

*DRAFT Corporate Governance Charter of SOLVAY SA as they will in force following completion of the partial demerger*

**SOLVAY**

**CORPORATE GOVERNANCE CHARTER**

**[·] DECEMBER, 2023**

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## 1. INTRODUCTION AND REFERENCE CODE

This Corporate Governance Charter has been established by the Board of Directors of Solvay SA (hereinafter “**Solvay**” or the “**Company**”). It describes the main aspects of the Company’s governance structure and in particular the division of powers between the shareholders, the Board of Directors and the management to shape an efficiently functioning company with the aim to create sustainable-shared value for all its stakeholders. In view of these ambitions, Solvay considers that adherence to the highest standards of Corporate Governance is of utmost importance.

The Solvay Corporate Governance Charter reflects a strong tradition of values that are historically ingrained in the culture of the Solvay group (hereafter the “**Group**”).

Pursuant to article 3:6, §2, 1° of the Belgian Code of Companies and Associations (hereafter “the **BCCA**”) and as a Belgian listed company, Solvay applies the 2020 Belgian Corporate Governance Code (hereafter the “**2020 Code**”) as its reference code in governance matters, taking into account the specific international aspects of the Group. The 2020 Code is available on the website of the Belgian Corporate Governance Committee ([www.corporategovernancecommittee.be/en](http://www.corporategovernancecommittee.be/en)).

This Corporate Governance Charter aims at providing a comprehensive and transparent disclosure of Solvay’s governance. It must be read together with the articles of association of the Company. Both the Corporate Governance Charter and the articles of association are available on the Solvay website (<https://www.solvay.com/en/investors/corporate-governance>).

In addition, the annual report of Solvay includes a Corporate Governance Statement, which provides the information required under the BCCA and recommended under the 2020 Code. This Statement includes additional details on corporate governance matters, amongst others about directors and executive remuneration, and an overview of relevant events that took place during the relevant accounting year.

This Charter is periodically reviewed and updated by the Board of Directors, as required or appropriate.

## 2. LEGAL AND SHAREHOLDING STRUCTURE OF SOLVAY

### 2.1. Brief Presentation of Solvay

Solvay is a public limited liability company (*société anonyme / naamloze vennootschap*) incorporated under Belgian law and registered with the Crossroads Bank for Enterprises (*Banque Carrefour des Entreprises / Kruispuntbank van Ondernemingen*) under number 0403.091.220 (Brussels). Its registered office is located in the Brussels Capital Region.

### 2.2. Capital and Shares

#### 2.2.1 Amount of the Share Capital and Number of Shares

As of [December, 2023], the share capital of Solvay amounts to two hundred and thirty-six million five hundred and eighty-three thousand four hundred and forty-seven euros and eighteen cents (EUR 236,583,447.18) represented by one hundred and five million eight hundred and seventy six thousand four hundred and sixteen ordinary shares (105,876,416 shares), without nominal value, entirely paid up. The current amount of the share capital of Solvay is set forth in the articles of association of the Company and published on the Solvay website.

## **2.2.2 Forms and Classes of Shares**

Solvay shares are held in registered or dematerialized form:

- Dematerialized shares are represented by a book entry in the name of the shareholder with a recognized account holder or a clearing institution.
- Registered shares are represented by an entry in the Company's share register.

Shareholders may, at any time, request conversion of their shares into dematerialized shares (at the holder's cost) or into registered shares (without charge).

There are no classes of shares. Each share entitles its holder to one vote (without prejudice to the instances where voting rights are suspended under the BCCA or the articles of association).

## **2.2.3. Listing of the Shares**

The Solvay shares are listed on Euronext Brussels and on Euronext Paris.

## **2.2.4. Changes in the Share Capital (including Authorized Capital) and Issuance of New Shares**

The share capital of Solvay may be increased or reduced by decision of the Shareholders' Meeting.

New shares to be subscribed in cash are offered by preference to existing shareholders, regardless of the type of shares and whether or not fully paid up, in proportion to the existing shareholders' stake in the capital. The Shareholders' Meeting may, in accordance with Article 7:191 of the BCCA and in the interests of the Company, restrict or cancel the preferential subscription right of existing shareholders.

The Shareholders' Meeting may also authorize the Board of Directors to increase the capital. Such authorization must be limited in time and amount.

The decision by the Shareholders' Meeting to increase or reduce the capital or to grant the authorization for the Board of Directors to increase the capital must satisfy the quorum and majority requirements applicable to amendments to the articles of association, which are that a quorum of 50% of the capital must be present or represented and a majority of 75% of the votes must be expressed in favor of the increase or authorization at the meeting. If the quorum is not reached at a first meeting, a second meeting must be called at which the quorum requirement will not apply but the 75% majority requirement will still apply.

Solvay generally finances itself out of its profits, only a portion of which is distributed (see "Dividend Policy" below).

## **2.2.5. Acquisition and Disposals of Treasury Shares**

The Board of Directors may be authorized by the shareholders' meeting to acquire or dispose of the Company's treasury shares, in accordance with article 7:215 of the BCCA and Articles 8:2 and following of the Royal Decree implementing the BCCA.

## **2.3. Significant Shareholders and Shareholding Structure**

### **2.3.1. Reference Shareholder**

As shareholder holding more than 30% of the Company's share capital, Solvac SA is the reference shareholder of Solvay (the "**Reference Shareholder**").

Solvac SA is a public limited liability company (*société anonyme/naamloze vennootschap*) established under Belgian law, the shares of which are listed on Euronext Brussels. The percentage of capital and the number of shares owned by Solvac SA are published on Solvay's website (<https://www.solvay.com/fr/investors/share-information/major-shareholders>).

Considering Solvac SA's stated strategic investment objective and its engagement track-record with the Company since its initial investment in the Company in 1983, a relationship agreement with Solvac SA has not been considered necessary.

Solvac SA shares, all of which are registered, are traded on Euronext Brussels may be freely held by individuals and agreed legal persons.

### **2.3.2. Shareholding Structure**

The current shareholders' structure and the declarations of transparency are published on Solvay's website (<https://www.solvay.com/en/investors/share-information/major-shareholders>) based on the notifications made to the Company and to the Belgian Financial Services and Markets Authority ("FSMA") by the shareholders, in accordance with legal provisions.

In addition to the thresholds provided by law (*i.e.*, 5% and multiples of 5%), Solvay's articles of association require any shareholder to declare, within legal time limits, to the Company and to the FSMA, the number of shares that it owns, when the voting rights attached thereto, alone or acting in concert as defined by law, exceed the thresholds of 3% or 7.5% of the total existing voting rights.

A similar notification must be done when, following a transfer, the voting rights that a shareholder holds, alone or acting in concert as defined by law, drop below one of the legal thresholds or the specific additional thresholds cited above.

### **2.3.3. Shareholders' Arrangements**

To the Company's knowledge, there are no binding agreements among its shareholders relating to the Company which may result in restrictions on the transferability of the Company's shares or the exercise of voting rights. However, the Company is informed that certain individual shareholders who hold shares directly in Solvay may decide to consult together when questions of particular strategic importance are submitted by the Board of Directors to the Shareholders' Meeting. To the Company's knowledge, each of these shareholders remains free to vote as he or she chooses and none of these persons, either individually or acting in concert with others, reaches the initial 3% transparency notification threshold (as Solvay has not been notified of any such holding).

## **2.4. Relations with Shareholders**

Committed to maintaining relationships of trust with shareholders and the financial community, Solvay aims to provide comprehensive and transparent information regarding the Group's vision and strategic ambition, most relevant developments and financial fundamentals and performance.

The Company has an Investors Relations Team fully dedicated to organizing activities and providing services and information to shareholders, including institutional investors.

Solvay also has dedicated pages on its website for investors ([www.solvay.com/en/investors](http://www.solvay.com/en/investors)). These pages provide various investors groups, credit analysts and other stakeholders with the latest published financial and strategic information concerning the Group. It provides useful contacts with analysts who closely track the Group. It further offers the opportunity to be added to the mailing lists,



and then receive the press releases issued by the company on a lot of various topics that include earnings, general meetings of shareholders, publication of the integrated annual report, etc.

The Group also organizes investor conferences and events as well as presentations, visits and roadshows and a Capital Markets Day for investors and analysts.

In addition, to maintain a close relationship with its individual shareholders in particular, the Group has had in place a Shareholders Service for many years which responds to all queries and requests for information from the shareholders (subject to applicable law and in particular closed periods).

### **3. DIVIDEND POLICY**

The policy of the Company is to propose a stable or increasing dividend to the shareholders, and as far as possible, never to reduce it.

The annual dividend is paid in two installments: in the form of an interim dividend after the close of the financial year to which the advance relates and a final payment of the remaining balance after approval by the Shareholders' Meeting, in each case subject to the applicable BCCA provisions relating to distributable profits.

The method to set the advance payment is determined by the Board of Directors partly by reference to 40% (rounded) of the previous year's total dividend and takes into account the results for the first nine months of the current year to which the interim dividends relate.

As to the balance, once the annual accounts have been completed, the Board of Directors proposes a dividend, in accordance with the policy described above, which it submits to the Shareholders' Meeting for approval.

The second dividend installment, i.e. the balance after deducting the advance payment, is payable following the Shareholders' Meeting.

### **4. SHAREHOLDERS' MEETINGS**

#### **4.1. Role and Mission**

The Shareholders' Meeting has the powers granted to it by law, as further outlined in the articles of association and in this Charter.

#### **4.2. Ordinary Shareholders' Meeting**

The Company's Ordinary Shareholders' Meeting is held at the registered office of the Company or at any other location indicated in the convening notice, at a date specified in the Company's articles of association.

The Board of Directors may decide to allow shareholders to participate remotely to a Shareholders' Meeting through electronic means of communication made available by the Company, in accordance with Article 7:137 of the BCCA.

The agenda of the Ordinary Shareholders' Meeting generally includes the following items, as the case may be:

- Presentation of the Board of Directors' annual report (including the Corporate Governance Statement and the remuneration report) and a presentation of the strategy and environmental performance;
- Presentation of the reports of the statutory auditor on the statutory and consolidated annual accounts;
- Communication of the consolidated accounts;
- Approval of the annual accounts, including the statutory result allocation;
- Approval of the granting of discharge for the directors and the statutory auditor;
- Approval of the remuneration report;
- Approval of the remuneration policy (when required);
- Approval of the appointment of directors and statutory auditor (including remuneration).

#### **4.3. Extraordinary Shareholders' Meeting**

Extraordinary Shareholders' Meetings may be called in certain instances required under the BCCA. These include among others Shareholders' Meetings asked to vote on proposed amendments to the articles of association, any increase or reduction of the Company's share capital, any decision to liquidate the Company or any merger or demerger of the Company, or any proposed authorizations to the Board of Directors to increase the share capital (authorized capital) or repurchase the Company's own shares.

#### **4.4. Ad Hoc Shareholders' Meeting**

The Board of Directors and the statutory auditor may convene an *ad hoc* Shareholders' Meeting where needed and set the agenda of that *ad hoc* Shareholders' Meeting.

The Board of Directors shall call an *ad hoc* Shareholders' Meeting, under the conditions set out in the BCCA, upon the request of shareholders holding together at least 10% of the Company's share capital, in which case the relevant shareholders requesting the meeting shall indicate the items to be included on the agenda of the meeting in their request.

#### **4.5. Procedure for Calling Meetings**

The notice convening Shareholders' Meetings includes the agenda, supporting documentation and a proposal of resolution on each item to be voted on. It also sets forth the place, date and time of the meeting and the procedure for taking part in the meeting or for appointing proxy holders.

