



Progress beyond

Global Performance Sharing agreement 2023
April 25, 2023

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April 25, 2023

Solvay has decided to continue a Global Performance Sharing Program, from which all of its employees worldwide may benefit. This program is done with the agreement of the Solvay Global Forum, the Group's employees' representative body.

The objectives of this program are two-fold: to provide a motivational element that recognizes employees' contributions by involving them in the Group's results at global level, thereby maintaining their sense of belonging to the Solvay Group in the context of the Power of two project upcoming.

In view of this, the parties agree to implement an employees' incentive program linked to the Group's performance, measured both in terms of quantitative and qualitative criteria, linked to the achievement of financial and sustainable development targets.

The objectives of this scheme are:

- Align rewards with Solvay strategy
- Encourage the mindset of Group citizenship & belonging
- Boost a culture of Passion for Performance

The purpose of this agreement is to establish the terms and conditions for this program, and specifically how the amounts to be shared are to be calculated and the conditions under which they are to be divided among beneficiaries.

After several agreements concluded in the previous years between Solvay and the Solvay Global Forum, parties met and concluded the present agreement for 2023.

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April 25, 2023

ARTICLE 1 – Scope of application of the agreement and beneficiaries thereof

This agreement shall apply to all employees of the companies in which Solvay SA holds a stake, whether directly or indirectly, of more than 50%.

It shall not apply to employees who already benefit from similar plans:

- Cadre population (S15 level and above)
- Employees working in Saudi Arabia who already benefit from collective group profit-sharing.
- For France, parties will align the collective agreement of profit sharing (Intéressement) with the Global Performance Sharing, avoiding any duplication

The bonus shall be paid to employees who have worked for the Group throughout the calendar year in question, from January 1st through December 31st.

In case the spin-off date occurs before the last day of the calendar year, the performance measurement will be considered to the point of Spin-off but paid as a full year. Therefore the GPS payout will not be influenced by the date of Spin-off.

Part time employees are eligible to the plan according to their actual working hours (prorated pay-out).

Employees absent for more than 6 months will receive a prorated amount unless local legislation says otherwise.

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April 25, 2023

ARTICLE 2 – Calculating global performance and budget

For 2023, a gross budget of 12 million EUR will be shared out if the objectives set are met, according to the tables below. The gross budget will evolve in proportion of the eligible headcount evolution between January 1st and December 31st.

For each component, the amount will be 50% if the threshold target is reached and 100% if the upper target is achieved. The amount shall be zero if the performance is below the threshold. Between the target objectives, the amount shall be determined on a straight-line basis.

	GROUP PERFORMANCE	Target Threshold 50%	Target Max 100%
65%	Organic EBITDA growth	-3%	+5%
20%	Free cash flow conversion	28%	33%
15%	Solvay ONE Planet progress <i>(Climate, Sust.Prod. in Sales, Water, Waste, Safety, Diversity)</i>	Solvay One planet KPI average	
		1	2

GPS ONE Planet 2023 target (detailed)

More specifically for the One Planet target, we calculate for each KPI a Mark, then an average of the 7 KPIs.

- If the Solvay One planet KPI average reaches 1.0, then the threshold is achieved and 50% of the amount will be distributed.
- If the Solvay One planet KPI average reaches 2.0, then the target is achieved and 100% of the amount will be distributed.
- The amount shall be zero if the Solvay One planet KPI average is below 1.
- Between the threshold and the target objective, the amount shall be determined on a straight-line basis.

