

# S O L V A Y S A

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## EXTRAORDINARY SHAREHOLDERS' MEETING May 13, 2014

### AGENDA

#### A. Report from the Board of Directors

#### B. Changes in the By-laws

##### 1. Article 1

It is proposed to replace the text of this article by the text below:

*"The company, constituted in the form of a limited liability company on December 26, 1863, is in the form of a corporation. Its legal name is "SOLVAY." It is a corporation making or having made a public offering.*

##### 2. Article 6

Due to the disappearance of bearer shares, it is proposed to replace the text of this article by the text below:

*"§1. These eighty-four million, seven hundred one thousand and one hundred thirty three (84,701,133) shares without par value are entirely liberated. They are dematerialized or registered as permitted by the law. Their holder may, at any time, request conversion of the shares into dematerialized shares (at the holder's cost) or into registered shares (without charge).*

*§2. The dematerialized share is represented by entry in the name of the owner or of the holder through a recognized account holder or a clearing organization.*

*The registered share is represented by entry in the company's register of registered shares held at the corporate headquarters. Any shareholder may consult the register with regard to his/her shares."*

##### 3. Article 7

To reflect the elimination of type C shares, it is proposed to delete this article.

4. **Article 9**

For the same reason, it is proposed to delete this article.

5. **Article 10**

It is proposed to replace the text of the **third and fourth paragraphs of this article** by the following text:

*"Barring decision to the contrary by the shareholders' meeting, taken upon the conditions required for modifications to the by-laws, the new shares to be subscribed in cash are offered by preference to shareholders of old shares, regardless of type and degree of liberation, prorata based on the proportional ownership of these shareholders of the capital stock; the Board of Directors proposes to the General shareholders' meeting the conditions on and prices at which the new shares may be offered by preference to these shareholders.*

*During each increase in capital, the Board of Directors may conclude, under conditions that it judges proper, any agreements in order to ensure subscription of any or all of the new shares to be issued."*

6. **Renewal of authorizations for acquisition and alienation of own shares**

6.1. **Article 10 ter**

It is proposed:

- a) To renew the authorization set forth in article 10 ter for another three-year period starting with the date of publication in the Annexes to the Belgian Gazette (*Moniteur belge*) of the decision to be made by the Extraordinary Shareholders' Meeting;
- b) To therefore replace the date of May 10, 2011 in the text of the **first paragraph** of this article by the date of May 13, 2014.

6.2. **Article 10 quater**

It is proposed:

- a) To renew the authorization granted in article 10 quater, for another five-year period, starting with the date of publication in the Annexes of the Belgian Gazette (*Moniteur Belge*) of the decision to be made by the Extraordinary Shareholders' Meeting and to show the price range from 20 EUR to 200 EUR;
- b) To therefore replace the text of the **first and third paragraphs** of this article by the following text:

*"1° The Board of Directors is authorized to acquire shares of the company for a five-year period starting on the date of the General Shareholders' meeting on May 13, 2014, up to a maximum of sixteen million, nine hundred forty thousand (16,940,000) shares, at a unit price between twenty euro (20 EUR) and two hundred euro (200 EUR).*

*2° The shares thus acquired may, without prior authorization of the General Shareholder's meeting, be alienated by the Board of Directors under conditions that it determines, in conformity with the law."*

7. **Article 11**

It is proposed to replace the text of the **fifth and sixth paragraphs** of this article by the text below:

*"In addition, the Board of Directors has the right, one month after sending to the defaulting shareholder a notice by certified mail or by a process server, to sell the shares for which the called payments have not been made, without prejudice of the right to claim from the defaulting shareholder the balance due, as well as any possible damages and interest."*

8. **Article 13**

It is proposed to replace the text of the **second paragraph** of this article by the following text:

*"They must, for exercise of their rights, refer to the current by-laws, to the annual accounts and to the decisions of the General Shareholders' Meeting and the Board of Directors."*

9. **Article 13 bis**

It is proposed to replace in the **first paragraph** of this article the words "*Commission Bancaire Financière et des Assurances*" [*Banking, Finance and Insurance Commission*] by the term "FSMA".