Convening notices are communicated to registered shareholders. Holders of dematerialized shares are notified of meetings by announcements in the press. The notices of meetings are published in the official Belgian State Gazette (*Moniteur Belge / Belgisch Staatsblad*) and in the financial press. Major banks established in Belgium also receive the necessary documentation to pass on to Solvay shareholders among their clients. Convening notices and supporting documentation are also available on the Company's website (<http://www.solvay.com/en/investors/shareholders-meeting/index.html>).

One or more shareholders holding together at least 3% of the Company's share capital may, under the conditions set out in the BCCA, request for items to be included on the agenda of any already convened Shareholders' Meeting and submit proposals for decisions concerning the items to be included or already included on the agenda of an already convened meeting.

## **4.6. Participation in Shareholders' Meetings**

The Company encourages the shareholders to participate in Shareholders' Meetings. In order to facilitate shareholder's participation, this Section provides an overview of the most important procedures and rules that apply to a shareholder's participation in Shareholders' Meetings.

### **4.6.1. Record Date**

In order to be allowed to participate in a Shareholders' Meeting, shareholders must have Solvay shares recorded in their name by midnight (CET) on the 14<sup>th</sup> calendar day prior to the relevant Shareholders' Meeting (the "**Record Date**"):

- For registered shares, this takes place automatically by virtue of their registration in the share register of the Company on the Record Date.
- Dematerialized shares must be registered in the name of the participating shareholder on the Record Date through a book entry in the accounts of a recognized account holder or a clearing organization.

Shareholders are admitted to the Shareholders' Meetings and may exercise their voting rights with the shares that are recorded in their name on the Record Date, regardless of the number of shares they hold on the date of the relevant Shareholders' Meeting.

### **4.6.2. Confirmation of Participation**

Shareholders must also indicate to the Company their intent to take part in the Shareholders' Meeting, no later than the sixth calendar day preceding the date of the relevant Shareholders' Meeting:

- Holders of registered shares must send to the Company the signed original notice of participation, using the form attached to the convening notice.
- Holders of dematerialized shares should send the Company a certificate from the recognized account holder or the clearing organization certifying the number of shares that are registered in their name in their accounts at the Record Date and for which they wish to participate in the Shareholders' Meeting.

More detailed information on arrangements for taking part in the Shareholders' Meeting are made available in the convening notice which is available on the Company's website (<http://www.solvay.com/en/investors/shareholders-meeting/index.html>).

### **4.6.3. Votes and Proxies**

Shareholders vote at Shareholders' Meetings in person or by proxy. The form of proxy is determined by the Board of Directors and is available on the Company's website once the relevant Shareholders' Meeting has been convened. Proxies must be received at the location indicated or, where applicable, at the e-mail address mentioned in the convening notice no later than the sixth calendar day preceding the date of the relevant Shareholders' Meeting.

The appointed proxy holder does not have to be a shareholder of the Company. A single proxy holder may represent several shareholders.

#### **4.6.4. Questions**

Each shareholder who complies with the formalities for admission to the Shareholders' Meeting is entitled to ask questions concerning the items on the agenda. These questions can be submitted by mail to the registered office or electronically to the email address specified in the notice. Written questions must reach the Company no later than the sixth calendar day before the date of the relevant Shareholders' Meeting.

#### **4.7. Procedure**

The Shareholders' Meeting is chaired by the Chairperson of the Board of Directors or, in case of impediment of the Chairperson, by the Vice-Chairperson (if applicable) or, if both have an impediment, by another director designated to do so by the Board. The Chairperson appoints the secretary of the meeting, who as a rule is the Corporate Secretary, and will appoint two shareholders as vote counters. The Chairperson, the secretary and the vote counters together constitute the Bureau of the meeting.

Except as otherwise provided in the BCCA or in the Company's articles of association, resolutions in Shareholders' Meetings are adopted without quorum requirement by a simple majority of votes cast by shareholders present and represented on a "one share, one vote" basis. In the case of Extraordinary Shareholders' Meetings, the Company complies with the legal rules governing quorums of presence and qualified majorities.

Voting at the Shareholders' Meeting is done by means of an electronic voting device or by any other means ensuring the secrecy and integrity of the vote, unless the Shareholders decide otherwise with a majority of the votes cast.

The minutes of the Shareholders' Meeting are drawn up and signed by the members of the Bureau and those shareholders who wish to do so. They are published on the Company's website ([www.solvay.com](http://www.solvay.com)) no later than the 15<sup>th</sup> calendar day after the date of the relevant Shareholders' Meeting.

### **5. BOARD OF DIRECTORS**

#### **5.1. One-Tier Structure**

The Company has adopted a "one-tier" governance structure under the BCCA, which it considers the most appropriate for the Group to operate effectively. This means that the Company is administered by a Board of Directors and run by an Executive Leadership Team / Comité Exécutif, whose respective functions and responsibilities are clearly defined in this Charter and in accordance with applicable rules.

#### **5.2. Size and Composition**

##### **5.2.1. Composition**

In accordance with the articles of association of the Company, Solvay is managed by a Board of Directors composed of no less than five members (including the CEO). The composition of the Board of Directors reflects the need for contribution of experience and knowledge from different fields, in a manner that ensures efficient decision-making. The Board of Directors is a collegial body.

Directors are appointed by the Shareholders' Meeting for a renewable term of four years, unless the Shareholders' Meeting sets a shorter term for an individual Director. To the extent possible, terms of office should be staggered so as to avoid replacement of the entire body and to favour a smooth replacement of Directors.

The Shareholders' Meeting can dismiss any Director at any time. The Board of Directors elects a Chairperson from among its members, who cannot be the CEO in accordance with the 2020 Code.

It may also elect from among its members a Vice-Chairperson who may or may not be an independent director. The Vice-Chairperson shall be a non-independent director if the Chairperson is independent.

The Board of Directors appoints a Corporate Secretary, in charge of assisting it, whose responsibilities it determines. The Board of Directors shall ensure that the Corporate Secretary has the necessary skills and knowledge of corporate governance matters.

### **5.2.2. Appointment**

The Directors are appointed by the Shareholders' Meeting, following a proposal by the Board of Directors and upon recommendation of the Nomination Committee. The Nomination Committee leads the nomination process, including, if appropriate, with the assistance of a headhunting firm, for any proposed appointment or renewal of a Director. It recommends suitable candidates to the Board of Directors on the basis of a profile taking into account the criteria for appointment set forth in Section 5.2.3. The Board of Directors then makes appointment or renewal proposals to the Shareholders' Meeting.

The Chairperson and the chairperson of the Nomination Committee ensure that the Board of Directors, when resolving on a proposal to appoint or renew a Director, disposes of sufficient information on the candidate for Director, such as the candidate's curriculum vitae, an assessment of the candidate based on the candidate's interview(s), a list of the positions currently held by the candidate, and, if applicable, the necessary information about the candidate's independence according to the criteria described in Section 5.2.4.

The same process shall be applied to spontaneous candidacies for a position of Director. Written notice of spontaneous candidacies must be received by the Company at least 40 days before the Shareholders' Meeting.

The Shareholders' Meeting decides on candidate proposals made by the Board of Directors by a simple majority.

If a directorship becomes vacant during the term of office, the Board of Directors may co-opt a new Director, after having sought the prior advice of the Nomination Committee, subject to ratification by the next following Shareholders' Meeting. A Director appointed to replace a Director who left office before the end of his or her term of office shall complete that term, unless the Shareholders' Meeting decides otherwise.

The Board of Directors shall ensure that there is an adequate succession planning in place.

### **5.2.3. Criteria for Appointment**

The Board of Directors applies among others the following criteria when proposing candidates for election to directorship by the Shareholders' Meeting.

- Ensuring that a substantial majority of directors are non-executive.

- Ensuring that a substantial majority (and in any event at least three as prescribed by the BCCA) of non-executive directors are independent according to the criteria described in Section 5.2.4.
- Ensuring that no single Director or group of Directors may dominate decision-making.
- Ensuring that the composition of the Board of Directors reflects the shareholder structure, the wide range of competences, and experience required by the Group's business model and activities. The composition of the Board of Directors is based on diversity, so as to gather sufficient expertise in the Company's areas of activity as well as sufficiently diversity in particular in terms of skills, background, age, national diversity and gender, in compliance with the applicable rules.
- Ensuring that the Board of Directors' international composition appropriately reflects the geographic extent of the Group's activities.
- Ensuring that the candidates it presents commit to devoting sufficient time to the duties entrusted to them. Candidates should be fully available to carry out their functions. Changes to their other relevant commitments and their new commitments outside the Company must be reported to the Chairperson of the Board of Directors and the Corporate Secretary as they arise.
- Ensuring that candidates are neither holding an executive position in a competing company nor have a present or past involvement in the external audit of the Group.

The age limit for membership on the Board of Directors is the Ordinary Shareholders' Meeting following the member's 75<sup>th</sup> birthday.

The Chairperson of the Board, working together with the Chairperson of the Nomination Committee, gathers the information allowing the Board of Directors to verify that the selected criteria are met at the time of appointment, renewal and during the term of office.

At the end of each Director's term, the Nomination Committee shall evaluate the Director in accordance with the principles set forth in Section III of the internal rules of the Board of Directors, attached to this Charter as Appendix 1.

The Reference Shareholder has proposed the appointment of certain directors in light of the appointment criteria set out above. At the date hereof and considering the level of its stake in the share capital of the Company, three directors have been appointed by the Shareholders' Meeting upon Reference Shareholder's proposal.

#### **5.2.4. Independence**

In carrying out their duties, each Director must fulfill his/her fiduciary duties of care, loyalty, good faith, integrity and probity, and act in the best interests of the Company, its shareholders and all other stakeholders. All Directors should be committed to the long-term interests of the Company, engage actively in their duties and make their own independent judgment when discharging their responsibilities.

Acting with independence of mind includes the ability to develop a personal conviction and having the courage to act accordingly by assessing and challenging the views of other Board members, by interrogating the executives when appropriate in the light of the issues and risks involved, and by being able to resist group pressure.

Furthermore, Article 7:87 of the BCCA provides a general definition of an “independent” Director and refers to the 2020 Code for the detailed independence criteria to be taken into consideration.

Independent Directors must therefore not have a relationship with the Company or with a material shareholder of the Company that could jeopardize his or her independence, and, more in particular, meet the following criteria:

1. Not be an executive, or exercising a function as a person entrusted with the daily management of the Company or a related company or person, and not have been in such a position for the previous three years before their appointment. No longer enjoying stock options of the Company related to this position.
2. Not have served for a total term of more than twelve years as a non-executive Board member.
3. Not be an employee of the senior management of the Company or a related company or person, and not have been in such a position for the previous three years before their appointment and no longer enjoying stock options of the Company related to this position.
4. Not be receiving, or having received during their mandate or for a period of three years prior to their appointment, any significant remuneration or any other significant advantage of a patrimonial nature from the Company or a related company or person, apart from any fee they receive or have received as a non-executive Board member.
5. Not hold shares, either directly or indirectly, either alone or acting in concert, representing globally one-tenth or more of the Company’s capital or one-tenth or more of the voting rights in the Company at the moment of appointment and not having been nominated, in any circumstances, by a shareholder fulfilling such conditions.
6. Not maintain, nor have maintained in the past year before their appointment, a significant business relationship with the Company or a related company or person, either directly or as partner, shareholder, Board member, member of the senior management of a company or person who maintains such a relationship.
7. Not be or have been within the last three years before their appointment, a partner or member of the audit team of the Company or person who is, or has been within the last three years before their appointment, the statutory auditor of the Company or a related company or person.
8. Not be an executive of another company in which an executive of the Company is a non-executive Board member, and not have other significant links with executive Board members of the Company through involvement in other companies or bodies.
9. Not have, in the Company or a related company or person, a spouse, legal partner or close family member to the second degree, exercising a function as Board member or executive or person entrusted with the daily management or employee of the senior management, or falling in one of the other cases referred to in the above points 1 to 8, and as far as point 2 is concerned, up to three years after the date on which the relevant relative has terminated their last term.

