

# SOLVAY

ESSENTIAL FOR GENERATIONS

## Roadshow Presentation

Post Q1 2025 results



Philippe  
**KEHREN**

CEO



Alexandre  
**BLUM**

CFO

# PROFILE AND STRATEGY

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**SOLVAY**

# SOLVAY at a glance



**~9,000**

Employees



**44**

Production sites



**41**

Countries



**€4.7bn**

Underlying  
Net sales



**€1.05bn**

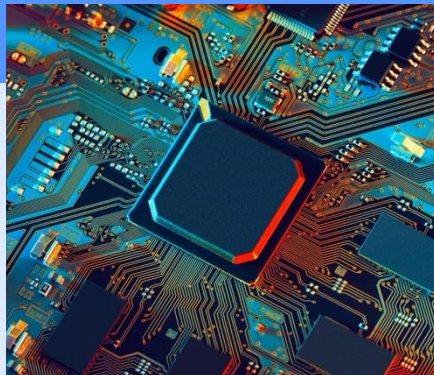
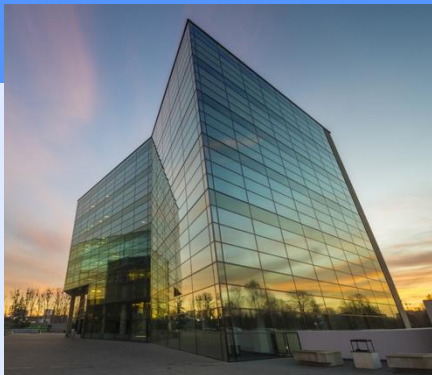
Underlying  
EBITDA



**€361m**

Free Cash Flow  
to Solvay shareholders  
from continuing operations

# WE ARE ESSENTIAL CHEMISTRY



Essential to our **DAILY** life  
Essential **TODAY**, essential **TOMORROW**

**SOLVAY**



# Not Specialty, not Commodity... **ESSENTIAL**



Product



Innovation



Operations /  
Production



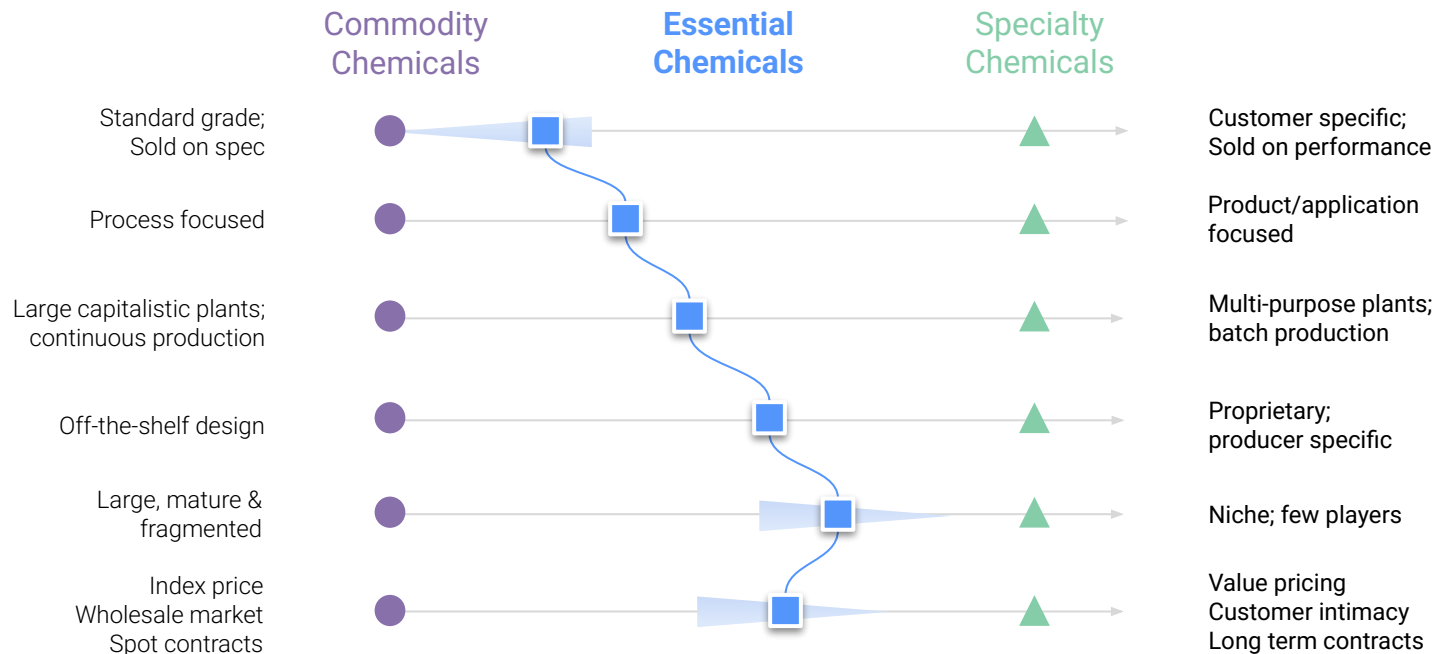
Technology



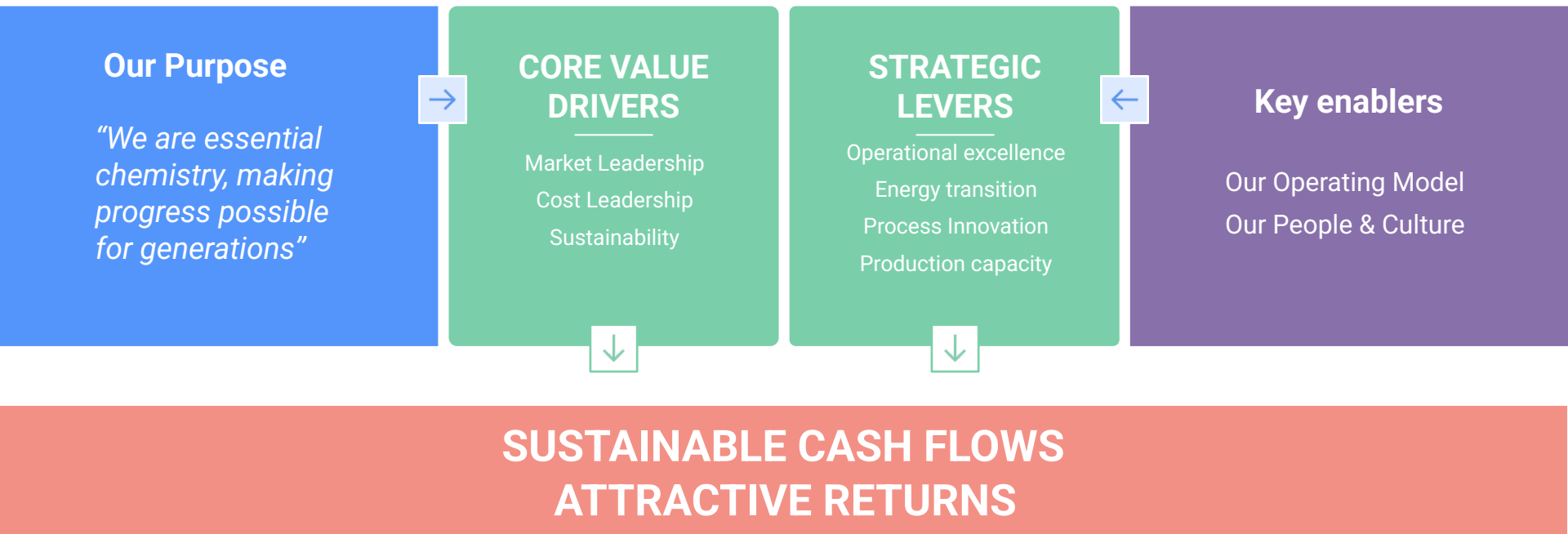
Industry  
Structure



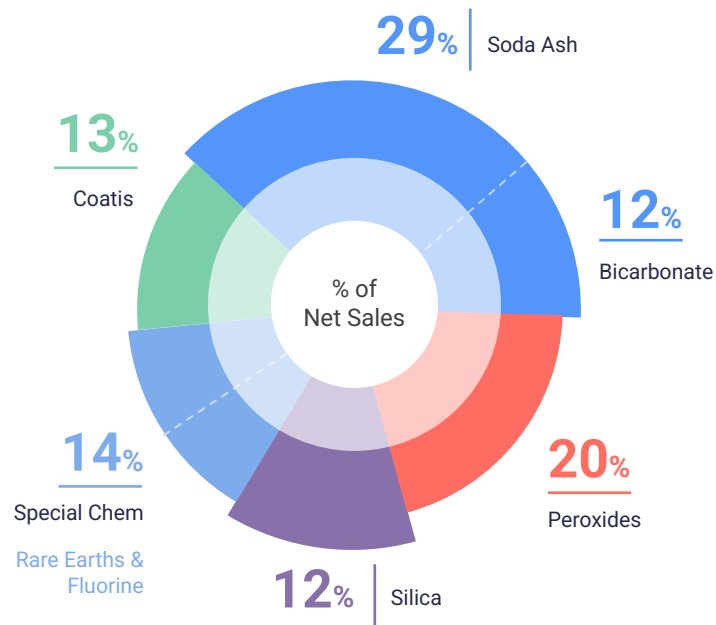
Marketing  
and sales



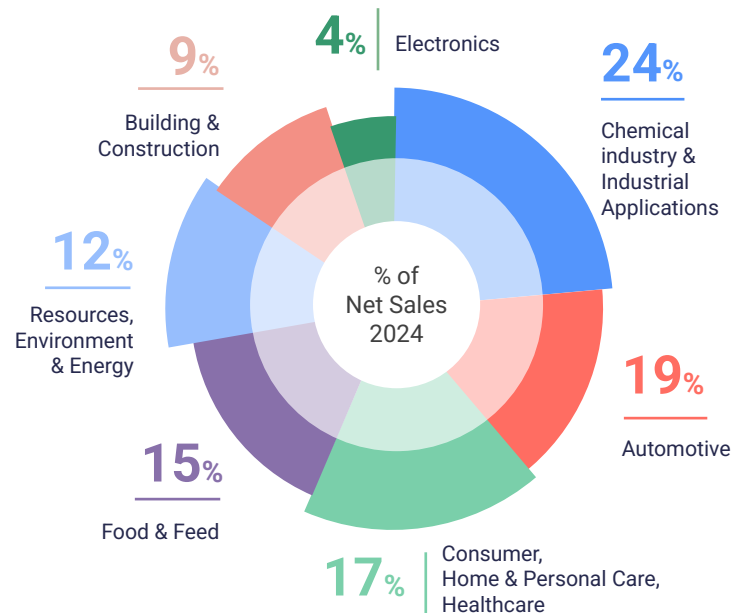
# Our strategy: **a leader** in essential chemistry