10. **Article 19**

It is proposed to replace the text of this article by the following text:

*"The Board of Directors elects from among its members a Chairman.*

*The Board of Directors may delegate daily management of the company, as well as representation of the company regarding such management, to an Executive Committee and/or to one or more Board Members who are members of the Executive Committee, acting separately. The Board of Directors may delegate complementary powers to the Executive Committee. The members of the Executive Committee may be Board members or not. Each of the members of the Executive Committee is appointed by the Board of Directors. The Chairman of the Committee is appointed by the Board of Directors from among the members of the Board of the company.*

*In addition, the Board of Directors creates consultative committees under article 522 of the Code of Companies, and especially the Audit Committee as described in article 526 bis of the Code of Companies, with, among other things, the missions contemplated by such article.*

*The Board determines the powers attached to the functions, delegations and mandates set forth in the preceding paragraphs. It may revoke them at any time.*

*The Board of Directors and the Executive Committee, as well as the Board member(s) in charge of daily management may, in the framework of their powers, also confer special and specific powers to one or more people at their choice.*

*The holders of special powers may partially delegate their powers to one or more people for whom they assume responsibility by derogation from article 1994, art.1 of the Civil Code."*

**11. Article 20**

Due to the proposal for deletion of the function of Vice-Chairman of the Board of Directors, it is proposed to delete in the **first paragraph** of this article the words "*of a Vice-Chair or, in their absence.*"

**12. Article 21**

**12.1.** As a result of the proposal to eliminate article 9 from the by-laws, it is proposed to replace in the **second paragraph** of this article the words "*of articles 9 and 24*" by the words "*of article 24.*"

**12.2.** It is proposed to delete in the **third paragraph** of this article the word "*telegram.*"

**13. Article 23**

It is proposed to delete **paragraphs 2 to 10** of this article.

**14. Article 24**

It is proposed to replace the text of this article with the following text:

*"The Board of Directors, however, for actions that would substantially modify the activities of the company or its group must act by a majority of three-quarters of the votes of members composing the Board present or represented.*

*Actions that substantially modify the activities of the company or its group are considered to be: actions for investment, acquisition, shareholding, divestment or sale, in any form whatever, representing an enterprise value of at least two billion euros (2,000,000,000 EUR) or generating either sales of at least two billion euros (2,000,000,000 EUR), or a contribution to the group's operating results of at least two hundred fifty million euros (250,000,000 EUR)."*

**15. Article 25**

It is proposed to replace the text of this article with the following text:

*"The company is represented, in its activities and at law, by two board members acting together, of whom one is the Chairman of the Board and/or a member of the Executive Committee. With respect to third parties, they need not demonstrate prior authorization from the Board of Directors.*

*The Executive Committee organizes representation of the Company in the framework of powers delegated to it by the Board of Directors.*

*The Board of Directors may, on the other hand, delegate to any other persons, whether or not chosen from the board, special powers to act on behalf of the company."*

**16. Article 26**

It is proposed to replace the text of this article by the following text:

*"The members of the Executive Committee are obligated to actively be involved in company affairs, without taking any positions that would prevent them from carrying out the duties inherent in the powers delegated to the Committee.*

*They may, however, administer companies and enterprises in which the company has an interest, and be involved in the same, considering that this activity is a company matter. Compensations, fixed fees or payments that they earn in this way must, except for exceptional circumstances evaluated by the General Shareholders' meeting, be paid to the company or be imputed to the fees and benefits due to the interested parties."*

17. **Article 27**

It is proposed to delete in the **second paragraph** of this article the words "*Vice-Chairman*" and the words "*members of the Executive Committee.*"

18. **Article 33**

It is proposed to replace the text of the **second paragraph** of this article with the following text:

*"It has the powers provided by law. It has the right to interpret these by-laws."*

19. **Article 37**

To reflect the disappearance of bearer shares, it is proposed to delete in the **first paragraph** of this article the words "*to the bearer or*" and the words "*filed with a financial agency or*".

20. **Article 41**

It is proposed to replace the text of this article by the following text:

*"Subject to legal restrictions, each share has the right to one vote."*

21. **Article 42**

Due to the proposal to eliminate the function of Vice-Chairman of the Board of Directors, it is proposed to delete from the **first paragraph** of this article the words "*a Vice-Chair or.*"

22. **Article 46**

It is proposed to delete this article.

