



Full-Year 2021 Results

Media presentation
February 23, 2022



With you today



Ilham Kadri
Chief Executive Officer



Karim Hajjar
Chief Financial Officer

3 years of transformation



Transformative milestones and decisive actions built strong financial and cultural foundations

Our sustainability journey continues as we progress through concrete actions

G.R.O.W. Strategy
growth, cash and returns with new business mandates and centralized operating model

One Planet
sustainability roadmap by 2030

Commit to SBTi
scope 3 emissions

3 Growth platforms
Thermoplastics
Composites, Battery,
Green Hydrogen

Portfolio simplification
~10 portfolio adjustments
(incl. Polyamide) and Soda
Ash carve-out

Carbon neutrality
commitment
before 2040/2050

Reinvesting
further for
sustainable
growth

2019

2020

2021

2022

Executive committee
redefined structure and responsibilities

Purpose
we bond people, ideas & elements to reinvent progress

Solidarity Fund
€15 million to help employees and communities

Gender equality
extend maternity leave to 16 weeks to all co-parents

Organization simplification
to align costs & structure to strategy

One Dignity
roadmap for diversity, equity and inclusion

Employee share purchase plan
announced

Record 2021 full-year results

Emerging stronger on all fronts and exceeding full-year guidance



Net sales

€ 10.1 bn

- +17% organically vs 2020, of which 12% attributable to volumes and 5% to pricing
- +4% organically vs 2019

EBITDA

underlying

€ 2.4 bn

- New historical record
- +27% organically vs 2020
- +8% organically vs 2019
- 23% EBITDA margin

Free cash flow

continuing operations

€ 843 m

- Marking 11 quarters of positive cash generation
- Enabling us to further re-invest in growth

ROCE

return on capital employed

11.4%

- New historical record
- Compared to 7% in 2020 and 8% in 2019

Record EBITDA boosted by double-digits sales AND pricing actions that sustained our margins and overcame inflationary costs

Q4 2021 Performance

Double-digit sales and EBITDA growth



Net sales

€ 2.7 bn

- +22% organic vs 2020 , +4% vs 2019
- growth mainly driven by automotive, agriculture and healthcare

Underlying EBITDA

€ 572 m

- +24% organic vs 2020
- Price actions overcoming inflationary pressures
- 21% EBITDA margin

Free cash flow
continuing operations

€ 150 m

- Reflecting higher EBITDA

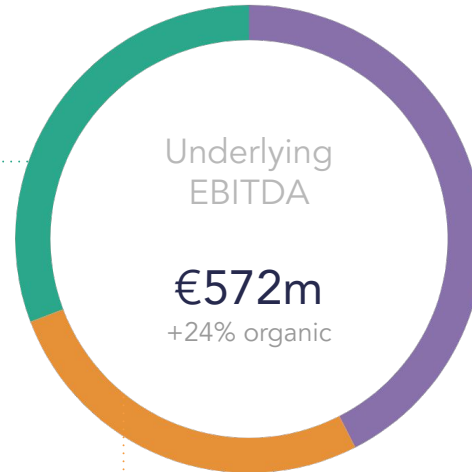
Q4 2021 Sales and EBITDA exceeded Q4 2019 level by >15%
on comparable FX & scope basis

Q4 2021 performance by segment



Materials +31% y/y organic

- Record sales levels in Specialty Polymers driven primarily by automotive, EV battery and electronic markets
- Civil aerospace demand began to recover thanks to single-aisle aircraft production rate increases and growth in space & defense
- Q4 2021 EBITDA margin improved 290 basis points to 27.5% thanks to higher volumes and price actions



Chemicals +37% y/y organic

- Exceptional performance in Coatis and Rusvinyl, driven by strong volumes and pricing
- Higher sales at Soda Ash sales driven by pricing actions
- Peroxides sales were underpinned by price actions and volume growth
- Silica growth related to innovation and pricing actions
- Q4 2021 EBITDA margin increased to 32.1% in the quarter, up 470 basis points