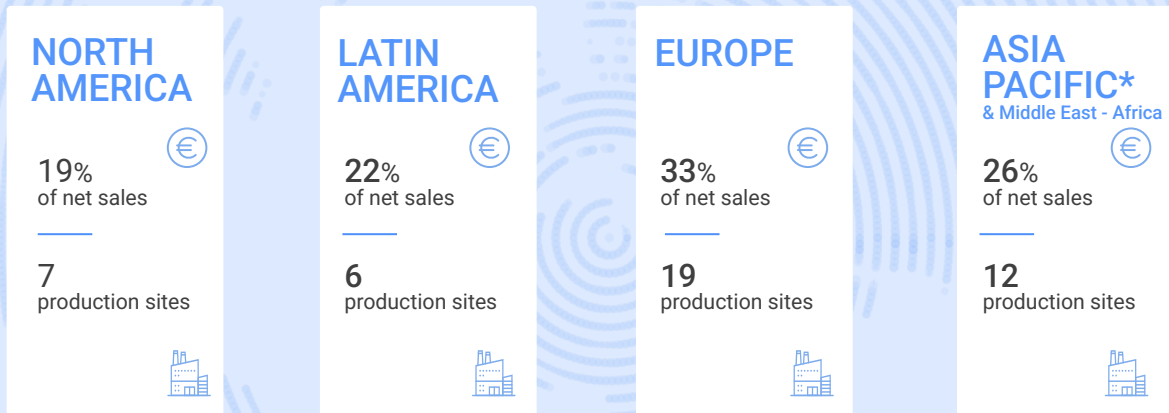
## Focused portfolio of leading businesses



## Essential to diversified end-markets



# Global reach, Local-to-local in all continents



\*of which Mainland China:  
6% of net sales, 5 prod. sites

> 80% SALES ARE REGIONAL

# Our **strategic levers**

## Operational excellence

Continuous progress and optimization of operations and systems (digitalization)



## Accelerate the energy transition

Shift from fossil-based energy to more sustainable / renewable energy



## Process innovation

New technologies or process improvements to sustain our competitiveness



## Production Capacity

Grow with the market

Capacity expansion, greenfield and/or partnerships to maintain our leadership



High potential opportunities

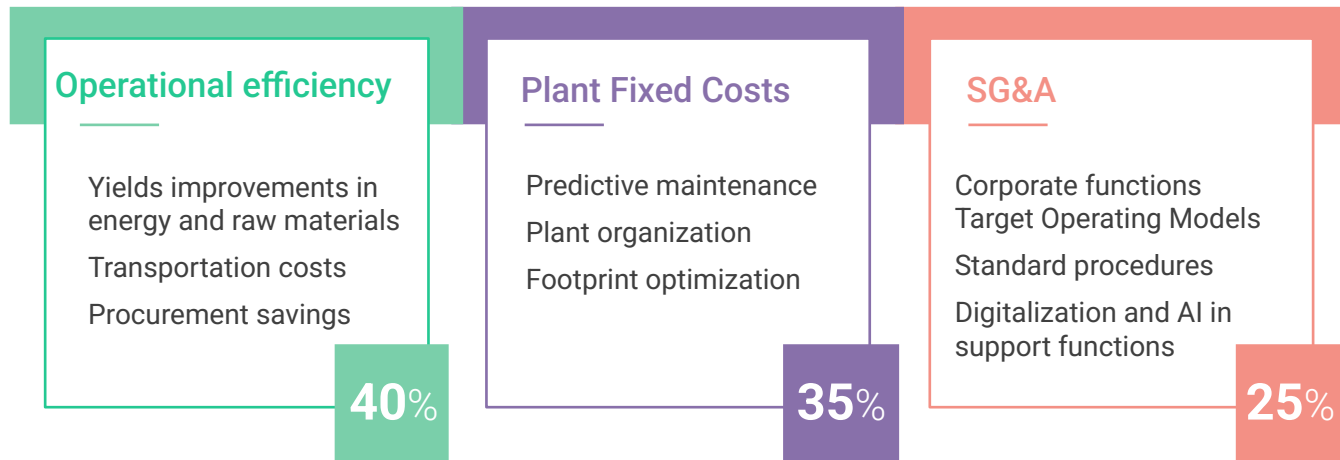
Capture opportunities in fast growth segments and new applications





# Operational excellence : **accelerate** our Transformation

Standardization and digitalization as key enablers



**COST SAVINGS  
BY 2028**

From

**€300 million**



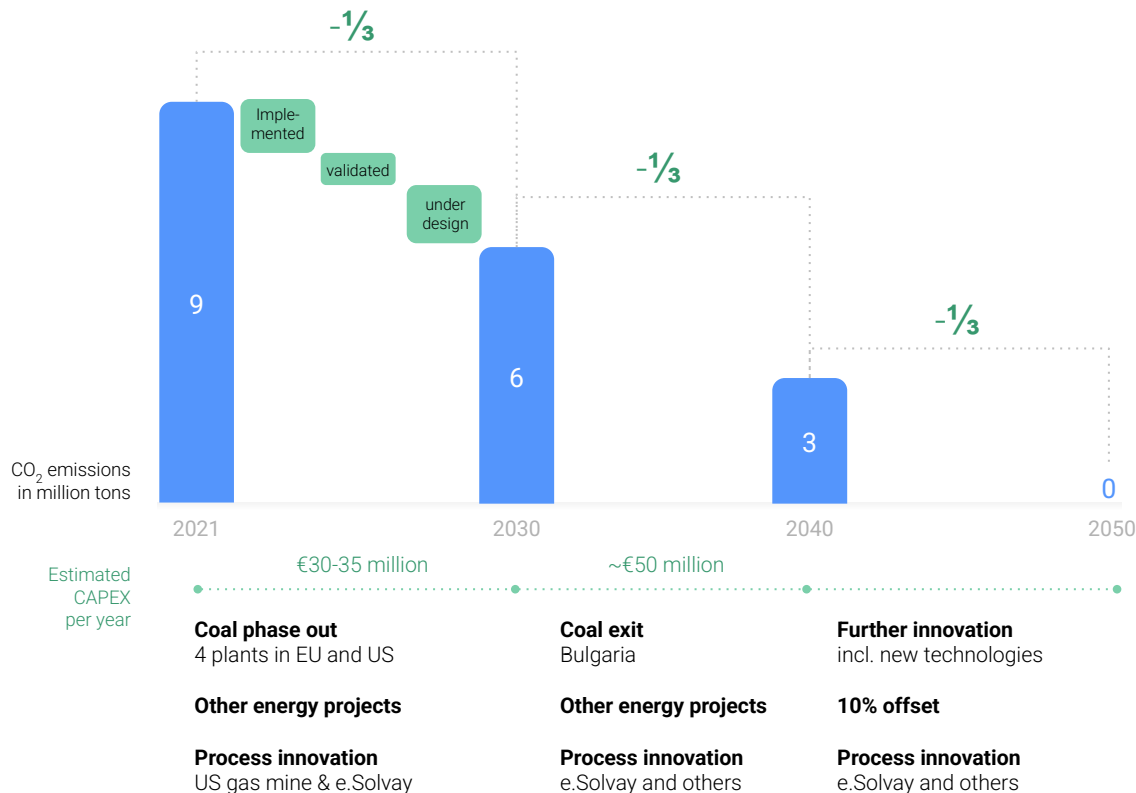
To

**€350 million**

**SOLVAY**

# Accelerating the **energy transition**

Our roadmap to carbon neutrality is robust and affordable



In the past 20 years, Solvay has already **reduced its CO<sub>2</sub> emissions by half**



(at current Solvay perimeter)

## Competitiveness as an imperative

**Additional third-party** financing necessary for certain projects, e.g. energy transition in Devnya

**Government support** is needed

**Acceleration** possible with the support of customers



FOR  
GENERATIONS

SOLVAY

# Process innovation

e.Solvay - how we will revolutionize the soda ash industry

**New breakthrough electrochemical process powered by renewable energy**

**Proprietary and patented technology**

- 50% CO<sub>2</sub> emissions
- 30% limestone consumption
- 20% energy, salt and water consumption

**Pilot in Dombasle, France**

- ✓ Technology
- ✓ Scalability
- ⚙ Competitiveness improvement







# Production **capacity**

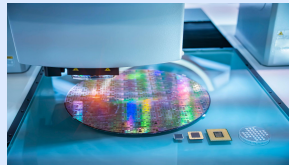
Sustained leadership and high potential opportunities fueling top-line growth