23. **Renumbering of the article in the by-laws**

Due to the numerous articles eliminated by past or present changes (articles 7 – 8 – 9 - 10bis – 16 – 31 - 46) and the existence of articles bis, ter or quater, it is proposed to renumber successively all of the articles in the by-laws from 1 to 51.

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**GENERAL SHAREHOLDERS' MEETING OF SOLVAY SA**  
**Tuesday, May 13, 2014 at 10:30 p.m.**

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AGENDA

1. Management Report on 2013 operations including the Declaration of Corporate Governance and External Auditor's Report.
2. Approval of compensation report.

It is proposed to approve the compensation report found in chapter 6 of the Declaration of Corporate Governance.

3. Consolidated accounts from 2013 – External Audit Report on the consolidated accounts.
4. Approval of annual accounts from 2013 – Distribution of earnings and setting of dividend.

It is proposed to approve the annual accounts as well as the distribution of earnings for the year and maintain the gross dividend per entirely liberated share at 3.20 EUR, or 2.40 EUR net. After deduction of the prepayment of 1.3333 EUR gross paid on January 23, 2014, the balance of the dividend will amount to 1.8667 EUR gross, payable as of May 20, 2014.

5. Discharge of liability to be given to Board members and to the External Auditor for operations for the year 2013.

It is proposed to discharge the liability of the Board members and the External Auditor working in 2013 for the operations relating to this fiscal year.

6. Board of Directors: Term renewals - Nominations
  - a) The terms of the Mr. Denis Solvay and Mr. Bernhard Scheuble will expire at the end of this meeting.

It is proposed to reelect Mr. Denis Solvay and Mr. Bernhard Scheuble for a four-year term each as Board members. Their terms will expire at the end of the General Shareholders' Meeting in May 2018.

- b) It is proposed to confirm the designation of Mr. Bernhard Scheuble as an independent Board member on the Board of Directors.
  - c) It is proposed to designate Mrs. Rosemary Thorne (see curriculum vitae attached) as a Board member for a four-year term, to replace Mr. Jean-Martin Folz who does not wish to

stand for reelection. The term of Mrs. Rosemary Thorne will expire at the end of the General Shareholders' Meeting in May 2018.

- d) It is proposed to designate Mrs. Rosemary Thorne as an independent Board member on the Board of Directors.
  
- e) It is proposed to designate Mr. Gilles Michel (see curriculum vitae attached) as a Board member for a four-year term, to replace Mr. Anton van Rossum who does not wish to stand for reelection. The term of Mr. Gilles Michel will expire at the end of the General Shareholders' Meeting in May 2018.
  
- f) It is proposed to designate Mr. Gilles Michel as an independent Board member on the Board of Directors.

7. Miscellaneous.

# Solvay SA

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## REPORT FROM THE BOARD OF DIRECTORS RELATED TO BY-LAWS CHANGES PROPOSED TO THE EXTRAORDINARY SHAREHOLDERS' MEETING ON MAY 13, 2014

### 1. RENEWAL OF AUTHORIZATIONS GIVEN TO THE BOARD OF DIRECTORS FOR ACQUISITION AND ALIENATION OF OWN SHARES

#### 1.1. Article 10 ter:

The Extraordinary Shareholders' meeting of Solvay SA adopted, for the last time, on May 10, 2011, for a duration of 3 years, article 10 ter that authorizes the Board of Directors of the company, in order to avoid grave and imminent danger pertaining to article 620, to acquire or alienate Solvay shares, either directly, or via subsidiaries, up to a number of shares that cannot exceed a total of twenty percent (20%) of subscribed capital.

It is proposed to renew the authorization for another three-year period starting on the day of publication in the Annexes to the *Moniteur Belge* (Belgian Gazette) of the decision to be made by the Extraordinary Shareholders' Meeting.

#### 1.2. Article 10 quater:

The Extraordinary Shareholders' meeting of Solvay SA adopted for the last time on May 12, 2009 for a five-year period, article 10 quater that authorizes the Board of Directors of the Company to proceed with acquisitions of own shares in compliance with article 620 of the Code of Companies either directly, or via subsidiaries, up to a number of shares that cannot exceed in total twenty percent of the subscribed capital.