In addition to these criteria which create a rebuttable presumption of independence under Article 7:87 of the BCCA, the Company also requires a waiting period of at least one year before it can recognize the independence of a non-executive director of Solvac who would leave the Board of Directors of Solvac to join the Board of Directors of Solvay. In accordance with Article 7:87 of the BCCA, should

the Board of Directors present a candidate for appointment as independent Director who does not meet all the criteria set out above, the Board of Directors will explain why it considers that such person is independent.

### **5.3. Role and Mission**

The Board of Directors is the highest management body of the Company. The Board is vested with all the powers that are not reserved, by law or by the articles of association, to the Shareholders' Meeting.

The powers the Board of Directors are as follows and to this end, it also receives all the information required in relation to each of them:

1. Setting the general strategies and general policies of the Group, taking into account the sustainable development model and objectives adopted by the Group.
2. Developing an inclusive approach that balances the legitimate interests and expectations of shareholders and all other stakeholders to effectively pursue sustainable value creation by the Company. In that context, the Board of Directors will ensure that the Company's culture is supportive of the realization of its strategy and that it promotes responsible and ethical behavior.
3. Adopting and regularly reviewing the budget and medium and long-term strategy of the Company, based on proposals from the executive management, including in relation to investments, Research & Innovation (R&I) and financial objectives.
4. Approving the operational plans and principal policies developed by the executive management to give effect to the approved Company strategy, including by establishing internal Corporate Governance and Compliance policies and rules.
5. Determining the Company's risk appetite in order to achieve the Company's strategic objectives, as well as approving the reference frameworks for the Company's internal control and for risk management and reviewing the implementation of those reference frameworks.
6. Ensuring that there is a process in place for monitoring the Company's compliance with laws and other regulations, as well as for the application of internal guidelines relating thereto.
7. Approving the Company's principal codes of conduct (or several activity-specific codes of conduct), setting out the expectations for the Company's leadership and employees in terms of responsible and ethical behavior, as well as monitoring compliance with such code of conduct at least on an annual basis.
8. Taking all major decisions concerning acquisitions, divestitures, the creation of joint ventures and investments. Major decisions are generally considered to be those involving amounts of € 50 million or more.
9. Preparing and approving the consolidated and non-consolidated periodic accounts (quarterly – consolidated only – semi-annual and annual) and the related timely disclosures and communications.
10. Adopting accounting standards (in this case the IFRS standards for the consolidated accounts and Belgian standards for the non-consolidated accounts).



11. Convening Shareholders' Meetings and drawing up the agenda and proposals for resolutions to be submitted to them (and preparing Board reports to be submitted to the Shareholders' Meeting pursuant to the BCCA).
12. Appointing from among its members a Chairperson and, if it deems it appropriate, a Vice-Chairperson, and creating from among its members an Audit and Risk Committee, a Compensation Committee, a Nomination Committee, a Finance Committee and an Environmental, Social and Governance (ESG) Committee, defining each Committee's mission and determining its composition and its duration.
13. Appointing and dismissing the CEO and, in consultation with the CEO, the other members of the executive management, taking into account the objective of pursuing sustainable value creation and the need for a balanced executive team. As part of the consultation with the CEO, the CEO is entitled to propose to the Board of Directors candidates for the other members of the executive management. The Board of Directors shall also satisfy itself that there is a succession plan in place for the CEO and the other members of the executive management, and it shall periodically review that plan.
14. Supporting the executive management in the fulfillment of their duties, including by engaging with the executive management, being informed and educated on strategic Company matters and constructively challenging the executive management whenever appropriate.
15. Determining the Company's remuneration policy for non-executive board members and executives, taking into account the overall remuneration framework of the Company, as well as reviewing the executive management's performance and the realization of the Company's strategic objectives annually against agreed performance measures and targets.

The Board of Directors has delegated certain powers to an *ad hoc* executive committee called the Executive Leadership Team / Comité Exécutif ("**ELT / CE**") (see Chapter 7 below). For the avoidance of doubt, the ELT / CE is not a Management Board (*Conseil de Direction / Directieraad*) as defined by the BCCA. As a result, the Board is also responsible for supervising the ELT / CE and appointing the CEO as Chairperson and the other members of the ELT / CE (in consultation with the CEO with the latter's right to propose candidates) and setting their missions and remuneration (within the framework of the compensation policy approved by the Shareholders' Meeting). These powers also apply with respect to the Corporate Secretary (if he/she is not already an ELT / CE member).

In all matters for which it has exclusive responsibility, the Board of Directors works in close cooperation with the ELT / CE, which in particular is responsible for preparing most of the proposals for decisions by the Board of Directors. The Directors shall be available to give advice to the ELT / CE, also outside of scheduled meetings.

The internal rules of the Board of Directors are attached to this Charter ([Appendix 1](#)).

## **6. BOARD COMMITTEES**

### **6.1. Rules common to the Committees**

To enhance the overall effectiveness of the Board of Directors by ensuring focus, oversight and monitoring of sensitive areas, the Board of Directors has set up on a permanent basis the following specialized Committees:

- The Audit and Risk Committee;
- The Finance Committee;
- The Compensation Committee;
- The Nomination Committee; and
- The Environmental, Social and Governance (ESG) Committee.

These Committees in principle do not have decision-making powers. They are advisory in nature and report after each meeting to the Board of Directors at the next Board of Directors meeting. Within their respective areas of responsibility, the Committees make recommendations to the Board of Directors, give comfort to the Board of Directors that certain issues have been adequately addressed and, if necessary, bring specific issues to the attention of the Board of Directors. Except where otherwise provided by law or upon specific delegation by the Board of Directors, the decision-making shall remain the collegial responsibility of the Board of Directors.

The various Committee Members are appointed for two-year renewable terms by the Board of Directors, upon prior advice of the Nomination Committee. The Board may revoke Committee members at all times. The composition of these Committees are published and maintained up-to-date on the Company's website.

The Board of Directors aims at appointing a majority of independent members to all its Committees, unless it deems it appropriate to proceed differently from time to time. The Board of Directors may also appoint on each committee one of the directors appointed upon proposal of the Reference Shareholder, subject to such director having the appropriate skills and experience to serve in the relevant committee.

The Board of Directors may also set up temporary *ad hoc* Committees.

Where needed, each Committee has access to independent professional advice, financed by the Company, for all topics pertaining to the competence of such Committee.

## **6.2. The Audit and Risk Committee**

### **6.2.1. Composition**

The Audit and Risk Committee is composed of a minimum of three Members. The Members of the Audit and Risk Committee are all non-executive Directors and at least a majority of them are independent Directors.

The Chairperson of the Audit and Risk Committee is appointed by the members of the Audit and Risk Committee. The Chairperson of the Audit and Risk Committee must be an independent Member. The Corporate Secretary acts as Secretary to the Audit and Risk Committee.

The Members of the Audit and Risk Committee collectively are competent in the area of activities of the Company, as well as in financial management, financial reporting, accounting and audit through their training and experience acquired in the course of their careers. At least one of them has particular expertise in accounting and audit matters.

### **6.2.2. Role and Missions**

The Audit and Risk Committee assists the Board of Directors to ensure in particular the reliable nature of financial information and compliance with relevant laws, regulations and control processes. Without prejudice to the responsibilities of the Board of Directors, the main duties and responsibilities of the Audit and Risk Committee include the following:

- Ensuring the conformity of accounts and financial communications of the Group to generally accepted accounting principles (IFRS for the Group, Belgian accounting law for the Company) and examining the strategies and accounting practices applied to prepare the accounts of the Group and ensuring their conformity with good business practices and the appropriate accounting standards.
- Monitoring the effectiveness of the Group's internal control system (in particular the financial, operational and compliance control) and risk management, including social and environmental risk. The Audit and Risk Committee also ensures that the electronic information systems used to generate financial data meet the required standards. The Audit and Risk Committee makes sure these systems meet statutory and regulatory requirements. It also ensures the conformity of key ESG performance indicators with the statutory and regulatory requirements (including with the statutory auditor) and monitors the ESG reporting practices. In addition, the Audit and Risk Committee, consulting with the CEO and the Chief Finance and Strategy Officer (the "CFO"), participates in the choice of the Head of internal audit and risk management.
- Examining the areas of risk that can potentially have a material effect on the Group's financial situation and quantifying their possible impact on the Group and the functioning of the control systems.
- Verifying the scope and programs and results of internal audit and ensuring that internal audit has adequate resources. The Audit and Risk Committee shall also monitor the Company's management's responsiveness to the findings of the internal audit function and to the recommendations made in the external auditor's management letter.
- Reviewing the specific arrangements for raising concerns – in confidence – about possible improprieties in financial reporting or other matters. For that purpose, the Audit and Risk Committee shall agree on arrangements whereby staff may inform the Chairperson of the Audit and Risk Committee directly. If deemed necessary, arrangements should be made by the Audit and Risk Committee for the proportionate and independent investigation of such matters and for the appropriate follow-up actions.
- Making a proposal to the Board of Directors on the appointment of the statutory auditor.
- Examining the scope of the external audit and the way it is implemented.
- Monitoring the independence of the statutory auditor and the scope and the nature of the additional services provided by the statutory auditor outside of its legal mission.

The Audit and Risk Committee hears reports from the CFO, the Head of internal audit and risk management and the statutory auditor in charge of the external audit. It also examines the quarterly report by the Group General Counsel on significant ongoing legal disputes and reports on tax and intellectual property disputes. It meets alone with the statutory auditor in charge of the external audit whenever it deems such meetings useful. The CEO is invited, once a year, to discuss the major risks to which the Group is exposed.

In addition, the Audit and Risk Committee shall collaborate as appropriate with other Committees, in particular with the ESG Committee as regards key ESG performance indicators and the Group's extra-financial strategy and performance.

The internal rules of the Audit and Risk Committee are attached to this Charter ([Appendix 2](#)).

### **6.3. The Finance Committee**

#### **6.3.1. Composition**

The Finance Committee is composed of a minimum of three Members.

The Chairperson of the Board of Directors and the Chairperson of the ELT / CE are Members of the Finance Committee. The Board of Directors aims at appointing an independent Member as Chairperson of the Finance Committee.

The Corporate Secretary acts as Secretary to the Finance Committee.

The Members of the Finance Committee are qualified in the fields of corporate finance and accounting through training and experience acquired in the course of their careers.

#### **6.3.2. Role and Missions**

The Finance Committee gives its opinion on financial matters, such as the levels and currencies of indebtedness and credit, including in light of interest rate developments and macroeconomic environment, the hedging of foreign-exchange and energy risks, the hedging policy of the long-term incentives plans and the financing of major investments. It may be called on to give opinions on Board policies on these matters.

In addition, the Finance Committee gives its opinion on the financial implications of strategic projects falling under the competence of the Board of Directors.

The internal rules of the Finance Committee are attached to this Charter ([Appendix 3](#)).