## GROW WITH THE MARKET BY SUSTAINING LEADERSHIP

**Capacity expansion** of  
0.6Mt **Soda Ash** in the US

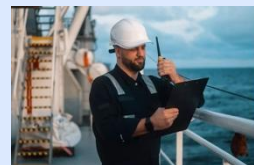


**H2O2 capacity addition** in Asia to meet growing  
demand in photovoltaic and semiconductor  
sectors



## HIGH POTENTIAL OPPORTUNITIES

**New Bicarbonate  
applications:**  
- Solvair® Marine  
- Alve One®



**Circular highly  
dispersible silica** (rice  
husk ash)



**Rare earths** from  
recycled material for  
EVs and wind power  
markets



# 2024

## Delivering on our promises

**People engagement** - new culture and purpose

**80%**  
engagement rate

**Transformation** - digitalization - cost savings

**€110m** delivered  
vs €80m target

**Energy transition projects**

**Two more plants**  
exited coal in 2024

**Developing our relationships with customers**

**Circular Silica, e-H2O2**

**Refinancing**

**€1.5bn** bond issued,  
oversubscribed 6 times

**Solid financial performance**

**€1.05bn** EBITDA,  
above guidance



**SOLVAY**

# For Generations



**FOR  
GENERATIONS**

A sustainability roadmap with refreshed ambitions and new commitments

PLANET		2021	2024	Progress	Targets
	Scope 1 & 2 GHG emissions (Mt)	9.0	7.5	-17%	-30% by 2030 ; carbon neutrality by 2050
	Scope 3 GHG emissions (Mt) <sup>1</sup>	14.7	14.1	-4%	-20% by 2030
	Coal phase out (# of sites) <sup>2</sup>	5	3	-2	All sites by 2030, except Devnya
	Biodiversity <sup>3</sup>	-	-	NEW	30% of land under conservation by 2030
BETTER LIFE	Safety (RI <sup>4</sup> )	68	41	-27	Aim for zero accident
	Diversity (% of women mid/sen. management) <sup>5</sup>	28%	27.3%	-0.7pts	30% by 2030; aim for gender parity

<sup>1</sup> Scope 3 emissions focus on 5 categories, adjusted with 2024 new methodology.

<sup>2</sup> Includes coal and coal products used in energy production.

<sup>3</sup> Permeable land located near biodiversity sensitive areas in positive biodiversity management

<sup>4</sup> Reportable Injury - RI of Solvay employees and contractors.

<sup>5</sup> Management categories are defined on the basis of the Hay Job Evaluation Methodology.

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# FINANCIALS

# Full year 2024 results

EBITDA and cash above expectations supported by cost savings acceleration



EBITDA, FCF and cost savings **above 2024 guidance**  
**Stronger capital structure** than announced at spinoff

1. To Solvay shareholders from continuing operations

# Q1 2025 results

Resilient EBITDA thanks to diversified portfolio and cost savings



€1,122m  
in Q1 2025

vs

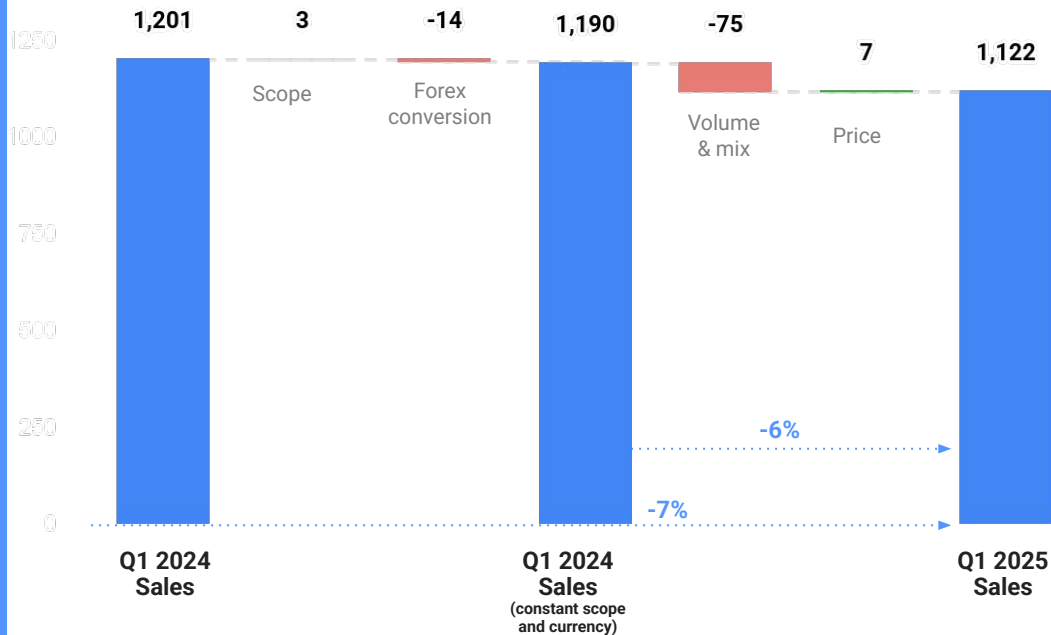
€1,201m  
in Q1 2024

€-75m (-6%)  
Volumes down  
Mainly from soda ash

Resilient pricing

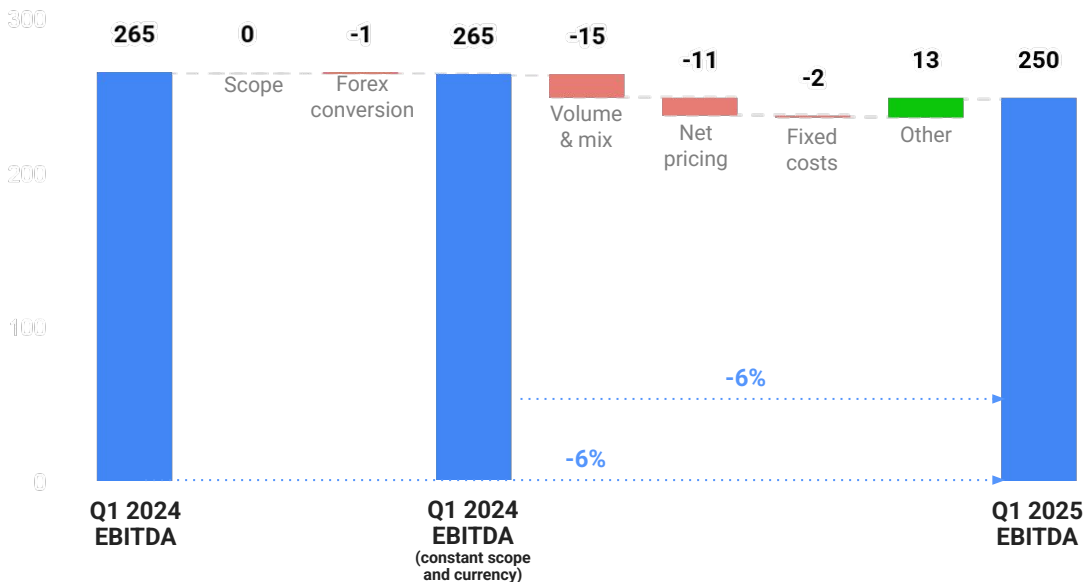
## Q1 underlying Net Sales bridge

Negative volume partially offset by pricing



# Q1 underlying EBITDA bridge

Margin at 22.3%



€250m  
in Q1 2025

VS

€265m  
in Q1 2024

Slightly lower volumes yoy

Slightly lower net pricing yoy

**Fixed costs**

Savings offsetting inflation

**Other**

Accrual Dombasle Energy in Q1'24



# Basic Chemicals results

	Q1 2025 (€m)	% YoY	% YoY organic
Soda Ash & Deriv.	438	-11%	-11%
Peroxides	233	+5%	+3%
<b>uNet Sales</b>	<b>672</b>	<b>-6%</b>	<b>-7%</b>
<b>uEBITDA</b>	<b>162</b>	<b>-20%</b>	<b>-20%</b>
<b>uEBITDA Margin</b>	<b>24.1%</b>		

## Q1 Highlights

### Soda Ash & Derivatives

Lower sales compared to a high base in Q1 2024. Lower volumes and prices for soda ash. Bicarbonate demand continues to be strong.

### Peroxides

Consolidation of the Peroxidos do Brasil sales mechanically increased top line. Organically, volumes were up while pricing slightly decreased yoy.

# Performance Chemicals results

	Q1 2025 (€m)	% YoY	% YoY organic
Silica	144	-1%	-0%
Coatis	138	-11%	-0%
Special Chem	168	-8%	-9%
<b>Net Sales</b>	<b>450</b>	<b>-7%</b>	<b>-4%</b>
<b>uEBITDA</b>	<b>94</b>	<b>+18%</b>	<b>+20%</b>
<b>uEBITDA Margin</b>	<b>21.0%</b>		

## Q1 Highlights

### Silica

Sales down from lower volumes in tire markets, mostly compensated by higher prices.