It is proposed to renew authorization for another five-year period, dating from publication in the Annexes of the *Moniteur Belge* (Belgian Gazette) of the decision to be made by the Extraordinary Shareholders' Meeting and to modify the range of prices between twenty (20) EUR and two hundred (200) EUR.

### 2. MODIFICATIONS WERE ALSO PROPOSED REGARDING THE EXECUTIVE COMMITTEE, THE DELEGATION OF POWERS (ARTICLES 19 AND 25) AND SPECIAL POWERS OF THE BOARD OF DIRECTORS (ARTICLE 24)

#### 2.1. Article 19:

It is proposed to modify the text of article 19 to clarify and update the formulation as to delegation of daily management and powers to the Executive Committee, taking into account the delegation granted today by the Board of Directors to the Executive Committee.

The new text proposes also to specify that both the Board and the Executive Committee and the Board member(s) in charge of daily management can also grant special powers to accomplish certain actions.

## 2.2. Article 24:

Article 24 deals with transactions that require the Board of Directors to get a majority of three-quarters of the votes of its members.

The text proposed specifies that Board decisions that must be made with a majority of three-quarters of votes deal only with major transactions, taking into account the current size of the Group.

That is why it is proposed to add criteria linked to the value of the enterprise, to the total of the balance sheet as well as to the contribution to the operating results of the Group.

It also specifies that the majority of three-quarters is based on the number of members present or represented on the Board of Directors.

## 2.3. Article 25:

Article 25 concerns external representation of the company.

Paragraphs 2 and following aim to clarify the text regarding representation of the company for powers delegated to the Executive Committee and in the framework of special powers.

The proposal also involves paragraph 1, which is in regard to the general power of representation of the company that applies in a residual way.

In its current reading, the clause confers the general power of representation to two board members acting together, being the Chairman of the Board or member of the Executive Committee.

The new text proposed aims to make this power of representation more flexible, while maintaining the base principle of a general representation by two Board members acting together, one of whom would be the Chairman of the Board of Directors or a member of the Executive Committee (these also of course being able to act together).

## 3. UPDATING OF BY-LAWS

Upon these modifications, we propose to proceed with an update of certain existing provisions of the by-laws that today have become useless or that no longer are applicable as well as an update of the formulation of certain clauses.

→ In 2013, Solvay's constant effort to enhance the compliance culture resulted in a new edition of the Code of Conduct notably providing guidance about how to behave in the workplace, in businesses and while representing the Group. In all zones where the Group is active Compliance Officers are deploying a program to strengthen a culture based on ethics and compliance in line with the Solvay values. An external Ethics helpline is available to voice any difficulty in complete confidence.

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# Corporate governance

# 3

This chapter is an annex to the Management Report

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## Reference code and introduction

The Solvay group has adopted the 2009 Belgian Corporate Governance Code as its reference code in governance matters. This report presents the application of the recommendations of that Code

in accordance with the “comply or explain” principle. The 2009 Belgian Corporate Governance Code is available on the GUBERNA internet site ([www.guberna.be](http://www.guberna.be)).

### 1 Legal and shareholding structure of Solvay SA

**1.1** Solvay SA is a société anonyme (public limited liability company) created under Belgian law. The address of its registered office is 310, rue de Ransbeek, 1120 Brussels, Belgium.

The Company's by-laws can be found on the Solvay internet site: [www.solvay.com](http://www.solvay.com).

**1.2** Its shares are registered or dematerialized. Since January 1, 2008, it has no longer been possible to receive paper (bearer) shares. Bearer shares already in a securities account have automatically been converted into dematerialized shares. Additionally, following a resolution adopted by the General Shareholders' Meeting of May 8, 2007, all bearer shares issued by the Company and not recorded in dematerialized securities accounts or converted into registered shares by July 1, 2011, have been converted automatically into dematerialized shares.

At December 31, 2013, the capital of Solvay SA was represented by 84,701,133 shares. Each share entitles its holder to one vote whenever voting takes place (except for any shares held by Solvay SA or its subsidiaries, the voting rights for which are suspended). All shares are equal and common.