### **6.4. The Compensation Committee**

#### **6.4.1. Composition**

The Compensation Committee is composed of a minimum of three Members. A majority of the Compensation Committee Members are independent Directors.

The Board of Directors aims at appointing an independent Member as Chairperson of the Compensation Committee.

The Corporate Secretary acts as Secretary to the Compensation Committee.

The Compensation Committee Members are qualified in the field of compensation policy.

#### **6.4.2. Role and Missions**

The Compensation Committee performs the missions vested on it by Article 7:100, § 5 of the BCCA.

In particular, without limitation:

- It advises the Board of Directors on the policy and level of remuneration for Directors and ELT / CE Members, including the CEO, and is informed on a yearly basis about the remuneration of Global Business Units (GBU) Presidents.
- It gives its opinion to the Board of Directors or the ELT / CE on the Group's principal remuneration policies (including long-term incentive plans).
- It prepares the remuneration policy and the remuneration report and explains the remuneration report during the annual Shareholders' Meeting.

The Compensation Committee shall each year assess the performance of the members of the ELT / CE in consultation with the CEO (except for his/her own performance) and the accomplishment of the Company's strategy by the ELT / CE on the basis of agreed performance measures and targets. It shall review and make proposals to the Board of Directors for the targets to be achieved by the CEO and the ELT in the following year.

The internal rules of the Compensation Committee are attached to this Charter ([Appendix 4](#)).

## **6.5. The Nomination Committee**

### **6.5.1. Composition**

The Nomination Committee is composed of a minimum of three Members. A majority of Nomination Committee Members are independent directors. The Board of Directors aims at appointing an independent Member as Chairperson of the Nomination Committee.

The Chairperson of the Board of Directors is a Member of the Nomination Committee.

The Corporate Secretary acts as Secretary to the Nomination Committee.

### **6.5.2. Role and Missions**

The Nomination Committee's principal role is to make recommendations relating to, and examine proposals made by all parties involved in respect of, appointments to the Board of Directors and its Committees, the ELT / CE including the CEO.

In addition, the Nomination Committee:

- Determines the procedures for the appointment of executive and non-executive Directors and of Committee Members and makes recommendations in respect of the selection criteria for such persons;
- Regularly evaluates the size and composition of the Board of Directors and its Committees, and makes its recommendations to the Board of Directors for possible modifications;
- Prepares plans for the orderly succession of members of the Board of Directors and ensures that sufficient and regular attention is paid to the succession of executives;
- Ensures that appropriate talent development programs and programs to promote diversity in leadership and inclusion are put in place;
- Identifies and proposes to the Board of Directors candidates for vacant Director positions that need to be filled;
- Gives advice on proposals for appointments coming from shareholders and on any spontaneous candidacies for a position of Director;
- Ensures that the process of appointment and reappointment of any of the above-mentioned persons is organized objectively and professionally.

The internal rules of the Nomination Committee are attached to this Charter ([Appendix 5](#)).

## **6.6. The Environmental, Social and Governance (ESG) Committee**

### **6.6.1. Composition**

The ESG Committee is composed of a minimum of three Members. A majority of ESG Committee Members are independent directors. The Chairperson of the ESG Committee shall be a member with appropriate skills, training and experience on ESG-related topics.

The Corporate Secretary acts as Secretary to the ESG Committee.

### **6.6.2. Role and Missions**

The ESG Committee supports the Board in understanding (i) the expectations of Solvay's key stakeholders, (ii) the impact of ESG issues on Solvay's ability to create value and (iii) ESG trends and associated risks and opportunities. The ESG Committee monitors the Company's overall approach towards ESG matters, ensures this approach is aligned with and integrated in the overall Group strategy and defines in this respect ESG key performance indicators.

In particular:

- The objective of the ESG Committee is: a) to consider the material ESG issues relevant to the Group's business activities; b) to provide guidance and recommendations to the Board on these issues, including in the context of the implementation and review of the sustainability strategy and the Group's non-financial reporting; and c) to be in line with the EU Corporate Sustainability Reporting Directive (CSRD), its implementing laws and regulations and other similar laws and regulations.
- The ESG Committee performs periodic reviews (at least annually) of the Group's ESG policies, progress and effectiveness taking into account: a) relevant risk and opportunity mapping; b) the new sustainability developments, and their impact on the Group; c) the Group's current sustainability performance, and main strengths and challenges; and d) future priorities, opportunities and challenges in this respect. The results of such review shall be presented to the Board of Directors, including the following:
  - environmental topics, including climate-related risk mitigation, legacy environmental risks and potential future exposures, and regulatory developments (especially in the chemicals sector).
  - social topics including the health, welfare and careers of its employees, contractors, suppliers and the broader communities in which the Group operates.
  - governance topics, including oversight of the integration of the ESG commitments in Solvay's business activities, related internal and external reporting and effectiveness of engagement with stakeholders (such as investors, agencies, experts, proxy firms, communities) on ESG-related matters.

In addition, the ESG Committee shall collaborate as appropriate with other Committees, such as the Audit & Risk Committee and the Compensation Committee, with oversight responsibility for executive compensation, talent management, compliance and other shared topics.

The internal rules of the ESG Committee are attached to this Charter ([Appendix 6](#)).

## **7. EXECUTIVE LEADERSHIP TEAM / COMITÉ EXÉCUTIF (“ELT / CE”)**

### **7.1. Composition**

#### **7.1.1. Size and Composition**

In consultation with the CEO, the Board of Directors sets the number of Members of the ELT / CE.

ELT / CE members are appointed by the Board of Directors in consultation with the CEO (except for his/her own appointment) upon recommendation of the Nomination Committee, for four-year renewable terms, unless otherwise decided by the Board of Directors in consultation with the CEO. As part of this consultation, the CEO is entitled to propose candidates for the other members of the executive management.

The ELT / CE members may be revoked at any time by the Board of Directors, in consultation with the CEO.

The age limit for ELT / CE membership is the first ELT / CE meeting following the 65th birthday, unless otherwise decided by the Board of Directors in consultation with the CEO.

#### **7.1.2. Criteria for Appointment**

The ELT / CE is composed of executives usually appointed amongst the Group's senior management. Members of the ELT / CE may or may not be Directors of the Company but the Chairperson of the ELT / CE must be a Director of the Company and is the CEO.

#### **7.1.3. Appointment and Renewal Procedure**

The Chairperson of the ELT / CE, who is the CEO, is appointed by the Board of Directors, based on a proposal by the Chairperson of the Board of Directors and with a recommendation of the Nomination Committee.

The other ELT / CE members are also appointed by the Board of Directors, in consultation with the CEO and upon recommendation of the Nomination Committee. As part of the consultation with the CEO, the CEO is entitled to propose candidates to the Board of Directors.

The Corporate Secretary acts as Secretary of the ELT / CE.

#### **7.1.4. Chief Executive Officer**

The Chief Executive Officer (“**CEO**”) is a Member of the ELT / CE and its Chairperson.

The CEO reports directly to the Board of Directors. The CEO acts as the main spokesperson for the Company to articulate its mission and values.

The remuneration of the CEO is decided by the Board of Directors based on prior advice of the Compensation Committee.

### **7.2. Role and Mission**

The Board of Directors defines the role and mission of the ELT / CE.

The Board of Directors has delegated to the ELT / CE the following powers:

- Day-to-day management of the Company;
- Overseeing the proper organization and functioning of the Company 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 and the Corporate Secretary, for which the Board of Directors expressly reserves exclusive power of appointment in accordance with the 2020 Code);
- 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 € 50 million (debt and other commitments included). The Board of Directors is to be informed of any decision involving amounts over € 10 million;
- Decisions on investment expenditures, for which the maximum amount is set at € 50 million. The Board of Directors is to be informed of decisions involving amounts over € 10 million;
- Decisions on substantial commercial transactions and financial operations that do not imply any change in the financial structure of the Company and/or the Group;
- Proposal to the Board of Directors, for its decision, of the principal policies of the Group, 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, Research & Innovation (R&I) and financial objectives,
  - appointment of the Corporate Secretary,
  - general organization of the Company and/or the Group (including, in particular, governance structure of the Group, human resource policy and internal control structure),
  - major financial transactions that modify the financial structure of the Company and/or the Group,
  - consolidated periodic accounts and accounts of Solvay SA (quarterly consolidated only, 6-month and annual) as well as related communications;
  - communication strategy;
- Implementation of decisions of the Board of Directors; and



- Submitting to the Board of Directors all questions falling within its competence and regularly reporting on the exercise of its mission.

The internal rules of the ELT / CE are attached to this Charter ([Appendix 6](#)).

### **7.3. Delegation of Powers**

The implementation of ELT / CE decisions and related follow up on ELT / CE recommendations is delegated to the ELT / CE member who is responsible for the activity or function to which the resolution or recommendation relates.

The Board of Directors has authorized the ELT / CE, within the scope of its powers, under its responsibility and in compliance with the procedures and authorization limits set by the ELT / CE, to delegate certain powers to one or more of its Members or Global Business Unit and Function executives, in the framework and the scope of activities and functions they oversee, acting alone or jointly.

## **8. REPRESENTATION**

The Company is validly represented towards third parties by two Directors acting jointly, one of whom is the Chairperson of the Board of Directors and /or a member of the ELT / CE.

The Board of Directors has furthermore delegated certain representation powers to the ELT / CE (see Sections 7.2 and 7.3). The ELT / CE has subsequently delegated the following powers of representation, under its responsibility and in compliance with procedures and authorization limits set by the ELT / CE:

- for acts of daily management of Solvay, to each member of the ELT / CE acting alone;
- for other powers delegated by the Board of Directors to the ELT / CE: to each member of the ELT / CE acting together with the Chairperson of the ELT / CE.
- to each of the Chief Finance and Strategy Officer, Group General Counsel, Chief People Officer, and each Global Business Unit (GBU) President acting alone for any decision up to a maximum amount of EUR 10.000.000 within the area assigned to him/her.

This delegation of powers of representation is without prejudice to the existence of special powers conferred by the Board of Directors or the ELT / CE (see Sections 7.2 and 7.3).

## **9. COORDINATION BETWEEN THE BOARD OF DIRECTORS AND THE EXECUTIVE LEADERSHIP TEAM**

The Chairperson of the Board of Directors and the Chairperson of the ELT / CE work together, through constructive dialogue and frequent exchanges, to harmonize the work of the Board of Directors (including its Committees) with that of the ELT / CE.

The following measures have been introduced to achieve this close coordination:

- The two Chairpersons meet as often as is necessary on matters of common interest to the Board of Directors and the ELT / CE.

- The Chairperson of the Board of Directors and the ELT / CE meet every month to discuss financial reporting.
- The Chairperson of the Board has access to all information necessary to exercise her or his functions.
- The Chairperson of the ELT / CE is a member of the Board of Directors, where the Chairperson presents the ELT / CE's proposals.

## **10. EXTERNAL AUDIT**

The legal audit of the accounts is entrusted to one or more statutory auditors appointed by the Shareholders' Meeting from among the company auditors included in the public register of company auditors or among the registered audit firms, in accordance with Articles 3:55 and following of the BCCA.

The mission and powers of the auditor(s) are those provided by law.

The Shareholders' Meeting sets the number of statutory auditors and fixes their emoluments in accordance with the law.

Statutory auditors are appointed for a maximum of three renewable terms of three years each (*i.e.*, for a maximum term of nine years in total). A statutory auditor may not be revoked during its three-year term except with the auditor's agreement or for cause by the Shareholders' Meeting in accordance with the law.