### Coatis

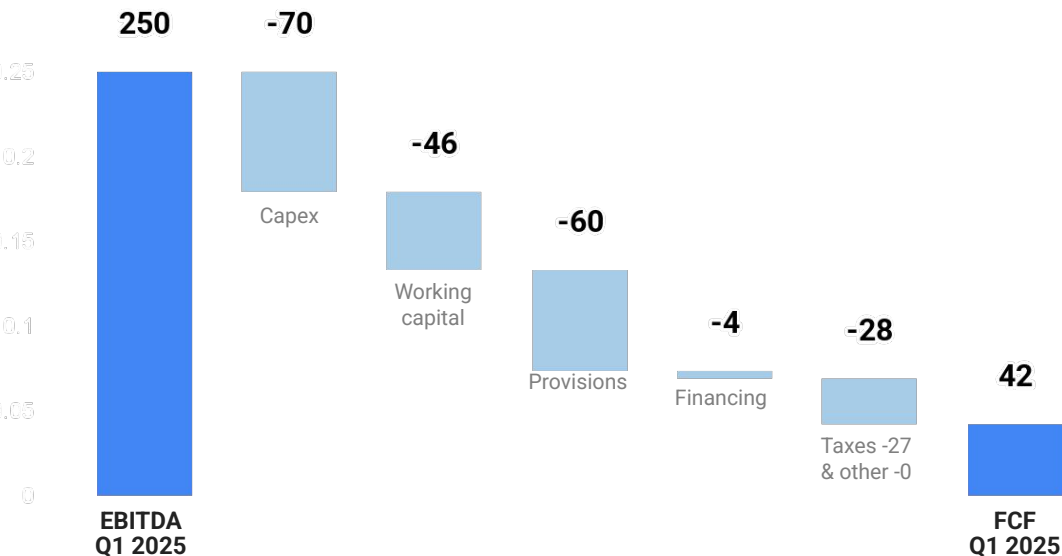
Sales down from unfavorable BRL/EUR exchange rate. Strong phenol demand but softer performance in solvents.

### Special Chem

Sales down yoy from lower volumes in autocatalysis, partially offset by higher demand in electronics.

# FCF: €42 million in Q1 2025

In line with normal seasonality



## Working capital

At €-46 million

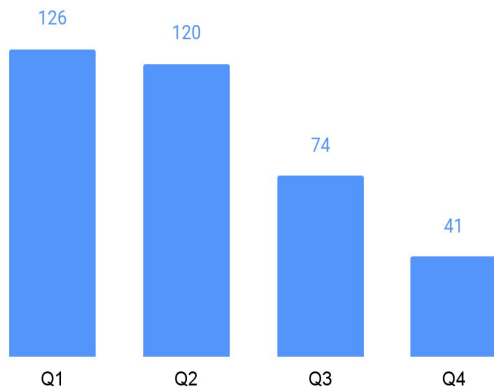
## Capex

Projects started in 2024,  
continued in 2025

# FCF seasonality

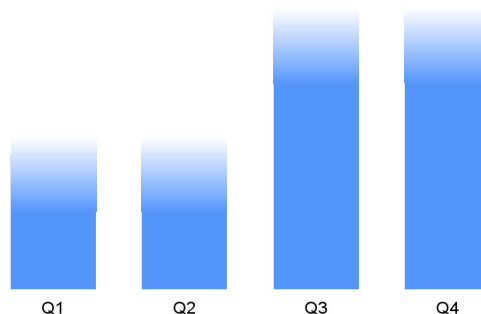
## 2024

- Only half a coupon in Q4
- Cautious capex in H1
- Unusual working capital developments



## Normalized free cash flow

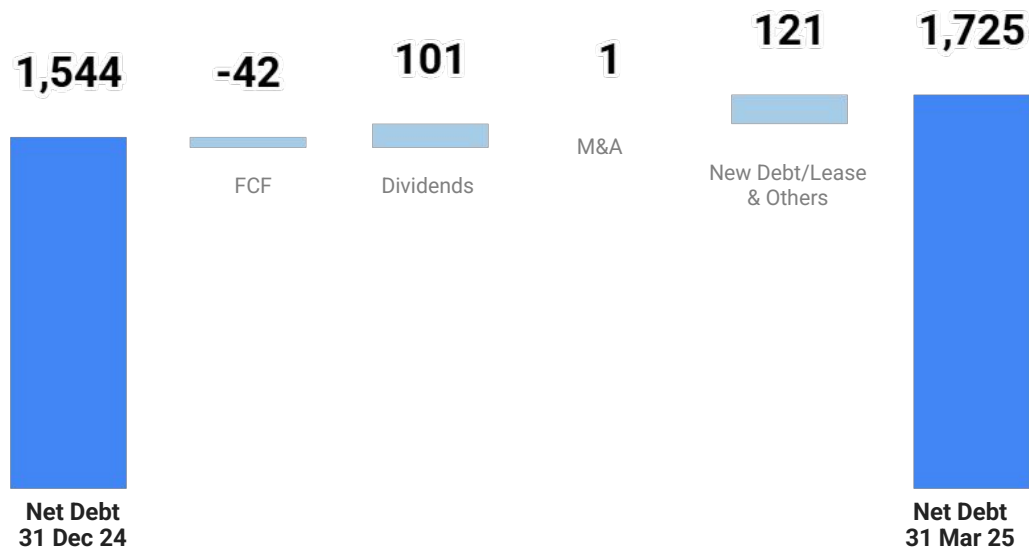
- Working capital: seasonal decrease in Q4 Y-1, mirrored in Q1 Y
- Variable remuneration: Q2 cash outflow
- Payments of bonds coupons: Q2 and Q4



>>> Free cash flow phasing leads to seasonal fluctuations of net debt

>>> Intra year debt fluctuations covered by liquidity reserves and undrawn facilities (about €2 bn in Q1 2025)

# Capital structure



**S&P RATING: BBB-**

Stable outlook

**Underlying net debt:**

**€1.7 Bn**

Employee benefits liabilities: €0.7 Bn

Environmental liabilities: €0.5 Bn

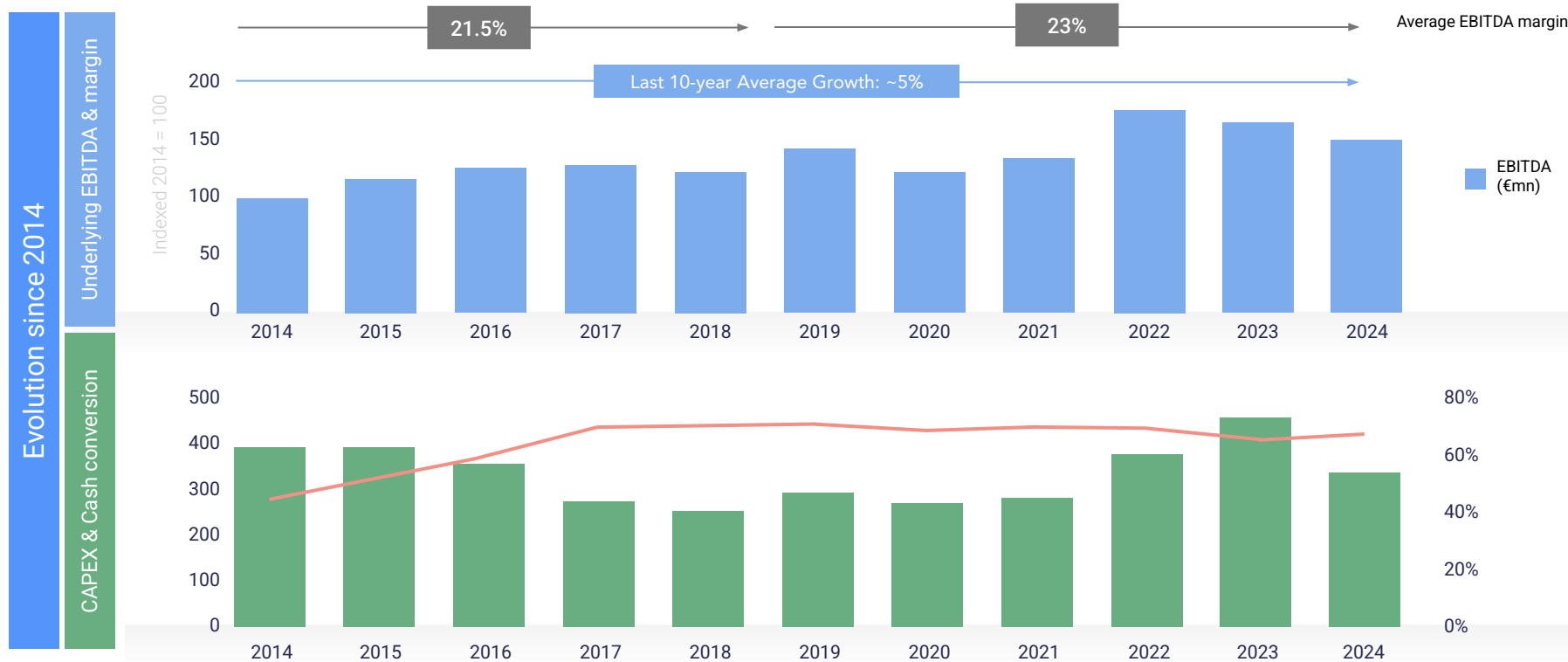
**Leverage ratio: 1.7x**

**Others**

Launch of biomass boilers in Rheinberg:

€105 million

# A long track record of resilient growth, margin expansion and cash generation



# Capital allocation policy confirmed

## PRIORITY 1 Essential CAPEX

HSE and maintenance  
Energy transition <sup>1</sup>

>>> €250-300 million  
per year

## PRIORITY 2 Dividends

'Stable to increasing' policy

>>> €260 million  
in 2024

## PRIORITY 3 Additional value creation

Priority: investments in growth  
Optionality: further shareholder return

>>> Depending on merit  
and affordability

Note: indicative levered pre-CAPEX cash flow over 2024-28: ~€4bn  
1. €30-35 million capex annually for energy transition projects

