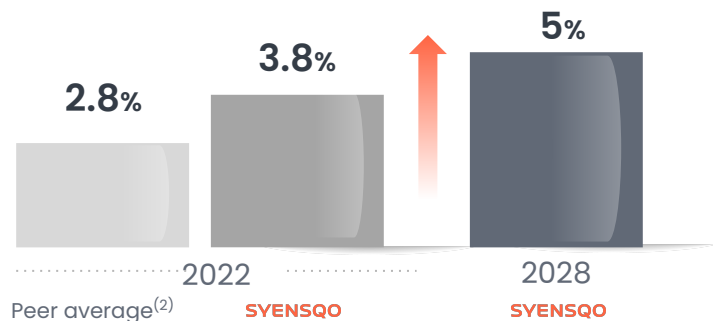
 10–20%
  5–10%
  2–5%

Accelerating R&I success

Non risk-adjusted R&I portfolio Sales Potential in 2028, €bn



Yearly R&I spend⁽¹⁾ on sales, %



Collaborations with leading institutions and biotech start ups



Reinforcement of capabilities and application labs



Hiring top talents in modeling, AI and automation

We make customers more sustainable

Catalyst for lightweighting

Up to 20% lower fuel consumption and CO₂ emissions in aviation

Critical enabler of electrification

100 kT of CO₂ reduction per day ⁽¹⁾

Promoter of clean beauty

>80% of hair and skin care products derived from natural origin

Champion in decarbonization

>20% CO₂ emissions achieved ⁽²⁾ across value chain since 2018



Winner of 2022 Suppliers Partnership for the Environment



Recognized for **remarkable creativity in implementing environmental sustainability programs and practices** by a Committee of leading auto OEMs

>80% of Innovation pipeline focused on sustainable solutions





2028 Targets

By 2028

Organic Sales Growth

5 to 7%

Underlying EBITDA Margin (%)

Mid-20s

ROCE (%)

Mid-teens

Capital Allocation prioritizes growth

Strong Investment Grade credit rating

One Planet fortifies GROWTH



CLIMATE

📌 **Carbon Neutral**
Scope 1&2 by **2040**

📌 **-40%** Scope 1&2⁽²⁾
-23% Scope 3 by 2030⁽²⁾



GROWTH

📌 Sustainable Solutions driven
by **Circularity**

📌 **18%** of Circular sales
by 2030⁽²⁾



BETTER LIFE

📌 **Safety RIIR⁽¹⁾**
Aim for zero

📌 **Gender parity⁽³⁾**
in 10 years

📌 **Living wage**
To 100% of workforce by 2026

¹ Reportable Injuries and Illnesses per 200,000 work hours

² Reference year 2021. For scope 3, on Focus 5 categories.

³ Mid and senior management



Q&A





Follow up with
media.relations@solvay.com