## **11. REMUNERATION POLICY**

The Remuneration Policy is set out by the Board of Directors upon the advice of the Compensation Committee, in accordance with Article 7:89/1 of the BCCA and the 2020 Code. It is applicable to Solvay Directors and ELT / CE members.

The Board of Directors will submit the Remuneration Policy for approval to the General Meeting of Shareholders in accordance with the applicable laws and regulations.

Directors are remunerated with fixed emoluments, the common basis of which is set by the Ordinary Shareholders' Meeting, and any complement thereto by the Board of Directors on the basis of [Article 24] of the Articles of Association of the Company.

The remuneration for members of the ELT / CE is set by the Board of Directors on the basis of recommendations by the Compensation Committee, in accordance with the approved remuneration policy.

It is hereby referred to the last approved version of the Remuneration Policy available on Solvay website for further details.

The Company publishes a Remuneration Report in the Corporate Governance Statement of its annual report in accordance with the applicable legislation. It is hereby expressly referred to the Remuneration Report included in the latest available integrated annual report of Solvay for the disclosure of information on the remuneration of the Solvay's Directors and ELT / CE.

## 12. CODE OF BUSINESS INTEGRITY

The Code of Business Integrity is identified as the cornerstone of Solvay's Ethics and Compliance Program. It is available on Solvay's website (<https://www.solvay.com/en/investors/corporate-governance>; <https://www.solvay.com/en/our-company/ethics-and-compliance/code-business-integrity>).

The Code of Business Integrity sets out how Solvay carries out its business and interacts with its stakeholders in an ethical and compliant manner. It is based on a strong tradition of values that are historically ingrained in the Group's culture. This Code applies to every employee of the Group wherever it operates or conducts its business. All employees are required to read the Code of Business Integrity, to take an annual e-learning course on the Code, and to acknowledge that they will comply with the Code.

The Code of Business Integrity provides general guidance to all employees about how to behave in the workplace, in the Group businesses, and while representing the Group in their communities.

The Code of Business Integrity is part of the Group's constant effort to maintain and strengthen trust both among all its employees and between the Group and its partners, including its employees, their representatives, shareholders, customers and suppliers, government agencies, and all other third parties. When the Group participates in joint-ventures, the relevant Group board representatives will use their best efforts to have appropriate rules adopted by the joint-venture that are in line with the Group's Code of Business Integrity.

The Group takes various measures to ensure that the Code is applied, including targeted training programs and sanctions in case of violation. The Ethics & Compliance team is charged with annually implementing training for the employee work force at the management level. Management is charged with cascading the training to their teams. Web-based ethics and compliance training is also being introduced throughout the Group. Each year, specific topics are selected for emphasized training, while training on the entire Code is provided for those employees who have not yet received specific training by their management or who are new to the Group.

The Ethics and Compliance Department has the objective of strengthening a culture based on ethics and in compliance with the Solvay values and Code of Business Integrity. The Chief Compliance Officer reports to the Group General Counsel. Compliance Officers have been appointed in all geographic zones where the Group is active.

Employees and third parties can speak up and report breaches through the Solvay Ethics Helpline or reach out to the compliance officers. The Solvay Ethics Helpline is available worldwide and accessible online or by phone, and is maintained by an external provider and operated in accordance with local law. The Ethics Helpline can be used on a confidential, secure and if preferred anonymous basis.

## 13. DEALING CODE

The Group has adopted a Dealing Code for preventing insider trading, which has been most recently updated on July 27, 2016 further to the entry into force of EU Regulation 596/2014 on market abuse (the Market Abuse Regulation or "MAR"). The Dealing Code is available on Solvay's website (<https://www.solvay.com/en/investors/corporate-governance>)

The Dealing Code provides guidelines on restrictions and obligations with respect to insider dealing and the unlawful disclosure of inside information relating mainly to shares, bonds or other financial instruments of Solvay or of Solvac.

The prevention of insider dealing and the unlawful disclosure of inside information within the Group is entrusted to a Transparency Committee composed of the CFO, the Group General Counsel, the Corporate Secretary and the Chief People Officer.

Senior executives of Solvay, which includes Directors and members of the ELT / CE, are prohibited to trade during closed periods (*i.e.*, 30 calendar days prior to the announcement of yearly, half-year and quarterly results) and during any specific prohibited period, unless specific permission is granted by the Transparency Committee.

The Dealing Code also provides for an obligation for the members of the Board of Directors and of the ELT / CE to notify to the Chairperson of the Board of Directors and/or to the Group General Counsel any transactions relating to the shares or debt instruments of Solvay or Solvac or to derivatives or other financial instruments linked thereto prior to executing such transaction.

In addition, members of the Board of Directors and of the ELT / CE and persons closely associated with them, as defined by EU Market Abuse Regulation, have the obligation by law to notify to the FSMA every transaction involving more particularly shares or debt instruments issued by Solvay or by Solvac.

#### **14. SUSTAINABILITY**

Solvay is committed to society, driving the energy transition to reach a zero-carbon footprint as it makes progress on its environmental, social and governance goals. Its targets include climate-related initiatives, social initiatives including the health, welfare and career of Solvay employees, and governance goals, including ensuring the integration of Solvay ESG commitments into its business and reporting.

Solvay has announced that CO<sub>2</sub> objective will be to reach carbon neutrality on scope 1 and 2 emissions before 2050 for its Soda Ash and Derivatives business unit, and by 2040 for its other business units. It also aims to phase out its use of coal by 2030 wherever possible.

Solvay integrates social, societal, environmental and economic aspects into the Company's management and strategy, with the objective of creating value. It takes into account society's changing expectations, requiring industry to develop technologies, processes, products, applications and services that are in line with the objectives of sustainable development. Furthermore, Solvay develops and maintains a permanent dialogue with its stakeholders and their representatives, on issues of sustainable development.

Solvay reference framework helps each Group entity to conduct yearly self-assessments of its practices in order to identify its strengths and weaknesses and to develop an appropriate improvement plan. Solvay reference framework is monitored by the Sustainable Development Function, which is responsible for supervising the approach on behalf of the Group.

Solvay reference framework practices are reviewed each year by external partners and results are presented to the ELT / CE.

The Board of Directors devotes at least one meeting per year to an update on the evolution of worldwide issues in terms of sustainable development and on their impact on Solvay in order to take into account the management of those issues in the proper functioning of the Board of Directors.

During such meeting, the evolution of the Group's approach to sustainable development is presented to the Board of Directors and notably the following elements:

- the evolution of worldwide issues in terms of sustainable development and on their impact on Solvay;
- the main strengths and weaknesses of the Group, identified by the self-assessment and the evaluation made by financial and extra-financial rating agencies;
- the priority societal and environmental targets of the Group and the performance achieved by the Group with respect to such priority targets; In particular, the Board of Directors seeks to take into account in its decision process the impact of the strategic choices on the financial, societal and environmental indicators that the Group has defined as being its main targets.

The Board of Directors has set up a permanent Committee, the Environmental, Social and Governance (ESG) Committee, which supports the Board in understanding (i) the expectations of Solvay's key stakeholders, (ii) the impact of ESG issues on Solvay's ability to create value and (iii) ESG trends and associated risks and opportunities.

The objective of the ESG Committee is: a) to consider the material ESG issues relevant to the Group's business activities; b) to provide guidance and recommendations to the Board on these issues, including in the context of the implementation and review of the sustainability strategy and the Group's non-financial reporting; and c) to be in line with the EU Corporate Sustainability Reporting Directive (CSRD), its implementing laws and regulations and other similar laws and regulations.

The composition, role, mission and functioning of the ESG Committee are described under section 6.6 of the Corporate Governance Charter and in its Internal rules ([appendix 6](#) to the Corporate Governance Charter).

# APPENDIX 1 - INTERNAL RULES OF THE BOARD OF DIRECTORS

## 1. FUNCTIONING OF THE BOARD OF DIRECTORS

### 1.1. Chairperson

The Chairperson:

- convenes and chairs Board of Directors' meetings, it being specified that, in case of impediment, the Vice-Chairperson (if applicable) or, in case of impediment of both, a Director with day-to-day responsibilities may convene Board of Directors' meetings. The Board shall be convened each time that the ELT/CE, a Director with day-to-day responsibilities or three Directors shall so request;
- engenders a climate of trust, allowing for open discussions and constructive challenge during Board of Directors' meetings and ensures that there is sufficient time for consideration and discussion before decision-making;
- sets the agenda for the Board meetings, after consulting with the CEO (as Chairperson of the ELT / CE), and ensures the proper implementation of the procedures related to preparation, deliberation, approval and implementation of resolutions;
- ensures, with the assistance of the Corporate Secretary, that the Directors receive accurate, concise, timely and clear information before the meetings and, where necessary, between meetings so that they can make a knowledgeable and informed contribution to the discussions with full knowledge of the facts;
- establishes close relations with the CEO by providing him/her support and advice, while respecting the latter's executive responsibilities;
- ensures effective interaction between the Board of Directors and the executive management of the Company;
- ensures effective communication with the Company's shareholders and that Directors develop and maintain an understanding of the views of the shareholders and other significant stakeholders of the Company.

### 1.2. Corporate Secretary

The Corporate Secretary, who may be the Group General Counsel, under the supervision of the Chairperson:

- organizes the support to the Board of Directors and its Committees in all fields pertaining to governance;
- prepares, under the supervision of the Chairperson and without prejudice to the Board of Directors' decision-making power, the Charter of Corporate Governance and the Corporate Governance Statement;
- organizes the meetings of the Board of Directors, sends the convening notices, agendas and files containing, for each agenda item, the information required for

decision-making. To the extent possible, ensures that Directors receive convening notices and complete files at least six days before the meeting;

- prepares the minutes of the Board meetings, ensuring that the essential parts of the discussions and decisions occurring during the Board of Directors' meetings appear correctly in the minutes and submits drafts first to the Chairperson and then to all the Directors;
- ensures effective communication of the information within the Board and its Committees as well as between the executive directors and the non-executive Directors; and
- facilitates the initial training and helps professional development.

Individual Directors will have access to the Corporate Secretary.

### **1.3. Frequency and Schedule of Meetings**

The Board of Directors meets at least six times a year on a regular basis. Additional meetings can, if needed, be convened by the Chairperson of the Board of Directors (or by the Vice-Chairperson, if applicable, in case of impediment of the Chairperson or a Director with day-to-day responsibilities), after consulting with the Chairperson of the ELT / CE. The Board of Directors shall in any event meet as often as the Company's interest requires and sufficiently regularly to discharge its duties effectively.

The dates of ordinary meetings are set by the Board of Directors itself, preferably more than one year before the start of the relevant financial year. These dates may be modified during the year.

The Board of Directors may organize its meetings by telephone or video-conference or other analogous means of communication.

Non-executive Directors meet at least once a year in the absence of the CEO and the other executive Directors.

### **1.4. Agenda**

The Chairperson of the Board Directors sets the agenda of each meeting after consulting with the Chairperson of the ELT / CE.

### **1.5. Convening Notices and Prior Information**

Under the supervision of the Chairperson of the Board of Directors, the Corporate Secretary sends convening notices to the meetings of the Board, the agenda and the file containing, for each agenda item, the required information for decision-making, as instructed by the Chairperson. The Directors may in addition request further information from, as appropriate, the Chairperson of the Board of Directors, the Chairperson of the ELT / CE or the Corporate Secretary.

The convening notices together with the information file are made available to the Directors on the Board's electronic platform and are sent to the Directors by e-mail or by regular mail, depending on requests and/or the most appropriate methods with regard to the volume of documents to be communicated.