03

# OUTLOOK

Philippe  
**KEHREN**





# 2025 OUTLOOK

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>>>

Underlying EBITDA  
Currently in the **lower half of the “€1.0 billion and €1.1 billion” range<sup>1</sup>**

>>>

Free Cash Flow<sup>2</sup>  
**~€300 million**

>>>

Capex limited to  
**~€300 million**

<sup>1</sup> should current market conditions and currency exchange rates continue to prevail

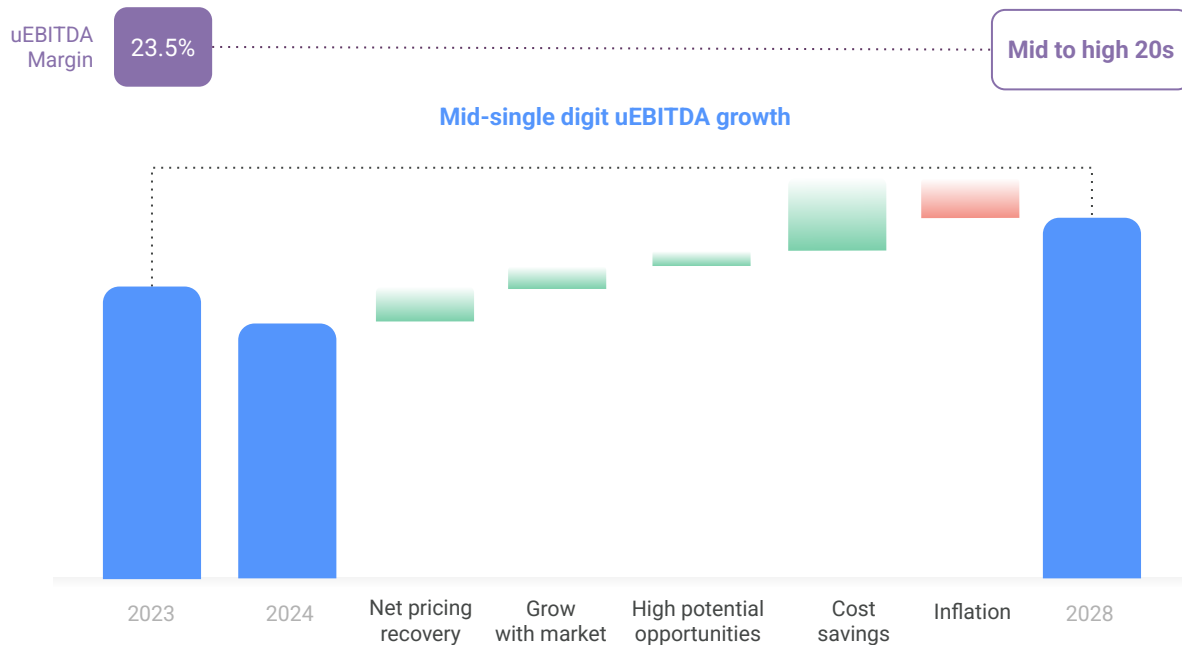
<sup>2</sup> Free Cash Flow to Solvay shareholders from continuing operations

# 2028 TARGETS

KPI	November 2023	March 2025
Underlying EBITDA growth (%)	Mid-Single Digit per year average	=
Underlying EBITDA margin (%)	Mid to High 20s	=
Total gross savings	€300 million run-rate	↑ €350 million run-rate
FCF conversion	exceeding mid 30s	Aligned with capital allocation policy
ROCE (%)	Increasing to low 20s	=
Stable to increasing dividends		
Investment grade credit rating		

# Profitable **growth drivers**

Top line and cost savings supporting EBITDA growth



## TOP LINE GROWTH

Supported by volume and price recovery in key markets, and by faster growth in high potential opportunities

## COST SAVINGS

Increased by €50 million

# Key takeaways



01

Clear strategy  
**Essential for  
Generations**



02

**Transformation**  
ongoing,  
including safety



03

Launch of **For  
Generations**  
sustainability  
roadmap

# APPENDIX

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# Global Leadership Team



**Philippe  
Kehren**  
Chief Executive  
Officer



**Alexandre Blum**  
Chief Finance & Strategy  
Officer



**Lisa Brown**  
General Counsel &  
Corporate Secretary



**Lanny Duvall**  
Chief Operations Officer



**Mark van Bijsterveld**  
Chief People Officer



**Jean Charles  
Djelalian**  
Chief Sustainability  
Officer



**Etienne Galan**  
President  
GBU Soda Ash  
& Derivatives



**Daniela Manique**  
President  
GBU Coatis



**An Nuytens**  
President  
GBU Silica &  
Special Chem



**Brad Rector**  
Chief Information  
Officer



**Carlos Silveira**  
President  
GBU Peroxides

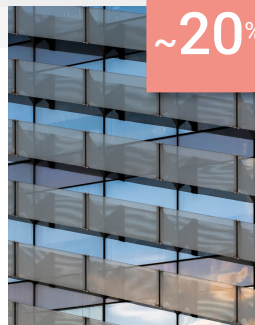
# Two essential business segments



\*% of Group underlying net sales

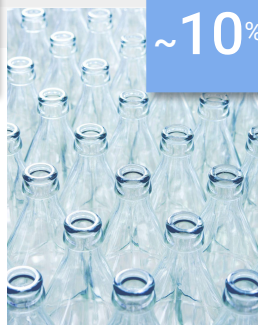
# Soda Ash & Deriv: diverse end markets, high Bicar® exposure

## SODA ASH



~20%

**Flat glass**  
(construction, solar panels, automotive)



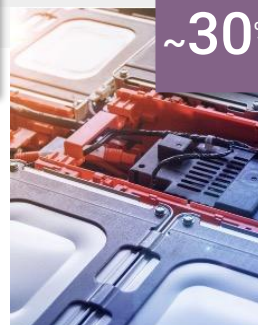
~10%

**Container glass**  
(food & beverages)



~10%

**Water softener for detergents**



~30%

**Other applications**  
incl. sodium silicates, lithium carbonate

## BICAR®



~30%

**Flue gas treatment, pharma, feed, food**



Net Sales 2024

~€1.9bn

Production sites

9

Source: Solvay internal data  
Note: % of net sales of Solvay's Soda Ash and Derivatives business

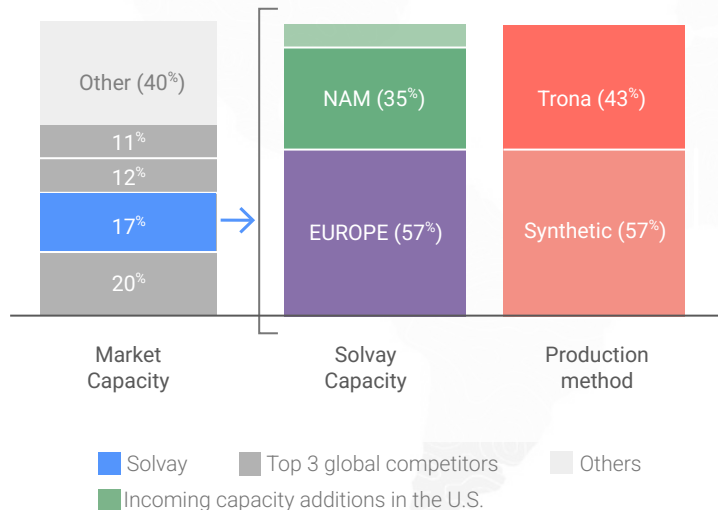
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# Soda Ash & Deriv: a global leader in Soda Ash and Bicarbonate

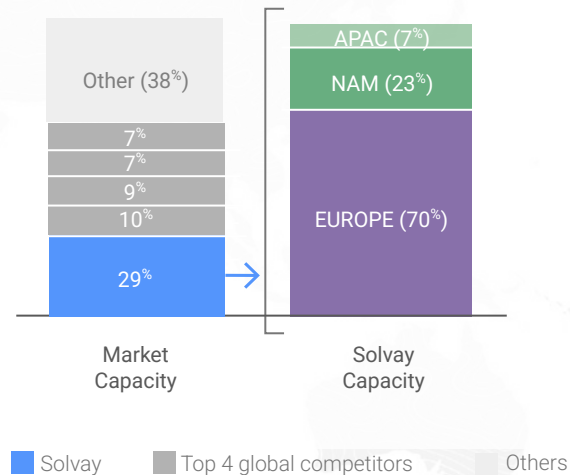
## Global #2 position in Soda Ash\*

Soda Ash global capacity (excl. China) in kt (2024)



## Global #1 position in Bicarbonate

Bicar global capacity (excl. China) in kt (2024)



Source: Solvay internal data based on public information

\* as of March 2025, following WE soda acquisition of the Alkali business from Genesis

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# Peroxides: meeting various industry and customer needs



