



Dear Shareholders

2024 marked Solvay SA's ("Solvay" or the "Company") **first full financial year as an independent company** following the 2023 demerger—an important milestone in the continuation of our 160+ year legacy from our founder Ernest Solvay. While we remain grounded in our heritage and longstanding commitment to innovation, the demerger has enabled us to **sharpen our strategic focus, master our technologies and reinvent our industrial processes**. We strongly believe that our chemicals are neither commodities nor specialty chemicals, indeed they are what we call **Essentials**.

As a leader in essential chemistry, Solvay plays a vital role across our clients' value chains. Our products serve a wide range of end-markets: purifying the air we breathe, conserving food resources, protecting health and well-being, enabling battery recycling, and manufacturing high-performance semiconductor chip. Looking ahead, we will continue to build on this foundation, advancing sustainability, safety, and operational excellence as **we deliver Essentials for Generations through increased focus and embracing change**.

As we approach the 2025 Annual General Meeting ("AGM"), this letter outlines Solvay's progress during its first full year of independence and presents the proposals to be submitted for shareholder approval. A key proposal this year is the introduction of a **new Remuneration Policy ("Policy")**, **shaped by extensive stakeholder engagement**. The new Policy introduces key amendments to better support Solvay's strategic direction and align with our renewed corporate purpose.

Strong Financial Results

With its renewed identity as an Essential company, Solvay—under the leadership of CEO Philippe Kehren—focused on embedding strategic clarity across every aspect of the business. Guided by the Transformation program, these efforts aimed to shape Solvay into a **leaner, more resilient organization while preserving its enduring spirit of innovation**. They have not only laid the groundwork for long-term success, but are already delivering tangible results.

Despite ongoing market volatility, Solvay delivered strong financial results: **net sales of €4.7 billion with volume growth, uEBITDA of €1.05 billion, and FCF of €361 million—all exceeding market expectations**. In parallel, Solvay maintained its disciplined capital allocation strategy—remunerating its shareholders while continuing to invest in long-term growth. In line with the objective set at the time of the demerger to provide stable or increasing dividends, Solvay announced a **full-year dividend of €2.43 per share (approximately €260 million in total), in line with the dividend policy of paying a "stable to increasing" dividend(see proposal 4)**.

Sustainability Roadmap – For Generations

Solvay introduced a new sustainability roadmap—*For Generations*—designed to address the material sustainability risks and opportunities relevant to the new Solvay.

Key commitments include the ambition to reduce Scope 1 and 2 emissions by 2030, supported by a clear coal phase-out target, and to achieve **carbon neutrality by 2050**. The roadmap also targets a 20% reduction of Scope 3 emissions - focus 5 Categories - by 2030 and **introduces a biodiversity commitment to protect sensitive natural areas across Solvay's sites**. For our people, it also sets targets to achieve **zero accidents**.

Safety has always been a core value at Solvay, with strong oversight from leadership and a clear goal of zero accidents. The unfortunate events in 2024 were a powerful reminder that more must be done. In response, we created a dedicated Group Safety Taskforce to support the Board and strengthen our existing efforts—reinforcing a consistent safety culture and driving continuous improvement across the organization.

Finally, Solvay reports its sustainability progress in alignment with the Corporate Sustainability Reporting Directive (CSRD) framework. This reporting is supported by limited assurance and reinforced by an unqualified opinion from EY Bedrijfsrevisoren BV, underscoring the credibility and rigor of our disclosures.

A Focused and Stable Governance

At Solvay's core is a **Board deliberately composed to provide strong leadership, independent oversight, and clear accountability across the business**.

Solvay's Board is composed of 10 members, **6 of whom (60%) are independent non-executive directors, including the independent Chair**. Independence is further embedded across the Board's key committees—**Audit & Risk, Compensation, and Nomination**—are all chaired by independent directors and comprising a majority of independent members.

All Board members have been appointed with a strong shareholder mandate when last put to a shareholder vote, including Aude Thibaut de Maisières whose election results last year had to be retabulated due to an error with the custodians ([see here](#))—the corrected result was 93.3% in favour (revised from 83.5%).

This year's annual Board performance and composition evaluation (conducted externally every 3 years) confirmed that the Board—reshaped at the time of the demerger to reflect the new Solvay—**remains effective and well-equipped to oversee the Company's material risks and opportunities**. As a result, the Board has decided to retain its current structure and is **proposing the reappointment of Mr. Wolfgang Colberg** as an independent non-executive director, having confirmed his continued alignment with the Board's strategic direction.

As Chairman of the Compensation Committee and a member of the Audit and Risk, Finance, and Nomination Committees, Mr. Colberg has played a key role in overseeing the launch of Solvay as a standalone company following its demerger. He has a background in finance, the chemical

industry, industrial operations, and human capital—fields that contribute to Solvay’s development **(see proposal 9)**.

Renewed Remuneration Policy to Drive Performance

The Remuneration Committee, together with the full Board, conducted a thorough review of the Remuneration Policy (the “Policy”) **(see proposal 8)**. This review placed strong emphasis on stakeholder input, beginning with a detailed assessment of institutional investor policies and voting patterns, **followed by multiple rounds of engagement with proxy advisors and social partners** throughout 2024 and early 2025.

In **direct response to stakeholder feedback, we have introduced a number of key enhancements** to strengthen transparency, alignment, and accountability. These include:

- A shift from setting annual targets for long-term incentives to **measuring targets at the end of the third year**, reinforcing a long-term performance focus.
- **Strengthening of the derogation clause** to better define and guide the Board’s discretionary authority.
- A **refined Total Shareholder Return (TSR) modifier**, now benchmarked against the STOXX Europe 600 Chemicals index for improved clarity and relevance.
- Greater transparency in the annual report through the **ex-ante disclosure of specific performance metrics and their weightings for short- and long-term incentives** for the CEO and the Executive Leadership Team (ELT).

As Solvay enters its next chapter, we do so with **strengthened foundations, a sharpened strategic focus, and a clear commitment to delivering long-term value as an Essential company for Generations**. The progress made in 2024 reflects Solvay’s resilience and ability to navigate uncertainty while remaining aligned with its new purpose and stakeholder expectations.

We thank you for your continued trust and support. Should you have any questions regarding the items submitted for approval or any aspect of this letter, please do not hesitate to get in touch.

Kind regards,

Geoffroy d'Oultremont
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