Board of Directors' meetings are with at least five days' advance notice, except in case of an emergency, an explanation of which must be included in the minutes of the relevant meeting.

The convening notice mentions time and place of the meeting, as well as its agenda.

As the case may be, the convening notice also mentions whether the Chairperson of the Board of Directors or of the ELT / CE suggests resolutions by unanimous written consent.

#### **1.6. Chairperson**

Each meeting is chaired by the Chairperson of the Board of Directors or by the Vice-Chairperson (if any Vice-Chairperson has been appointed) in case of impediment of the Chairperson, and, in case of impediment of both, by the CEO.

#### **1.7. Attendance and Representation**

The Board of Directors may invite to its meetings any person whose presence would be useful.

Directors who cannot attend a Board meeting may give a proxy, by regular mail, fax or email, to one of their fellow Directors to represent them at a specific meeting and vote on their behalf. In such a case, the Director will be considered present at the meeting. A Director can represent multiple colleagues and can, beyond the Director's own vote, cast as many votes as the Director received through mandates.

A Director who cannot attend a meeting in person may participate by telephone, videoconference or any other analogous means of communication. The Director will be considered present at the meeting and a vote expressed orally through this means of telecommunication will be considered valid.

#### **1.8. Quorum and Majority**

The Board may only validly deliberate if half of the Directors are present or represented. This quorum must be reached for each agenda item, taking into account only the Directors able to vote and therefore disregarding the Directors who are not able to participate due to a conflict of interests as defined under Article 7:96 of the BCCA. Should this quorum not be met for one or more agenda items, the Board shall nevertheless, at a second meeting to be convened within two weeks of the prior meeting at the latest, validly resolve on these agenda items, whatever the number of Directors present or represented at the second meeting.

As a rule, subject to the provisions of paragraph 3 of the present section 8, the resolutions of the Board of Directors are approved with a simple majority of votes. In case of a tie vote, the person chairing the meeting shall have a casting vote.

In compliance with Article 21 of the articles of association, however, the following decisions must be approved by a majority of three-quarters (rounded up to the nearest unit) of the votes of the Directors present or represented:

- any action that would substantially modify the activities of the Company or its Group which are considered to be: actions involving investment, acquisition, shareholding, divestment or sale, in any form whatsoever, representing an enterprise value of at least one billion euros (€ 1,000,000,000) or generating either sales of at least one billion euros (€ 1,000,000,000), or a contribution to the Group's operating results of at least two hundred fifty million euros (€ 250,000,000);
- any use of the authorization granted by the Extraordinary Shareholders' Meeting to the Board of Directors to increase the share capital.



## **1.9. Conflicts of Interests**

### **1.9.1. General principles**

The Board of Directors shall act in such a manner that a conflict of interests, or the appearance of such a conflict, is avoided.

Each Director is encouraged to arrange their personal and business affairs (including with respect to other positions) in such a manner so as to avoid conflicts of interests with the Company. Each Director must place the Company's interests above his or her own personal interests, including other professional assignments. Directors have the obligation to take care of the interests of all the shareholders in an equivalent manner. Each Director must act according to the principles of reasonableness and fairness. Each director informs the Board of Directors of all conflicts of interests which might, in their opinion, affect their judgment. In particular, at the beginning of each meeting of the Board of Directors or a Committee, the Directors state whether they have a conflict of interests regarding any points included in the agenda.

Directors must pay particular attention to conflicts of interests which might come up between them and the Company, its significant or controlling shareholder(s), and/or the other shareholders.

In this respect, the Directors appointed upon proposal of a significant shareholder(s)) should ensure that the interests and intentions of such shareholder are sufficiently clear and they should communicate to the Board of Directors, subject to applicable laws, such intentions and interests in a timely manner.

Subject to Section 9.b below (which prevails in case of a conflict of interests within the meaning of the BCCA), the Board of Directors, under the direction of the Chairperson, determines the applicable procedure in order to uphold and protect the Company's and all of the shareholders' interests despite the conflict of interest. The Board of Directors explains in its following annual report why it chooses such a procedure. Nonetheless, in case of a material conflict of interests, the Board of Directors determines whether it is necessary to communicate as soon as possible on the applicable procedure, the most important considerations and the conclusions.

### **1.9.2. Conflicts of interests and related party transactions as defined by the BCCA**

Any Director finding a conflict of interest of a patrimonial nature related to any decision or transaction pertaining to the Board of Directors, as defined in Article 7:96 of the BCCA is required to communicate his or her conflict to the other directors before deliberation. The Director may not take part in the deliberation or in the vote relating to such decision or transaction. If all Directors are conflicted, the decision is referred to the Shareholders' Meeting.

The Director's declaration as well as the reasons explaining the conflicting interest must appear in the minutes of the Board of Directors. The external auditor receives a copy of the minutes of the meeting on this item.

The excerpts of the minutes related to the declaration of a conflict of interests, to the deliberations and resolutions on the items giving rise to the conflict of interests are fully disclosed in the annual report for the relevant accounting year.

In case a related party transaction within the meaning of Article 7:97 of the BCCA is identified (*i.e.*, with a related party in the sense of IAS24, subject to the exceptions set forth in the BCCA), the relevant transaction will be disclosed at the latest when the transaction is entered into.

### **1.10. Minutes**

The minutes of the Board of Directors' meetings are prepared by the Corporate Secretary, who submits drafts first to the Chairperson and then to all members. The minutes summarize the discussions, specify the decision taken and note any diverging views expressed by Directors. The names of the interveners should only be recorded if specifically requested by them.

Finalized minutes that have been approved at the following Board meeting are signed by the Chairperson of the Board of Directors or by the Vice-Chairperson (if applicable in case of impediment of the Chairperson of the Board of Directors) and by the Directors who wish to do so.

The certified copies are signed by one or more Directors trusted with representation powers. The extracts are signed either by the Chairperson of the Board of Directors, by the Chairperson of the ELT / CE or by two Directors acting together.

### **1.11. Written Resolutions of the Board**

At the initiative of the Chairperson of the Board of Directors or of the ELT / CE, the resolutions of the Board may be approved by unanimous written consent of the Directors.

In such a case, the Corporate Secretary will send to all Directors the draft resolutions for approval. These resolutions will be deemed to have been taken at the headquarters of the Company. They have the same legal value as resolutions taken during a meeting of the Board of Directors where Directors are present in person.

### **1.12. External advice**

Directors who would ask so have access to independent professional advice, financed by the Company, for all topics pertaining to the competence of the Board of Directors, subject to a decision of the Chairperson.

### **1.13. Confidentiality**

Directors are subject to a strict legal duty of confidentiality obligation with respect to the matters discussed during board meetings (the same applies to the matters discussed during board committees).

Directors cannot use the information obtained in their capacity as Director for purposes other than for the exercise of their mandate. They have an obligation to handle the confidential information received in their capacity as Director with utmost care.

As a result, the facts and documents disclosed in connection with the meeting, the contents of the discussions and the resolutions are strictly confidential and may not be disclosed to anyone externally or used for purposes other than for the exercise of their mandate.

## **2. TRAINING**

Information sessions are organized for new Directors, aimed at acquainting them with the Group as quickly as possible. The program includes a review of the Group's strategy and activities and of the main challenges in terms of growth, competitiveness and innovation, as well as finance, research & development, human resources management, legal context, corporate governance, compliance and

the general organization of operations. These information sessions are open to every director who wishes to participate. Furthermore, visiting industrial or research sites at least once a year is also part of the Board program.

### **3. EVALUATION**

With a view to improve its own effectiveness, the Board, under the direction of the Chairperson of the Board of Directors and the Chairperson of the Nomination Committee, evaluates on a regular basis (preferably every year) its composition, its functioning, its information and interactions with the executive management and the composition and functioning of the Committees created by it.

The members of the Board of Directors are invited to express their opinions on those various points.

In addition, every three years, the evaluation is led by an external consultant.

The Chairperson of the Board of Directors and the Chairperson of the Nomination Committee, together with an external consultant where applicable, analyze the outcome of the evaluation and submit conclusions and recommendations to the Board of Directors. The Board of Directors decides on possible improvements to be made at the end of this evaluation process.

In the framework of its own evaluation, the Board of Directors also evaluates the Audit and Risk, the Finance, the Compensation, the Nomination and the ESG Committee and their composition and functioning. The recommendations of the Board of Directors on possible improvements are implemented by each Committee.

At the end of each Director's term, the Nomination Committee shall evaluate this Director's participation and presence at the Board's or Committee meetings and their commitment and constructive involvement in discussions and decision-making in accordance with a pre-established and transparent procedure. The Nomination Committee shall in that context also assess whether the contribution of each Director is adapted to changing circumstances facing the Company from time to time. The Board of Directors will, based on the results of the performance evaluation by the Nomination Committee, where appropriate, propose new Directors for appointment, propose not to renew existing Directors or taking any measure deemed appropriate for the effective operation of the Board of Directors.

The Board makes decisions, committee based, on the evaluation of the performances.

The Board of Directors regularly re-examines its internal procedures (at least every three years).

# **APPENDIX 2 - INTERNAL RULES OF THE AUDIT AND RISK COMMITTEE**

## **1. FUNCTIONING OF THE AUDIT AND RISK COMMITTEE**

### **1.1. Chairperson**

The chairperson of the Audit and Risk Committee (the “**Chairperson**”):

- convenes and chairs the Audit and Risk Committee meetings;
- sets the agenda for the Audit and Risk Committee and ensures the proper implementation of the procedures related to preparation, deliberation and approval of resolutions;
- ensures that the Members of the Audit and Risk Committee receive, in a timely manner, all information and documents necessary so that the Audit and Risk Committee can make decisions with full knowledge of the facts; and
- gives an oral report of each Audit and Risk Committee meeting at the next Board of Directors meeting.

The external auditor and the Head of internal audit and risk management will have direct and unrestricted access to the Chairperson.

### **1.2. Secretary - CFO**

The secretary, under the supervision of the Chairperson, prepares the minutes of the Audit and Risk Committee meetings.

The CFO, together with the Chairperson, organizes the meetings of the Audit and Risk Committee, sends the convening notices, agendas and files containing, for each agenda item, the required information for decision-making.

### **1.3. Frequency and Schedule of Meetings**

The Audit and Risk Committee meets at least four times per year, before each Board of Directors' meeting dedicated to drawing-up annual, semi-annual and quarterly accounts.

Additional meetings may be convened to debate the scope of the plans, year-end closing topics, internal control mechanisms, risk management and audit costs and to discuss other important financial questions. These meetings are convened by the Chairperson or at the request of at least two members.

### **1.4. Agenda**

The Chairperson sets the agenda of each meeting, taking into account proposals sent to him by the Board of Directors. Any matters relating to the audit plan and any issues arising from the Audit and Risk Committee shall be placed on the agenda of every Audit and Risk Committee meeting and shall be discussed specifically with the external and internal auditors at least once a year.

### **1.5. Convening Notices and Prior Information**

The CFO sends, to the Members of the Audit and Risk Committee, the convening notices together with the agenda and the file containing, for each agenda item, the required information to carry out its responsibilities.

The convening notices together with the information file are made available to the Members of the Audit and Risk Committee on the Board's electronic platform and are sent to the Members of the Audit and Risk Committee by e-mail or by regular mail or other means, depending on requests and/or the most appropriate methods with regard to the volume of documents to be communicated. Audit and Risk Committee meetings are convened and the documents and information sent at least six (6) days before the meeting, except in emergency cases.