~35%

## Chemical Industry

Hydrogen Peroxide for Propylene Oxide (HPPPO) and other chemicals



~20%

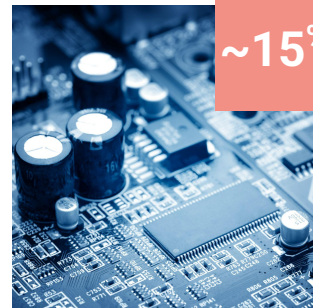
## Pulp & Paper



~30%

## Other applications

incl. Textile bleaching, Food, Water & Aquaculture disinfectants and others



~15%

## Electronics

semiconductor industry

Merchant market



KEY  
FIGURES

Net Sales 2024

~€0.9bn

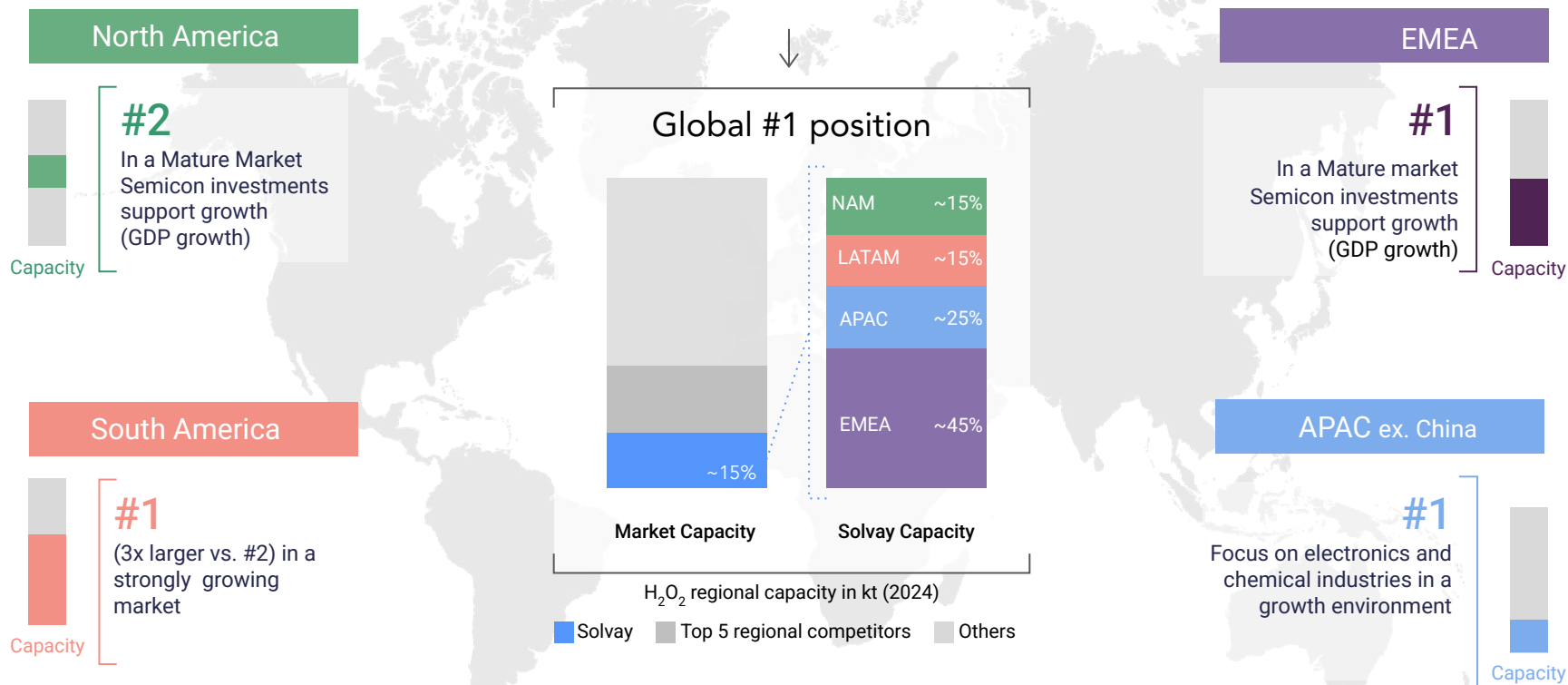
Production sites

20

Source: Solvay internal data  
Note: % of net sales of Solvay's Peroxides business

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# Peroxides: a leader in all regions



Source: Solvay internal data based on public information  
Note: Including ICC capacity

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# Silica: Innovative leader in Highly Dispersible Silica



CAR OEM



CONSUMERS

## KEY FIGURES

Net Sales 2024

~€0.5bn

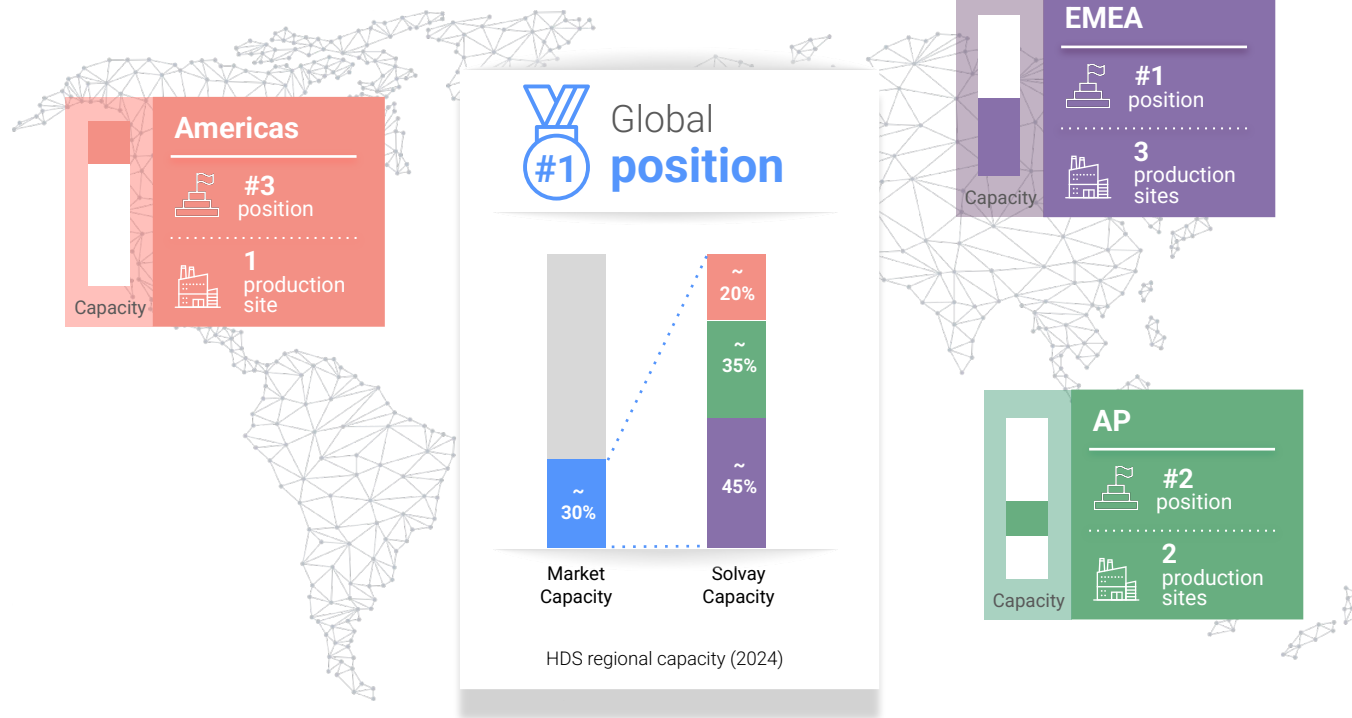
Production sites

7

Source: Solvay internal data  
Note: % of net sales of Solvay's Silica business

**SOLVAY**

# Silica: strong regional positions in HDS



Leader at  
key tire brands

HDS global market size

~ €1.4bn

- Strong position at Tier 1 brands through global reach & security of supply
- Balanced presence in Original Equipment & Replacement Markets

# Coatis: resilient cash generation and sustainable growth

~25%



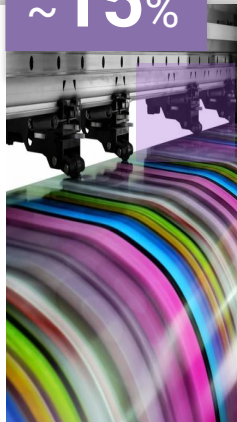
Consumer Goods

~20%



Automotive

~15%



Food Industry  
(Packaging)

