



Dear Stakeholders,

It is with great pride that I address you for the first time as the Chair of Solvay SA/NV (“Solvay” or the “Company”), especially at such a symbolic moment in our Company's venerable 160+ year history. Now more than ever, Solvay rediscovers its roots of scientific mastery – an enduring value of diligence, perfection, and excellence – passed-down from our founder Ernest Solvay. Thus, our gathering for the first Annual General Meeting (“AGM”) after the partial demerger, scheduled for 28 May, 2024 is also a celebration of our resilience and renewal towards a shared vision – *mastering the elements essential to our world*.

1. A New Era Begins – Already Attracting Significant Interest

2023 was a transformational year for Solvay, with the partial demerger enabling us to sharpen our competitive advantages, reinforce our leading position across our end-markets, and advance our mastery of more streamlined and sustainable processes. These transitions not only allow Solvay to be at the forefront of fast-evolving megatrends (of sustainability, evolving demographics, and many more) but also create sustained shareholder value, which is already attracting market interest.

Despite a challenging macroeconomic environment characterized by geopolitical tensions, economic uncertainties, and market volatility, Solvay demonstrated remarkable financial resilience, owing to its operational simplification and efficiency. This resilience translated into Solvay maintaining a solid EBITDA of €1.2 billion and achieving a record EBITDA margin of 25.5%, even in the face of declining volumes.

Additionally, our focus on optimizing cash flow management and the simplification of our portfolio resulted in an exceptionally high free cash flow of €0.6 billion. In recognition of our strong financial position and in-line with our commitment to delivering shareholder value, we are pleased to maintain a stable and competitive dividend policy. **We have proposed a dividend €2.43 per share for this financial year, which will be put to a vote at the AGM.** This reflects our confidence in Solvay's continued stability and growth prospects allowing us to re-confirm our policy of paying stable or growing dividends.

2. Sustainability Commitments

At Solvay, sustainability is integral to our business strategy. Following its partial demerger, Solvay confirmed its commitment to achieve carbon neutrality in Scope 1 and 2 emissions by 2050, with interim targets of reducing these emissions by 30% and Scope 3 emissions by 20% by 2030. Solvay's strategy includes phasing out coal from energy production in its soda ash operations by 2030 where renewable alternatives are available, alongside implementing over 27 energy transition projects globally, which have significantly contributed to a 19% reduction in Scope 1 and 2 emissions since 2021.

Solvay is actively engaging in biodiversity conservation efforts, with significant progress reported since the adoption of the Global Biodiversity Framework at the Montréal-Kumming COP15. The Company has successfully reduced its biodiversity impact by 20% across its value chain, with specific site-based initiatives that include habitat restoration and local community engagement.

Furthermore, the Company is committed to achieving gender parity in mid and senior management within ten years and ensuring a living wage for all employees by 2026, as part of its broader human capital initiatives.

3. A Strong Board

Following the partial demerger, Solvay has restructured its Board to ensure robust governance, characterized by a clear distinction between the roles of the independent Chair and the CEO. The Board comprises ten directors, including nine non-executive members who collectively possess a diverse expertise in, amongst others, governance, strategy, global chemicals and industrials sectors, sustainability, corporate financial management and business development. It is represented with six different nationalities.

Three of the directors are women, and six are independent. Three Board members were appointed upon proposal by Solvay's reference shareholder, proportional to their ownership in the Company, and are clearly identified as non-independent.

Ms. Aude Thibaut de Maisières, the Vice-Chair whose mandate expires at the 2024 AGM, is proposed for reappointment. As Chair, I have thoroughly enjoyed working with Ms. Aude Thibaut de Maisières; together, we have formed an effective team that has significantly contributed to the Board's functionality and strategic oversight. Her broad experience, including her roles as CEO of Sonic Womb and a member of the Innovation Fund Investment Committee, continue to be invaluable in navigating strategic imperatives for Solvay.

4. Changes to Pay to Reflect the New Solvay

This year's Remuneration Report presents the executive compensation for two different leadership teams due to the partial demerger, with the new Solvay Executive Leadership Team ("ELT") appointed on 9 December 2023. The Board has taken deliberate steps to align the new ELT's pay with the revised peer group's median, resulting in significantly reduced base salaries and incentive opportunities for 2024. For example, bonus award opportunities have been lowered from 120% to 95% of salary for the CEO, and long-term incentive opportunities have also been reduced.

Regarding the remuneration of non-executive directors, the Board, following recommendations from the Compensation Committee and an independent consultant's review, is proposing an increase in director fees. This change, the first since 2005 for members and 2012 for the Chairman, is justified by the expanded scope of responsibilities and the increased complexity of the Board's mandate. The fee adjustment aims to reflect a retainer-based structure that compensates directors not only for meeting attendance but also for the extensive preparation and ongoing engagement required by their roles. This approach seeks to align their remuneration with the median of their European peers, ensuring fairness and adequacy in compensation for their enhanced contributions.

The remuneration report for 2023 and revised compensation for board members will both be put to shareholder vote at the AGM.

As we look to the future, the Board views your insights and feedback as being a crucial ingredient to Solvay's long-term success. Solvay's vision to *master the essential* extends beyond our products but encompasses our commitment to addressing and exceeding our stakeholders' expectations. Should you have any questions or concerns, we encourage you to raise them directly with our investor relations team at investor.relations@solvay.com.

At this AGM, several agenda items are slated for voting. While predominantly of a routine nature, your continued support is important as we advance into this exciting new chapter of Solvay's history, where we emerge as an essential player globally. We warmly welcome your support at the upcoming AGM, which marks a significant milestone in our journey.

Thank you for your trust and commitment to Solvay.

Kind regards,

Pierre Gurdjian

Chairman of the Board