The convening notice mentions the time and place of the meeting, as well as its agenda.

### **1.6. Attendance and Functioning**

The Audit and Risk Committee invites the following persons to give their respective reports during each of its meetings or as relevant:

- the CFO;
- the Head of Group Accounting & Reporting;
- officers of the internal audit and risk management function;
- the Group General Counsel for the litigation report;
- the statutory auditor for the Group; and
- the Chief Compliance Officer.

The Chairperson of the ELT / CE is invited once a year to discuss the Group's major risks.

The Audit and Risk Committee may invite to its meetings any person whose presence would be useful subject to information of the Chairperson of the Board of Directors, and in particular professional advisors, paid by the Company; in that case, with prior information of the Chairperson of the Board by the CFO and/or the Chairperson of the Audit and Risk Committee.

The Audit and Risk Committee shall be able to meet with any relevant person without any executive being present.

The Members of the Audit and Risk Committee may attend, in exceptional cases, the Audit and Risk Committee meetings by telephone, videoconference or any other analogous means of communication. They will be considered present at the meeting.

### **1.7. Quorum**

The Audit and Risk Committee may validly deliberate only if at least one-half of its Members are present.

### **1.8. Voting and Majority**

The advice given by the Audit and Risk Committee and the recommendations made are approved by a simple majority of votes. In case of a tie vote, the Chairperson shall have a casting vote.

### **1.9. Convening Notices and Prior Information**

The minutes of the Audit and Risk Committee meetings are prepared by the secretary who submits drafts first to the Chairperson and then to all Audit and Risk Committee Members. The minutes of the Audit and Risk Committee are sent to the Board of Directors.

The Chairperson of the Audit and Risk Committee and the Secretary may deliver certified extracts.

## **2. REPORTING OF THE BOARD OF DIRECTORS**

The Audit and Risk Committee reports to the Board of Directors with regard to its missions and gives its recommendations, if any, after each of its meetings.

Following the exercise of any of its missions, the Audit and Risk Committee makes all recommendations it deems appropriate and reports to the Board of Directors, either verbally via the Chairperson or in writing in its minutes.

## **3. RELATIONSHIPS WITH THE STATUTORY AUDITOR AND INTERNAL AUDIT**

The statutory auditor reports to the Audit and Risk Committee any significant questions arising during the audit of the accounts.

Each year the statutory auditor confirms its independence in writing to the Audit and Risk Committee; he or she communicates each year to the Audit and Risk Committee the additional services provided to the Company and examines with the Audit and Risk Committee the possible risks to its independence and the measures taken to mitigate those risks.

At least two times per year, the Audit and Risk Committee meets with the statutory auditor and the internal auditors to discuss any relevant question regarding the Audit and Risk Committee's internal rules and any possible problem revealed during the audit process and, in particular, if there are any significant weaknesses in internal control, in particular with regard to the financial information process.

In addition to their working relationships with executive management, the internal and statutory auditors have free access to the Board of Directors. To this end, the Audit and Risk Committee must act as the primary interface. The statutory auditor and the internal audit team manager may directly communicate, without limits, to the Chairperson of the Audit and Risk Committee and the Chairperson of the Board of Directors.

## **4. EVALUATION**

The Audit and Risk Committee regularly (preferably every year) re-examines its internal rules, evaluates its own effectiveness and recommends to the Board of Directors any improvement deemed necessary.

In the framework of its own evaluation, the Board of Directors regularly (preferably every year) evaluates the Audit and Risk Committee and its functioning and composition.

Possible improvements and recommendations decided by the Board of Directors are implemented by the Audit and Risk Committee.

# **APPENDIX 3 - INTERNAL RULES OF THE FINANCE COMMITTEE**

## **1. FUNCTIONING OF THE FINANCE COMMITTEE**

### **1.1. Chairperson**

The Chairperson:

- convenes and chairs over the Finance Committee meetings;
- sets the agenda for the Finance Committee based on proposals of the CFO and ensures proper execution of the procedures related to preparation, deliberation and approval of the resolutions; and
- ensures that the Finance Committee Members receive, in a timely manner, all information and documents necessary so that the Finance Committee can make decisions with full knowledge of the facts.

### **1.2. Secretary**

The Corporate Secretary, under the supervision of the Chairperson:

- organizes the meetings of the Finance Committee;
- sends the convening notices, agendas and files containing, for each agenda item, the required information to carry out its responsibilities; and
- prepares the minutes of the Finance Committee meetings.

### **1.3. Frequency of Meetings**

The Finance Committee meets at least four times per year. The regular meeting dates are set by the Corporate Secretary.

Additional meetings can be convened, by the Chairperson or by two members so requesting.

### **1.4. Agenda**

The Chairperson sets the agenda of each meeting, taking into account proposals sent to him/her by the CFO.

### **1.5. Convening Notices and Prior Information**

The Corporate Secretary sends convening notices to the members of the Finance Committee.

The agenda and the file will be made available to the members of the Finance Committee at the time of the meeting.

Finance Committee Meetings are convened at least six (6) days before the meeting, except in emergency cases.

The convening notice mentions the time and place of the meeting, as well as its agenda.

### **1.6. Attendance and Functioning**

The CFO is invited to the meetings of the Finance Committee. The Finance Committee may also invite to the meetings anyone whose presence could be useful, including professional advisors, paid by the Company; in that case, with prior information of the Chairperson of the Board by the Chairperson of the Finance Committee.

The Finance Committee Members may attend the meetings via telephone, videoconference or any other analogous means of communication. They will be considered present at the meeting.

### **1.7. Quorum**

The Finance Committee may validly deliberate only if at least one-half of the members are present.

### **1.8. Voting and Majority**

The advice given by the Finance Committee and the recommendations made are approved by a simple majority of votes. In case of a tie vote, the Chairperson has the casting vote.

### **1.9. Minutes**

The minutes of the Finance Committee meetings are prepared by the Corporate Secretary, who submits drafts first to the Chairperson and then to the Board of Directors.

The Chairperson of the Finance Committee and the Corporate Secretary may deliver certified extracts.

## **2. REPORTING TO THE BOARD OF DIRECTORS**

The Finance Committee regularly reports to the Board of Directors with regard to its missions and gives its recommendations and opinions, if any.

## **3. EVALUATION**

The Finance Committee regularly (preferably every year) re-examines its internal rules, evaluates its own effectiveness and recommends to the Board of Directors any improvement considered necessary.

In the framework of its own evaluation, the Board of Directors regularly (preferably every year) evaluates the Finance Committee and its functioning and composition.

Possible improvements and recommendations are decided by the Board of Directors and implemented by the Finance Committee.



# **APPENDIX 4 - INTERNAL RULES OF THE COMPENSATION COMMITTEE**

## **1. FUNCTIONING OF THE COMPENSATION COMMITTEE**

### **1.1. Chairperson**

The Chairperson:

- convenes and chairs the Compensation Committee meetings;
- sets the agenda for the Compensation Committee and ensures proper execution of the procedures related to preparation, deliberation and approval of the resolutions; and
- ensures that the members of the Compensation Committee receive, in a timely manner, all information and documents necessary so that the Compensation Committee can carry out its responsibilities in full knowledge of the facts.

### **1.2. Secretary**

The Corporate Secretary, under the supervision of the Chairperson:

- organizes the Compensation Committee meetings, sends the convening notices, agendas and files containing, for each agenda item, the required information to carry out its responsibilities; and
- prepares the minutes of the Compensation Committee meetings.

### **1.3. Frequency of Meetings**

The Compensation Committee meets at least twice a year and each time the interests of the Company so require.

### **1.4. Agenda**

The Chairperson sets the agenda of each meeting, taking into account the proposals sent to him/her by the Board of Directors and the Chairperson of the ELT / CE.

### **1.5. Convening Notices and Prior Information**

The Secretary sends the convening notices to the members of the Compensation Committee, as well as the agenda and the file containing, for each agenda item, the required information to carry out its responsibilities.

The convening notices together with the information file are made available to the members of the Compensation Committee on the Board's electronic platform and are sent to the members of the Compensation Committee by e-mail or by regular mail, depending on requests and/or the most appropriate methods with regard to the volume of documents to be communicated. Compensation Committee meetings are convened and documents and information sent at least six (6) days before the meeting, except in emergency cases.

The convening notice mentions the time and place of the meeting, as well as its agenda.

#### **1.6. Attendance and Functioning**

The Chairperson of the ELT / CE attends the meetings of the Compensation Committee, except those that concern him/her personally. He/she has a consultative role when dealing with remuneration for other ELT / CE Members and GBU Presidents.

The Chief People Officer (CPO) is invited to the meetings of the Compensation Committee. The Compensation Committee may also invite to its meetings any person whose presence would be useful, including professional advisors, paid by the Company; in that case, with prior information of the Chairperson of the Board by the Chairperson of the Compensation Committee.

The Compensation Committee shall be able to meet with any relevant person without any executive being present.

The members of the Compensation Committee may attend by telephone, videoconference or any other analogous means of communication. They will be considered present at the meeting.

#### **1.7. Quorum**

The Compensation Committee may validly deliberate only if at least one-half of its members are present.

#### **1.8. Voting and Majority**

The advice given by the Compensation Committee and the recommendations made are approved by a simple majority of votes. In case of a tie vote, the Chairperson has a casting vote.

#### **1.9. Minutes**

The minutes of the Compensation Committee meetings are prepared by the Secretary, who submits drafts first to the Chairperson and then to all Compensation Committee Members.

The Chairperson of the Compensation Committee and the Secretary may deliver certified extracts.

### **2. REPORTING TO THE BOARD OF DIRECTORS**

The Compensation Committee regularly reports to the Board of Directors with regard to its missions and gives its recommendations, if any, after each of its meetings.

### **3. EVALUATION**

The Compensation Committee regularly (preferably every year) re-examines its internal rules, evaluates its own effectiveness and recommends to the Board of Directors any improvement deemed necessary.

In the framework of its own evaluation, the Board of Directors regularly (preferably every year) evaluates the Compensation Committee and its functioning and composition.

Possible improvements and recommendations decided by the Board are implemented by the Compensation Committee.

# **APPENDIX 5 - INTERNAL RULES OF THE NOMINATION COMMITTEE**

## **1. FUNCTIONING OF THE NOMINATION COMMITTEE**

### **1.1. Chairperson**

The Chairperson of the Nomination Committee (the “**Chairperson**”):

- convenes and chairs the Nomination Committee meetings, except when convened to decide on the appointment of the successor of the Chairperson of the Nomination Committee. In this case, the meeting will be chaired by the most senior member of the Nomination Committee;
- sets the agenda for the Nomination Committee meeting and ensures the proper implementation of the procedures related to preparation, deliberation and approval of resolutions; and
- ensures that the Nomination Committee Members receive, in a timely manner, all information and documents necessary so that the Nomination Committee can carry out its responsibilities with full knowledge of the facts.

### **1.2. Secretary**

The Corporate Secretary, under the supervision of the Chairperson:

- organizes the meetings of the Nomination Committee, sends the convening notices, agendas and files containing, for each agenda item, the required information to carry out its responsibilities.
- prepares the minutes of the Nomination Committee meetings and prepares the reports to the Board of Directors.

### **1.3. Frequency of Meetings**

The Nomination Committee meets at least two times per year and each time the interests of the Company so require.

### **1.4. Agenda**

The Chairperson sets the agenda of each meeting, taking into account proposals sent to him/her by the Board of Directors.

### **1.5. Convening Notices and Prior Information**

The Corporate Secretary sends the convening notices to the Nomination Committee Members, as well as the agenda and the file containing, for each agenda item, the required information for decision-making.

