

**SOLVAY SA**  
**INTERNAL PROCEDURES FOR THE EXECUTIVE COMMITTEE**

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**PREAMBLE**

The four principles below guide the operating procedure for the Executive Committee:

- Decision-making by consensus resulting from constructive debate;
  - Efficiency due to focus of agenda on high-stakes projects, streamlining of the preparation process, and reinforced follow-up on implementation of decisions made;
  - Optimization of delegation mechanisms;
  - Increased transparency and interactions with respect to the rest of the organization.
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**I. COMPOSITION OF THE EXECUTIVE COMMITTEE**

***1. Number of members***

The Board of Directors sets the number of members on the Executive Committee.

***2. Duration of terms and age limits***

The Members of the Executive Committee are named by the Board of Directors for a term of two years. The appointments are renewable.

In addition, the terms of the Executive Committee members expire on the day of the first Executive Committee meeting following their 65th birthday, unless otherwise decided by the Board of Directors.

***3. Designation of Executive Committee members***

***a. Procedure***

The members of the Executive Committee are named by the Board of Directors, based on a proposal from the Chairman of the Executive Committee in accord with the Chairman of the Board of Directors and on the recommendation of the Nominations Committee and the Executive Committee.

The Chairman of the Executive Committee is designated by the Board of Directors, from a proposal by the Chairman of the Board of Directors and with recommendation from the Nominations Committee.

***b. Criteria for Designation***

Members of the Executive Committee may or may not be members of the Board of Directors. The Chairman of the Executive Committee must have a seat on the Solvay SA Board of Directors.

#### ***c. Status***

In principle, all of the Executive Committee members have employment contracts with member companies of the Solvay group, except for the Chairman who has the status of independent.

#### **4. Chairman**

Without prejudice to his/her other responsibilities, those mentioned in the current internal procedure or those that are conferred on him/her by the Board of Directors, the Chairman and CEO of the Group does the following:

- Convenes and presides over the Executive Committee meetings;
- Sets the agenda for the Executive Committee meetings and ensures the proper implementation of procedures linked to preparation, deliberation, approval of resolutions and implementation of decisions;
- Ensures that all Executive Committee members receive, in a timely manner, all of the information and documents necessary so that the Executive Committee can make decisions with full knowledge of the facts.

#### **5. Corporate Secretary**

The Corporate Secretary is named by the Board of Directors and acts for both the Board of Directors and the Executive Committee. He/she is in charge of assisting the Executive Committee.

The Corporate Secretary, under the supervision of the Chairman of the Executive Committee,

- Organizes the meetings of the Executive Committee, prepares the agenda, sends the invitations, agenda and file containing all information needed for decision-making;
- Draws up a summary of the decisions and the minutes from the Executive Committee meetings. He/she submits the draft for approval by all members;
- Communicates the decisions adopted by the Executive Committee to the people in charge of their implementation.

## **II. ROLE AND MISSIONS OF THE EXECUTIVE COMMITTEE**

The Executive Committee is delegated with:

1. Day-to-day management of the Company;

2. Overseeing the proper organization and functioning of the Company and the Group companies and ensuring oversight of their activities, in particular the introduction of a process for identification, management and control of the principal risks;
3. Introduction of a management process to find and retain talent and nominate senior executives for the Group (with the exception of its own members, General Managers and the Corporate Secretary, for which the Board of Directors expressly reserves exclusive power of appointment);
4. Compensation of the Group's senior executives (other than compensation of its own members);
5. Decisions regarding acquisitions and divestitures (including of intellectual property), for which the maximum amount is set at 50 million EUR (debt and other commitments included). The Board of Directors is to be informed of any decision involving amounts over 10 million EUR;
6. Decisions on investment expenditures, for which the maximum amount is set at 50 million EUR. The Board of Directors is to be informed of decisions involving amounts over 10 million EUR;
7. Decisions on substantial commercial transactions and financial operations that do not imply any change in the financial structure of the Company and/or the Group;
8. Proposing to the Board of Directors, for its decision, of the principal policies of the Group, and setting of other policies;
9. Proposing to the Board of Directors for its decision:
  - General strategies (including the effect of these strategies on the Budget, the Plan and resource allocation) and general policies of the Group, in particular regarding compensation, annual investment program and research,
  - the Budget and the Plan including investments, R&D and financial objectives;
  - appointment to General Manager positions and the position of Corporate Secretary,
  - general organization of the Company and/or the Group,
  - major financial transactions that modify the financial structure of the Company and/or the Group,
  - consolidated periodic financial statements and financial statements of Solvay SA (quarterly consolidated only, 6-month and annual) as well as related communications;
10. Implementation of decisions of the Board of Directors;
11. Submission to the Board of Directors of all questions lying within the latter's competence and regular reports on the exercise of its mission.