~15%



Building

~25%



Others



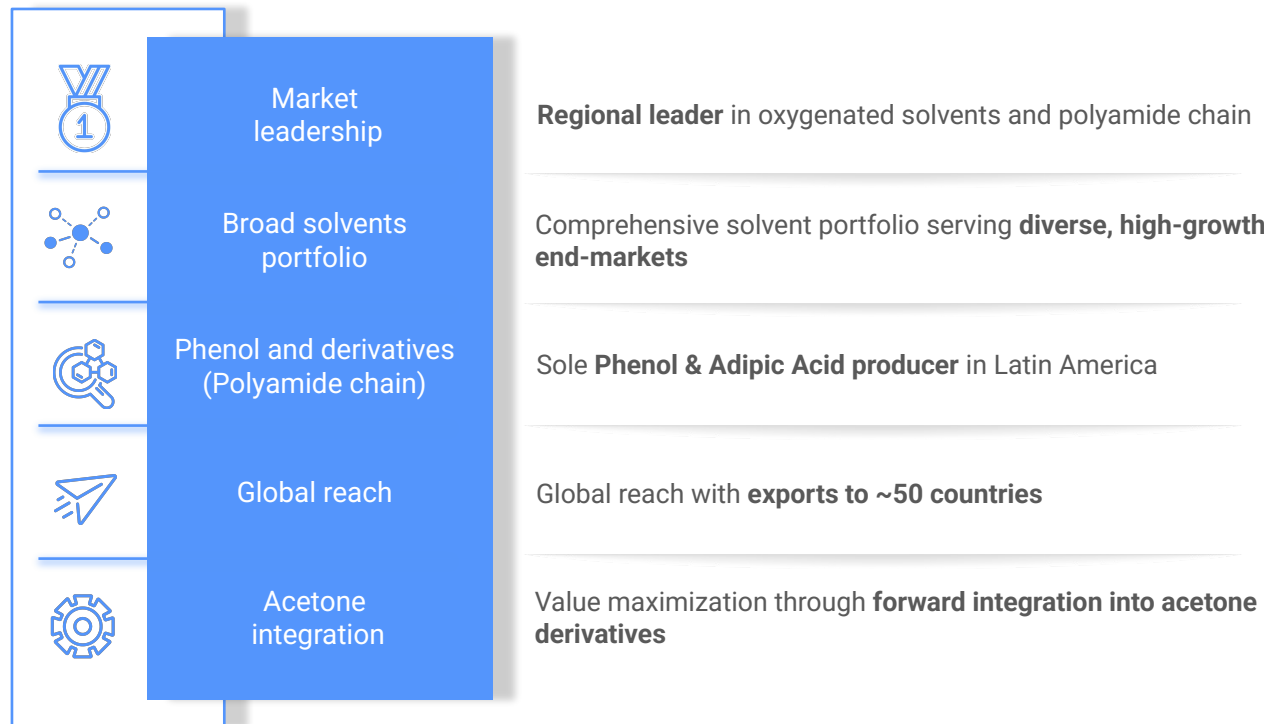
Net Sales 2024  
~€0.6bn

Production sites  
2

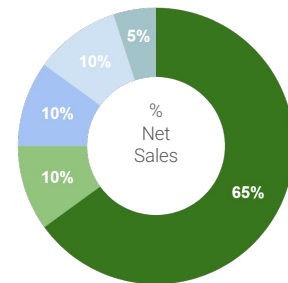
Source: Solvay internal data  
Note: % of net sales of Solvay's Coatis business

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# Coatis: Major regional producer of essential chemicals in Latam with two integrated businesses

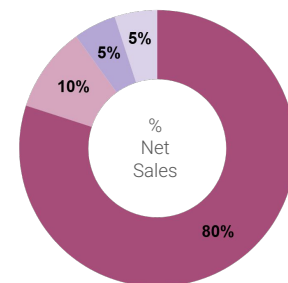


## Solvents (~50%)



● Brazil ● Latin America ● North America ● Europe ● Asia

## Polyamide Chain (~50%)



● Brazil ● Latin America ● North America ● Asia

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# Special Chem: two business lines serving high end applications

## SPECIAL CHEM

Fluorine

Pharma, Nuclear, Refinery,...

~45%

Automotive

~30%

Industrial Applications

~25%

Rare Earths

Automotive Emission Control

~55%

Electronics

~25%

High-end Applications

~20%

KEY  
FIGURES

Net Sales 2024

~€0.7bn

Production sites

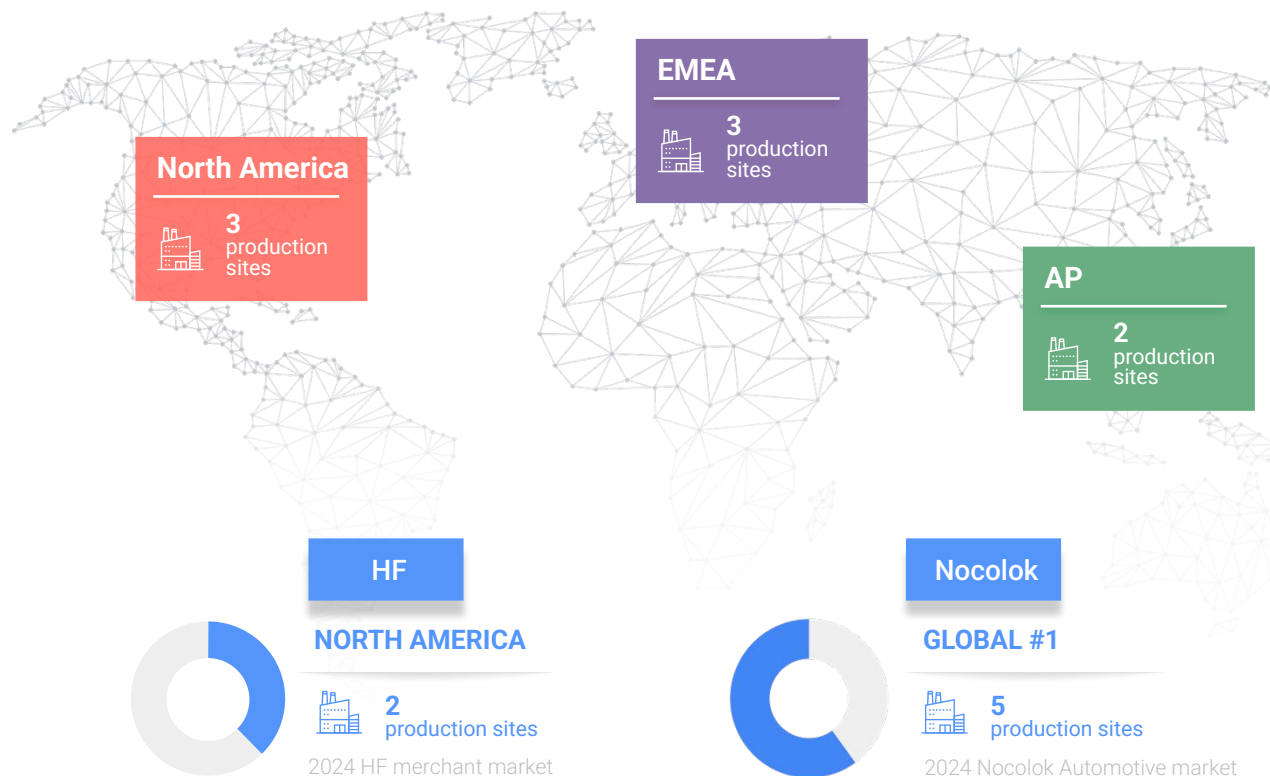
11

Source: Solvay internal data  
Note: % of net sales of Solvay's Fluorine and Rare Earth businesses

SOLVAY



**Fluorine:** strong regional presence enabling safe & high quality service to our customers



 Leader in selected applications



**HF**

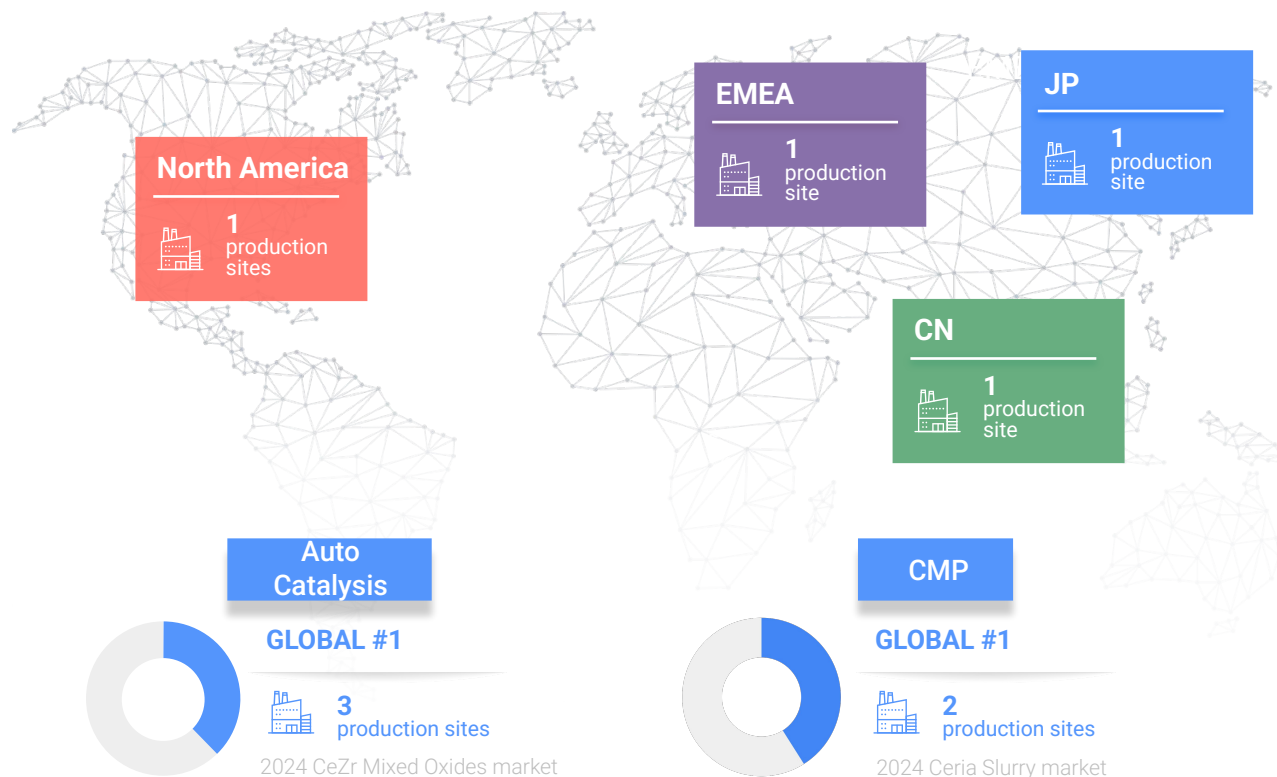
- Metal Treatment
- Refinery
- Quartz (Electronics)



**Nocolok**

- Automotive
- HVAC

# Rare Earth: strong positions enabled by global industrial footprint and tailored products



 Leader in  
Key Markets

## Automotive Catalysis



- The go-to partner of Tier 1 automotive washcoat players
- Very strong presence at China players
- Deep IP portfolio

