Global Policy - Climate Change
Physical Risks

Contents

1. Context

The purpose of this policy is to manage the physical risks related to climate change. It includes acute risks such as flood, collapse, storm, etc. as well as chronic risks such as water stress, heat stress, sea level rise, etc.

2. Scope

This policy applies worldwide to all businesses in which the Solvay Group has an operational control.
To be noted that water scarcity is one of the main risks identified within the Climate Change adaptation. However, it is covered by the Environmental policy which includes a chapter on water consumption. It is not covered by this Climate Change adaptation policy.

3. Commitment

We aim at mitigating physical risks related to Climate Change.

We use standards, datasheets and training provided by our insurance FM Global, for the incorporation and implementation of climate risk prevention principles in our process design and manufacturing operations.

FM Chemical Risk Engineers, mandated by Corporate Insurance & Prevention Manager inspect the plants and perform climate risk assessments and document these risks. All Solvay sites are included in the scope. The frequency of site visits is set up at once a year for all sites with a business interruption risk equal or above 100M EUR and once every 3 years for the other sites. Additional site visits can be required on an ad hoc basis.

The recommendations target to:

Maintain a robust emergency and business contingency response program focused on safety and loss prevention to mitigate climate-related incidents, prioritizing human health, ecosystems, and vulnerable communities but also including the protection of assets and business continuity. This includes mitigating the impact of extreme weather events (floods, storms, heatwaves, …) and adapting to changing climate conditions to ensure business resilience and community well-being.
Develop and implement measures to adapt our assets and operation to the impacts of climate change, such as extreme weather events or changing patterns in temperature and precipitation.
Incorporate climate resilience into infrastructure planning and design by systematic project review by FM to ensure long-term sustainability.

All site projects are reviewed by FM risk engineers at an early stage (pre-design phase) to incorporate adequate protection. Location of green field projects and acquisition are also assessed in an early stage.

Together with the Industrial Function, the GBU and site management, the Corporate Insurance & Prevention Manager follow a sound Group-wide Resiliency Matrix and prioritize recommendations to improve sites Resiliency index with the objective to remove all sites from the Resilience Matrix Red Zone (<50% Resiliency Index) by 2025 and bring all Solvay sites to a minimum of 75% Resiliency Index by 2028. The Resiliency Index matrix is presented in Q1 each year to the ELT to evaluate progress and discuss potential additional resources to achieve objectives.

4. Responsibilities

Implementation

The Insurance & Prevention team enforces the policy implementation through its day-to-day operational oversight, supported by GBU Leaders and appointed Site correspondents at each operational site

Policy validation and review

The Executive Leadership Team (ELT) holds ultimate responsibility for the validation and adoption of this policy. As outlined in the company's Corporate Social Responsibility Policy, the ELT ensures that the policy aligns with the organization's strategic goals and stakeholder expectations.

This policy will be reviewed regularly by the Insurance & Prevention team to ensure its effectiveness and relevance. If updates are necessary, these will be validated through the governance described in our Corporate Social Responsibility Policy.

Change Log

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