Strategic indicators		Threshold (mark =1)	Target (mark = 2)
Climate	GreenHouse Gas (GHG) gross at current scope	10.4 Mt	10.2 Mt
SPM	% of progress on sustainable solutions in Group sales	+1.25%	+2.5%
Water	Water scarcity : number of critical sites with mitigation plan	10	all
Waste	Industrial wastes without valorization (vs 2022)	+0 Kt	-5 Kt
Circular business	% of sales from renewable or recycled raw materials, or from renewable energy, or products designed for durability or enabling recycling	10%	11%
Safety	RIIR (Reportable Injuries & Illness Rate) : Near misses Occup Safety and Process safety-low: Safety dialogue : LSR site audit (Life saving rules)	0.32 7.000 / 4.500 LT 4/y, sites 1/m 3 per Q per site	0.30 8.000 / 5.000 LT 8/y, site 8/m 6 per Q per site
Diversity	diversity, equity, inclusion initiatives	7	10 + external outstanding recognition





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ARTICLE 3 – Distribution and payment of bonuses

The budgeted amounts will be divided up in two parts: 50% in proportion to the total wage bill in the various countries and 50% in proportion to headcount in the various countries.

With regards to the Power of two project, this agreement establishes the principle of a common GPS payout on both future companies' workforces for the year 2023. The calculation will consolidate ECO and SCo headcount and gross salary, and then distribute the same amount on both sides at payout date.

A flat amount shall then be paid in each country to all beneficiary employees.

The 2023 bonus shall be paid by April 30, 2024 at the latest.

ARTICLE 4 – Duration of the agreement

This agreement, concluded for 2023, shall apply for a fixed term.

It shall enter into force upon signature, and shall expire automatically on December 31, 2023.

This agreement shall cease to have effect upon expiration, and may not under any circumstances be converted to become an open-ended agreement.

Following this agreement, the parties shall conduct an assessment so as to decide whether or not the agreement should be renewed.

Agreed at Brussels, April 25, 2023

Ilham Kadri
Chairman of the Executive
Committee & CEO

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Marco Roumen
Solvay Global Forum Coordinator

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Appendix : Note on Diversity targets

The Diversity target is composed of a success rate among 9 DEI (Diversity, Equity, Inclusion) initiatives as described below.

Goal	Key outcome	Validation criteria
DEI is rooted in the organization	SLC	Senior Leadership Community (SLC) in place, close to gender parity, CEO personal engagement
	"Speak up"	1) the group's speak up tool and process (managed by Compliance team) is modified to include the possibility to report DEI matters and its use is promoted for this 2) A set of DEI ambassadors is identified and trained to promote the speak up culture and facilitate conversations on inclusion and speak up. Target: train 3 cohorts of 12 people that will subsequently reach 500 people during ad hoc sessions or Citizen day
ERGs and DEI Catalysts live and thrive	Alliance (LGBTQ) and MARC* official launches	A formal launch event, open to all and advertized on the intranet, during which the mission statement of the ERG is established and with the executive sponsor of the ERG is present
	First ERG Virtual Convention	A virtual event of at least 2 half days, sponsored by the CEO or another member of the SLT, open to all and advertized on the intranet, to create networking opportunities during ERG members and also increase the exposure of ERGs in general to all employees
Impactful mentoring and training opportunities are offered	CoBI update with DEIs messages	1) Update of our DEI Policy and publication on the internet 2) [relying on the fact that the CoBI would be updated in 2022] a new section will be added on DEI matters with definitions and examples of situations when we would expect employees to speak up
	Two international and an APAC focused A Effect cohorts	>50 female junior managers from China, Japan, India and South Korea are enrolled in the A Effect Spring 2022 cohort, included in the 300 women to be sent to the program in 2022
DEI is better embedded in our admin, R&I and industrial sites	Citizen Day	DEI Citizen day initiatives are organized on >100 admin, R&I and production sites, reaching >50% of the employees



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<p>We are “reinventing progress” through our innovative approach</p>	<p>Publication of pay equity ratio on Annual Report</p>	<p>Publication of gender pay equity ratio for managers on the 2022 Annual Report, on a voluntary basis, as close as possible to GRI standard based on available consistent data sets and for the 6 largest countries of operations for managers</p>
	<p>Pay equity road map</p>	<p>Pay equity road map, prepared by the Disparate Pay taskforce, is validated by the Head of Rewards and the CPO. In the context of Power of 2, there will be a roadmap for commitments to be taken by Solvay (targets and initiatives) as well as preparation of the baseline and recommendations for the new 2 companies to create their own roadmaps when independent.</p>