Solutions +29% y/y organic

- Broad based volume growth and pricing driven by agro, coatings and mining
- Special Chem saw higher sales to electronics offset by lower sales to automotive related to the chip shortages
- Continued demand in food, flavors and fragrances markets and the price actions supported Aroma business
- Improvements in Novecare and Aroma drove Q4 2021 EBITDA margin at 17% in the segment, up 40 basis points

Corporate & Business Services included in EBITDA and excluded from the pie chart
Segment figures represent an organic year on year comparison

Making meaningful progress on the climate



	Target	2021	Comment	Progress versus 2018	2030 targets	
CLIMATE	Align GHG emissions with Paris Agreement and SBTi (a)	11Mt	Achieved 11% in aggregate versus 6.6% Paris Agreement	-14% -11% structural	Reduce by 30% (-2.5%/yr)	
	Phase out coal wherever renewable alternatives exist	27 (1 plant exiting coal)	Exit announced at Rheinberg in 2020, at Dombasle in 2021, first step at Devnya in 2022	-18% (petajoule)	Achieve 100%	
	Reduce negative pressure on Biodiversity	-13%	Volume growth more than offset by improved eco-profile accuracy	-24%	Reduce by 30%	
RESOURCES	Increase sustainable solutions, % of Group sales	53% (b)	Improved eco-profile and increased number of sustainable solutions	+3pp	Achieve 65%	
	Increase circular economy, % of Group sales	5%	Long term projects with expected results as from 2023	+1pp	More than double	
	Reduce non-recoverable industrial waste (a)	58 kt	Projects initiated in 2020 starting to deliver	-34%	Reduce by 30%	☑
	Reduce intake of freshwater	315 Mm ³	Volume growth compensated by greater efficiency	-5%	Reduce by 25%	
BETTER LIFE	Safety with a zero accident policy (MTAR indicator) (a)	0.43	Reversal consistent with industry trends, action plan on globalizing near misses	-16%	Aim for zero	
	Accelerate DEI, parity in mid & senior management	25%	Launched Solvay One Dignity 9 goals	+1.3pp	Achieve 50% by 2035	
	Extend paternity leave time		16 weeks policy open to all co-parents regardless of orientation since January 2021	implemented	16 weeks by 2021	☑

(a) Restated due to change in methodology/scope
 (b) Effective 2022, the CO₂ price was increased from €75 to €100 per metric ton CO₂ eq. as a consequence, the level for 2021 will be restated to 50%.

Soda ash energy transition plans



Coal to gas
(Greenriver, WY, USA)
GHG impact -2%*
Stage 1 2021
Stage 2 2023



Waste-To-Energy
(Dombasle, FR)
GHG impact -2%*
2024

Biomass co-firing
(Torrelavega, ES)
2019



Biomass
(Rheinberg, DE)
GHG impact -4%*
Stage 1 in 2021
Stage 2 in 2025



Biomass
(Devnya, BG)
GHG impact -2%*
2022
On-site solar farm
(Provadia, BG)
2022



CO2 emission reduction:



-5% achieved
-20% planned by '25
-30% planned by '30
Neutral by 2050

... and reinvesting for growth



€300m investment in PVDF for EV batteries

Expanding capacity at Solvay's Taxaux site to answer growing global demand in PVDF for EV batteries



Expansion of our US-based sulfone polymers business

Addressing the growth potential of our products in high-performance life-saving and life-sustaining areas, such as healthcare, water purification and pharma processing

2022 Full-year outlook

Pricing actions expected to lead growth



EBITDA

underlying

to grow by
mid-single
digits

Free cash flow

continuing operations

to exceed
€650_m





Q&A



Ilham Kadri
Chief Executive Officer



Karim Hajjar
Chief Financial Officer



Follow up

media.relations@solvay.com