The Board of Directors authorizes the Executive Committee, within the scope of its responsibility, and subject to compliance with the procedures and limits of authorization that it sets, to delegate to one or more of its members, General Managers of the Solvay Group and/or Business Unit and Function executives, in the framework and the scope of activities and functions they oversee, acting alone or jointly, the following powers:

1. Actions binding Solvay and the Group companies, including merger and acquisition activities and investment expenses up to the amount of 10 million EUR maximum.
2. Designation of members of governing bodies of the subsidiaries and affiliated companies (Board of Directors, management committee, day-to-day management entities...) following a procedure to be established depending on the size of the subsidiary and providing for a mutual decision with the legal representative of the Group or his/her delegate.
3. Decisions linked to recapitalization of subsidiaries or affiliated companies, modification of internal holdings, and internal financing that has no impact on the financial structure of Solvay SA and the Group.
4. Conclusion and signature of purchasing contracts for goods and services necessary for the activities of the Company and the Group up to a maximum amount of 50 million EUR.
5. Appointment of certain senior executives, except for appointment of Business Unit executives and certain key functions.
6. Other administrative questions without significant impact.

### **III. Functioning of the Executive Committee**

#### ***1. Frequency and Schedule of Meetings***

The Executive Committee meets, in principle, at least once a month, except for the month of August, taking into account the dates of the meetings of the Board of Directors. It also meets each time the Chairman of the Executive Committee calls a meeting.

The regular meeting schedule is set by the Executive Committee.

#### ***2. Meeting Agendas***

The Corporate Secretary is in charge of setting the agenda that is proposed to the Executive Committee Chairman seven days before each Executive Committee meeting.

The agenda is based on proposals sent by the General Managers, among others, as well as by members of the Executive Committee.

The agenda includes regular follow-up of activities, risks and talent.

It is designed in such a way as to promote exchanges of opinion, sharing experiences and debate.

#### ***3. Convening Meetings and Prior Distribution of Documents***

The Corporate Secretary sends invitations to the Members of the Executive Committee, as well as the agenda, as soon as it is approved by the Chairman of the Executive Committee.

The documents and information related to the items on the agenda are made available to the Executive Committee members in electronic form on a common platform and, on request, in the form of a file, the Friday before the meeting or the Monday before, if the meeting takes place on Thursday or Friday.

#### **4. Chairmanship**

Each meeting is presided over by the Chairman of the Executive Committee or, in case the chairman cannot be there, by a member designated by the Chairman.

#### **5. Attendance and Representation**

The Executive Committee may invite to its meetings any person whose presence would be useful.

The Chairman of the Board of Directors is invited to attend the meetings devoted to presentation of the monthly/quarterly financial reporting and the plan and the budget as well as by invitation from the Chairman of the Executive Committee.

The Corporate Secretary attends each of the Executive Committee meetings.

Members of the Executive Committee who cannot attend or are absent may give their proxy, by simple letter, fax or email, to one of their colleagues on the Executive Committee to represent them at a designated meeting and vote in their place. In this case, the member will be considered present at the meeting. However, an Executive Committee member may represent no more than one of his/her colleagues.

Members of the Executive Committee may participate in the meetings by telephone, videoconference or any other analogous means of communication. He/she will be considered to be present at the meeting and his/her vote expressed orally through this means of telecommunication will be considered valid.

The Executive Committee may also use an electronic procedure for certain decisions that it defines beforehand.

#### **6. Quorum**

The Executive Committee may validly deliberate only if at least one-half of its members are present or represented.

During a meeting, should this quorum not be reached for one or more agenda items, the Executive Committee may nevertheless, at a second meeting held at second notice 5 days at the latest after the date of the first meeting, discuss those matters on the previous

meeting's agenda on which no decision was taken, whatever the number of directors present or represented.

#### **7. *Vote and Majority***

The decisions of the Executive Committee are approved with a simple majority of votes. In case of a tie vote, the Chairman of the Executive Committee shall have a casting vote. However, if a proposal by the Chairman does not receive a majority within the Executive Committee, the matter may be referred to the Board of Directors for a final decision.

#### **8. *Minutes***

Minutes comprising a summary of the decisions are drawn up during the meeting by the Corporate Secretary.

The minutes will be read and approved at the end of the meeting. They will be distributed immediately.

The minutes are not signed but the Chairman and the Corporate Secretary may deliver certified extracts.

#### **9. *Internal Organization***

The Executive Committee informs the Board of Directors of its internal organizational structure and the possible assignment of responsibilities among the members.

#### **10. *Implementation and Follow-up of decisions***

Implementation of Executive Committee decisions and the follow-up of its recommendations are delegated to the Executive Committee member or another General Manager or the Corporate Secretary who is in charge of the activity or the function corresponding to the decision or the recommendation.

As for matters that are delegated, information on the decisions made and their implementation and/or follow-up will be made available to the Executive Committee following the methods and procedures prescribed by it.

### **IV. COMPENSATION OF EXECUTIVE COMMITTEE MEMBERS**

The Board of Directors shall determine the compensation policy, based on proposals by the Compensation Committee.

The members of the Executive Committee earn compensation that is set individually, based on proposals by the Chairman of the Executive Committee and the Board of Directors based on recommendation by the Compensation Committee.

The compensation for the Chairman of the Executive Committee is set by the Board of Directors based on recommendation from the Compensation Committee

## V. EVALUATION

Evaluation of members of the Executive Committee is done each year by the Chairman of the Executive Committee. The Chairman of the Board or Directors and the Chairman of the Executive Committee examine together this evaluation with the Compensation Committee during the proposals for setting of variable compensation. Benefits for the Chairman of the Executive Committee are evaluated annually by the Compensation Committee. The Executive Committee reexamines regularly (at least every two to three years) its internal procedures and evaluates its own effectiveness.

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