## CMP

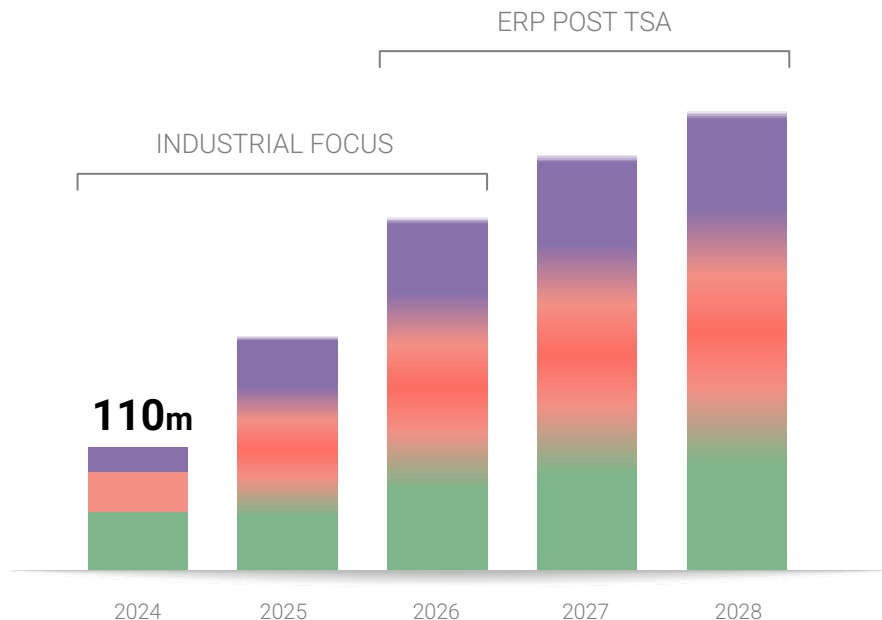


- Advanced cerium based high performance materials
- Leading solution for the latest generations of semiconductors

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# Structural **cost savings**

Rapid ramp up in first years



**€350m by 2028**

**€200m in first 2 years**

**25% SG&A**

Fit for purpose organization

New ERP

**35% Plant Fixed Costs**

Operational excellence

Footprint optimization

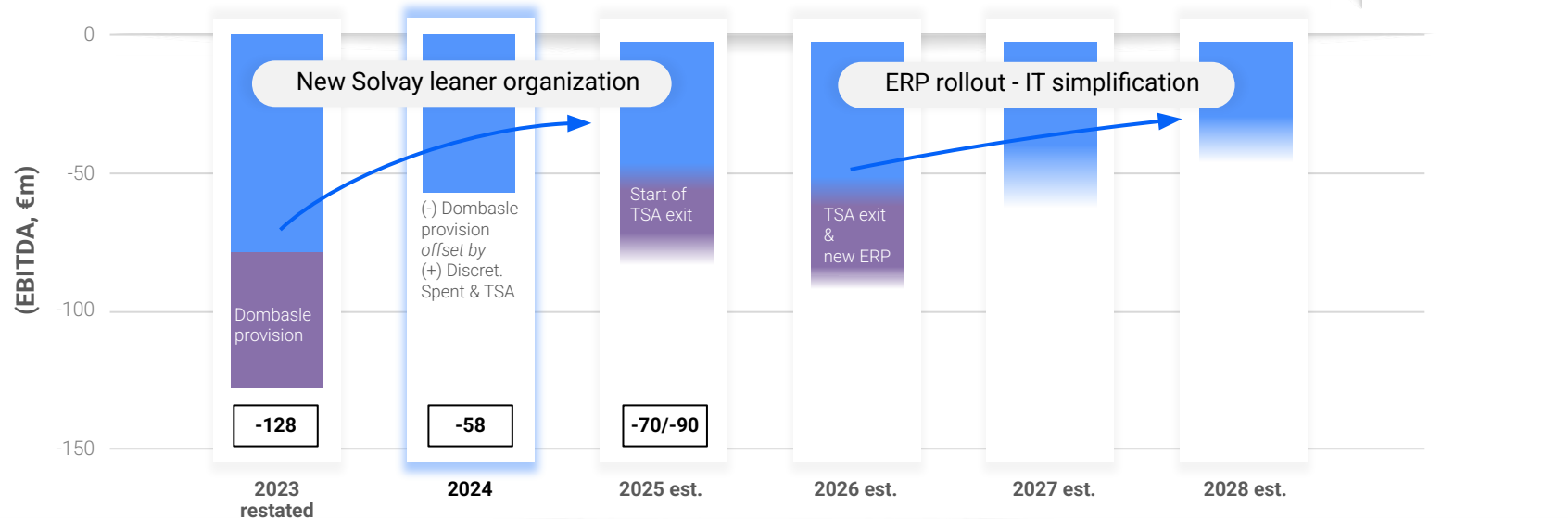
**40% Operational efficiency**

Logistics & procurement

Process innovation

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# Corporate segment results

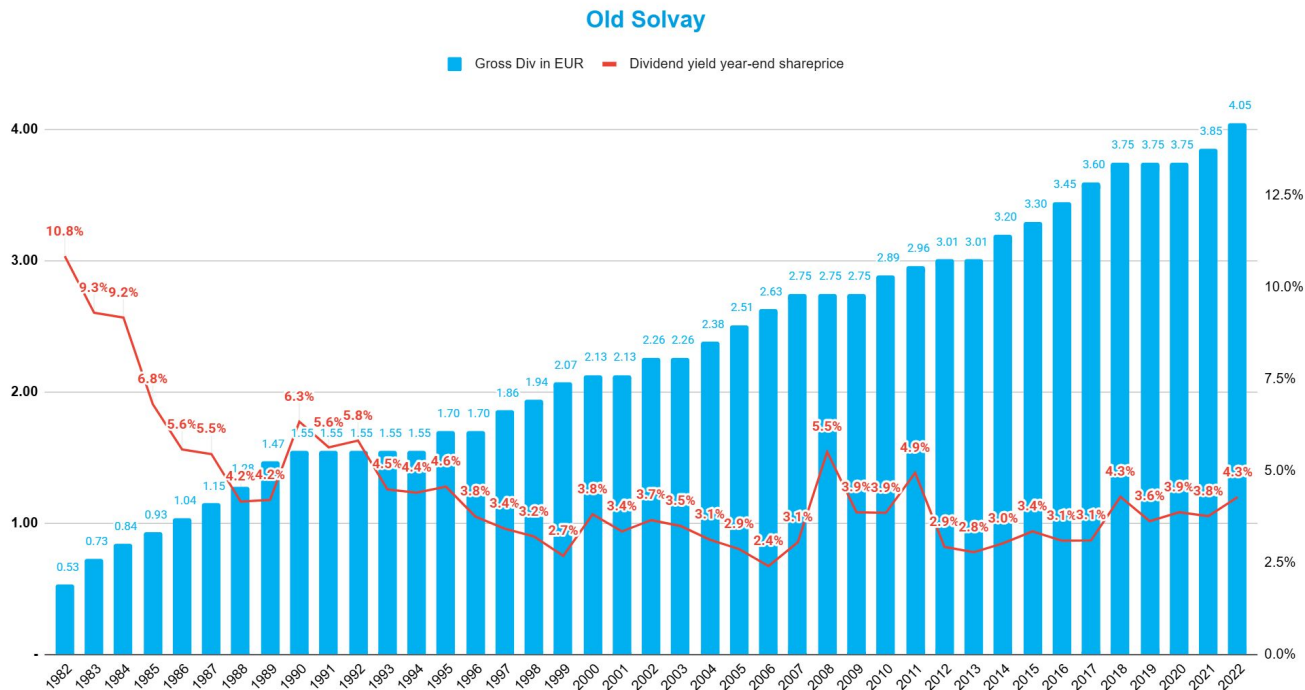


## Corporate EBITDA Highlights

- **2024:** Low discretionary expenses and Transition Service Agreement offset provision on Dombasle energy transition project
- **2025-2026:** Temporary negative impact from the TSA exit and the new ERP implementation
- **2028:** Target Operating Model fully in place, generating new wave of savings

# Dividend history

For over 40 years, the dividend has been stable or has gradually increased, and has never been reduced.



### New Solvay



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# Remuneration Solvay CEO & Executive Leadership - 2025 STI & LTI

	Short-Term Incentive	Long-Term Incentive Equity settled	
		Performance Share Units (70%)	Restricted Share Units (30%)
% of fixed remuneration	At target: <b>95% (CEO) and 65% (other ELT)</b>	At target: <b>115% (CEO) and 95% (other ELT)</b>	
	Minimum payout: 0% Maximum payout: 200% of the STI target	Minimum grant: 30% (RSU) Maximum grant: 135% (RSU + PSU max)	
Performance Period	1 year	3 years performance	3 years vesting
2025 Performance Measures and Weights	<ul style="list-style-type: none"><li>• <b>65% Financial Results</b> EBITDA (m€) FCF (m€) Cost Savings (m€)</li><li>• <b>15% Sustainability Progress</b> Gender diversity, Safety GHG Emissions</li><li>• <b>20% Individual</b></li></ul>	<ul style="list-style-type: none"><li>• <b>40% EBITDA organic Growth</b></li><li>• <b>40% ROCE</b></li><li>• <b>20% GHG emissions</b></li></ul> <b>Relative TSR</b> vs STOXX Europe 600 Chemicals as modifier: Quartile 1: +25% Quartile 2 & 3: no adjustment Quartile 4: - 25%	
	Minimum share ownership (% Fixed Rem): 150% (CEO) and 100% (Other ELT) within 5 years		

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