The convening notices together with the information file are made available to the Nomination Committee Members on the Board’s electronic platform and are sent to the Nomination Committee

Members by e-mail or by regular mail, depending on requests and/or the most appropriate methods with regard to the volume of documents to be communicated.

Nomination Committee meetings are convened and the documents and information sent at least six (6) days before the meeting, except in emergency cases, an explanation of which must be given in the minutes.

The convening notice mentions the time and place of the meeting, as well as its agenda.

#### **1.6. Attendance and Functioning**

The Chairperson of the ELT / CE is invited to the Nomination Committee meetings, except for those that concern him/her personally.

The Nomination Committee may invite to its meetings any person whose presence would be useful, including professional advisors, paid by the Company; in that case, with prior information of the Chairperson of the Board by the Chairperson of the Nomination Committee.

The Nomination Committee shall be able to meet with any relevant person without any executive being present.

The Nomination Committee Members may attend the Nomination Committee meetings by telephone, videoconference or any other analogous means of communication. They will be considered present at the meeting.

#### **1.7. Quorum**

The Nomination Committee may validly deliberate only if at least one-half of its members are present.

#### **1.8. Voting and Majority**

The advice given by the Nomination Committee and the recommendations made are approved by a simple majority of votes. In case of a tie vote, the Chairperson has a casting vote.

#### **1.9. Minutes**

The minutes of the Nomination Committee meetings are prepared by the Secretary, who submits drafts first to the Chairperson and then to all Nomination Committee Members.

The Chairperson of the Nomination Committee and the Secretary may deliver certified extracts.

### **2. REPORTING TO THE BOARD OF DIRECTORS**

The Nomination Committee regularly reports to the Board of Directors with regard to its missions and gives its recommendations, if any, after each of its meetings.

### **3. EVALUATION**

The Nomination Committee regularly (preferably every year) re-examines its internal rules, evaluates its own effectiveness and recommends to the Board of Directors any improvements deemed necessary.

In the framework of its own evaluation, the Board of Directors regularly (preferably every year) evaluates the Nomination Committee and its functioning and composition.

Possible improvements and recommendations decided by the Board are implemented by the Nomination Committee.

# **APPENDIX 6 - INTERNAL RULES OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) COMMITTEE**

## **1. FUNCTIONING OF THE ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) COMMITTEE**

### **1.1. Chairperson**

The Chairperson of the ESG Committee (the “**Chairperson**”):

- convenes and chairs the ESG Committee meetings;
- sets the agenda for the ESG Committee meetings and ensures proper execution of the procedures related to preparation, deliberation and approval of the resolutions; and;
- ensures that the ESG Committee Members receive, in a timely manner, all information and documents necessary so that the ESG Committee can make decisions with full knowledge of the fact;

### **1.2. Secretary**

The Corporate Secretary, under the supervision of the Chairperson :

- organizes the meetings of the ESG Committee, sends the convening notices, agendas and files containing, for each agenda item, the required information to carry out its responsibilities; and
- prepares the minutes of the ESG Committee meetings and prepares the reports to the Board of Directors.

### **1.3. Frequency of Meetings**

The ESG Committee meets three times per year, one of which includes the full Board of Directors.

### **1.4. Agenda**

The Chairperson sets the agenda of each meeting, considering proposals sent to the Board of Directors or fellow ESG Committee members.

### **1.5. Convening Notices and Prior Information**

The Corporate Secretary sends the convening notices to the ESG Committee Members, as well as the agenda and the file containing, for each agenda item, the required information for decision-making.

The convening notice together with the information file are made available to the ESG Committee Members on the Board’s electronic platform and are sent to the ESG Committee Members by e-mail or by regular mail, depending on requests and/or the most appropriate methods with regard to the volume of documents to be communicated.

ESG Committee meetings are convened and the documents and information sent at least six (6) days before the meeting, except in emergency cases, an explanation of which must be given in the minutes.

The convening notice mentions the time and place of the meeting as well as its agenda.

#### **1.6. Attendance and Functioning**

The ESG Committee may invite to its meetings any person whose presence would be useful, including professional advisors, paid by the Company; in that case, with prior information of the Chairperson of the Board by the Chairperson of the ESG Committee.

The ESG Committee shall be able to meet with any relevant person without any executive being present.

The ESG Committee Members may attend the meetings via telephone, videoconference or any other analogous means of communication; they will be considered present at the meeting.

#### **1.7. Quorum**

The ESG Committee may validly deliberate only if at least one-half of the members are present.

#### **1.8. Voting and Majority**

The advice given by the ESG Committee and the recommendations made are approved by a simple majority of votes. In case of a tie vote, the Chairperson has the casting vote.

#### **1.9. Minutes**

The minutes of the ESG Committee meetings are prepared by the Corporate Secretary, who submits drafts first to the Chairperson and then to the ESG Committee.

The Chairperson of the ESG Committee and the Corporate Secretary may deliver certified extracts.

### **2. REPORTING TO THE BOARD OF DIRECTORS**

The ESG Committee regularly reports to the Board of Directors, including by giving its recommendations, as well as during the yearly meeting with the full Board.

### **3. EVALUATION**

The ESG Committee regularly (preferably every year) re-examines its internal rules, evaluates its own effectiveness and recommends to the Board of Directors any improvement considered necessary.

In the framework of its own evaluation, the Board of Directors regularly (preferably every year) evaluates the ESG Committee and its functioning and composition.

Possible improvements and recommendations are decided by the Board of Directors and implemented by the ESG Committee.

# **APPENDIX 7 - INTERNAL RULES OF THE EXECUTIVE LEADERSHIP TEAM / COMITÉ EXÉCUTIF (“ELT / CE”)**

## **1. FUNCTIONING OF THE EXECUTIVE LEADERSHIP TEAM**

### **1.1. Chairperson**

The CEO as Chairperson of the ELT / CE (the “**Chairperson**”):

- convenes and chairs the ELT / CE meetings;
- sets the agenda for the ELT / CE meetings and ensures the proper implementation of procedures related to the preparation, deliberation, approval and implementation of resolutions; and
- ensures that all ELT / CE Members receive, in a timely manner, all information and documents necessary so that the ELT / CE can make decisions with full knowledge of the facts.

### **1.2. Secretary**

The Corporate Secretary, under the supervision of the Chairperson of the ELT / CE:

- organizes the meetings of the ELT / CE, prepares the agenda, sends the convening notices, agendas and files containing, for each agenda item, the required information for decision-making;
- prepares minutes of the ELT / CE meetings consisting of a list of decisions taken during the meeting. These are read and approved at the end of the meeting; and
- communicates the resolutions taken by the ELT / CE to the persons responsible for their implementation.

### **1.3. Frequency and Schedule of Meetings**

The ELT / CE sets the dates of its meetings preferably before the start of the financial year. These dates may be modified during the year. The ELT / CE meets, in principle, at least once a month, except for the month of August, taking into account the dates of the meetings of the Board of Directors. It also meets each time the Chairperson of the ELT / CE convenes a meeting.

The ordinary meeting dates are set by the ELT / CE before the start of the financial year.

### **1.4. Agenda**

The Corporate Secretary sets the agenda, inter alia, on proposals from the ELT / CE members of each meeting and submits it to the ELT / CE Chairperson seven days before each ELT / CE meeting.

The agenda is based on proposals sent, among others, by Members of the ELT / CE.

The agenda includes regular follow-up of activities, risks and talent.

The agenda is drafted so as to promote exchanges of opinion, sharing experiences and debate.



### **1.5. Convening Notices and Prior Information**

The Corporate Secretary sends the convening notices to the Members of the ELT / CE, the agenda and the file containing, for each agenda item, the required information for decision-making, as soon as it is approved by the Chairperson of the ELT / CE.

The documents and information related to the agenda items are made available to the ELT / CE Members in electronic form on a shared platform and, on request, in the form of a file, the Friday before the meeting or the Monday before, if the meeting takes place on Thursday or Friday.

### **1.6. Chairperson**

Each meeting is chaired by the Chairperson of the ELT / CE or, if the Chairperson cannot attend the meeting, by a Member appointed by the Chairperson.

### **1.7. Attendance and Representation**

Meetings are generally held at the Company's registered office, but can also be held elsewhere at the decision of the ELT / CE Chairperson.

The ELT / CE may invite to its meetings any person whose presence would be useful. The topics submitted to the ELT / CE are presented and discussed in the presence of a business or functional manager. For important projects, it sets up *ad hoc* working teams, led mainly by ELT / CE members chosen on the basis of the competences required.

The Chairperson of the Board of Directors is invited to attend the meetings dedicated to presentation of the monthly/quarterly financial reporting and the plan and the budget or at the invitation from the Chairperson of the ELT / CE.

Members of the ELT / CE who cannot attend a meeting may give a proxy, by regular mail, fax or email, to one of their fellow ELT / CE Members to represent them at a specific meeting and vote on their behalf. In such a case, the Member will be considered present at the meeting. However, an ELT / CE Member may not represent more than one of other ELT / CE Members.

Members of the ELT / CE who cannot attend a meeting in person may participate by telephone, videoconference or any other analogous means of communication. The Member will be considered present at the meeting and a vote expressed orally through this means of telecommunication will be considered valid.

The ELT / CE may also use an electronic procedure for certain resolutions that it defines beforehand.

### **1.8. Quorum**

The ELT / CE may validly deliberate only if at least half of its Members is present or represented, including the Chairperson.

Should this quorum not be met for one or more agenda items, the ELT / CE may nevertheless, at a second meeting (to be convened) to be held within five days at the latest after the date of the first meeting, validly resolve on these agenda items, whatever the number of Members present or represented at the second meeting.

### **1.9. Vote and Majority**

The resolutions of the ELT / CE are approved with a simple majority of votes. In case of a tie vote, the Chairperson of the ELT / CE shall have a casting vote. However, if a proposal by the Chairperson does not receive a majority within the ELT / CE, the matter may be referred to the Board of Directors for a final decision.

### **1.10. Minutes**

Minutes, which consist of a list of decisions, are prepared during the meeting by the Corporate Secretary.

The minutes will be read and approved at the end of the meeting or as early as possible after the meeting. They will be distributed immediately or as early as possible after the meeting.

The minutes are not signed but the Chairperson and the Corporate Secretary may deliver certified extracts.

### **1.11. Internal Organization**

The ELT / CE informs the Board of Directors of its internal organizational structure and the possible assignment of responsibilities amongst the Members.

### **1.12. Implementation of Decisions and Follow-up of Recommendations**

The implementation of ELT / CE decisions and following up on its recommendations are delegated to the ELT / CE member who is responsible for the activity or function to which the resolution or recommendation relates or to the Corporate Secretary (if he/she is not already an ELT / CE member).

Regarding matters delegated, information on the resolutions taken and their implementation and/or follow-up will be made available to the ELT / CE in accordance with following the procedures that it sets.

## **2. EVALUATION**

Evaluation of members of the ELT / CE (other than its Chairperson) is performed each year by the Chairperson of the ELT / CE. The Chairperson of the Board of Directors and the Chairperson of the ELT / CE, together with the Compensation Committee, analyze the outcome of this evaluation, when proposals relating to variable remuneration are being discussed.

Evaluation of the Chairperson of the ELT / CE is performed each year. The Compensation Committee analyzes the outcome of this evaluation, when proposals relating to variable remuneration are being discussed.

The ELT / CE regularly re-examines (preferably every year) its internal procedures and evaluates its own effectiveness.