The stock is listed on the NYSE Euronext Brussels. It has also been admitted to trading on NYSE Euronext Paris since January 23, 2012. The Solvay share is included in several indexes:

- Euronext 100, consisting of the leading 100 European companies listed on NYSE Euronext, where Solvay ranked in 49<sup>th</sup> place (0.5% of the index) at December 31, 2013;
- the BEL 20 index, based on the 20 most significant shares listed on NYSE Euronext Brussels. At December 31, 2013, Solvay represented around 8.3% of the value of this index (5<sup>th</sup> place in this index). Solvay shares are included in the “Chemicals – Specialties” category of the NYSE Euronext Brussels sector index;
- the CAC 40 index, based on the 40 most significant shares listed on NYSE Euronext Paris where Solvay ranked in 34<sup>th</sup> place (0.8% of the index) at December 31, 2013;
- the DJ Stoxx, DJ Euro Stoxx, FTSE 300, MSCI and other indexes.

In September 2013, Solvay was listed as a member of the European Dow Jones Sustainability Index (DJSI Europe). DJSI is the front-ranking, non-financial global index of the most efficient companies in the area of social and environmental responsibility.

Since February 15, 2007, Solvay Stock Option Management SPRL has appointed the bank Rothschild & Cie., under a liquidity contract, to improve the liquidity of the share on NYSE Euronext Brussels. This appointment remained in place in 2013.

**1.3** Solvay SA's main shareholder is Solvac SA, which at December 31, 2013 held a little over 30% of the capital and voting rights in Solvay. Solvac SA has filed the required transparency declarations every time it has passed a legal or statutory declaration threshold. It has also made the notifications required by law with regard to public takeover bids.

Solvac SA is a société anonyme established under Belgian law, the shares of which are admitted to trading on NYSE Euronext Brussels. Its shares, all of which are registered, may be held by physical persons only. The very large majority (around 80%) of its capital is held by members of the Solvay SA founding families.

JPMorgan Asset Management Holdings Inc. notified Solvay that on November 21, 2012 the total participation of its various affiliates reached 3.03% or 2,562,505 shares.

In addition, at December 31, 2013, Solvay Stock Option Management SPRL held 1.81% of the shares issued by Solvay SA (1,529,870 shares), in particular to cover the Solvay stock options program (see under 2.1. “Capital”).

The latest transparency declarations are available on the internet site [www.solvay.com](http://www.solvay.com).

The remaining shares are held by:

- individual shareholders who hold shares directly in Solvay SA. None of these persons, either individually or in concert with others, reaches the initial 3% transparency declaration threshold;
- European and international institutional shareholders, whose number and interest can be measured by the intensity of contacts at the many roadshows, by the regular publication of analysts' reports and by the level of trading volumes over recent years (an average daily trading volume on NYSE Euronext of 213,237 shares in 2013 vs. 304,000 shares in 2012).

The Company has been informed that certain individual shareholders who hold shares directly in Solvay SA have decided to arrange to consult together when questions of particular strategic importance are submitted by the Board of Directors to the Shareholders' Meeting. Each of these shareholders, however, remains free to vote as he or she chooses. None of these persons, either individually or in concert with others, reaches the initial 3% transparency declaration threshold;

**1.4** At the May 2013 Shareholders' Meeting, shares were deposited and votes cast in respect of 59.38% of Solvay SA's capital.

**1.5** At December 31, 2013, Solvay SA did not hold any shareholding requiring a legal or statutory transparency declaration.

## 2 Capital and dividend policy

### 2.1 Policy in respect of capital

**2.1.1** Since being converted into a société anonyme and listed on the Stock Exchange in 1967, the Company has not made public calls for capital from its shareholders, instead self-financing out of its profits, only a portion of which are distributed (see “Dividend policy” below).

**2.1.2** By resolution of the Extraordinary Shareholders’ Meeting of May 12, 2009, the Board of Directors was authorized, for a period of five years from that date, to acquire or dispose of, on the stock exchange, Company shares representing up to 20% of its capital (*i.e.* 16,940,000 shares), at a price of between € 20 and € 150. No use was made of this facility in 2013.

It will be proposed that the Extraordinary Shareholders’ Meeting of May 13, 2014 renew this authorization for a new period of five years and to modify the range of prices between € 20 and € 200.

**2.1.3** In December 1999, the Company introduced a new annual stock option program for Group executives worldwide. These programs are covered in part or totally by own shares purchased by the Solvay group on the stock exchange. Since January 2007, the covering program has been handled by Solvay Stock Option Management SPRL. This covering program was authorized for a five-year period by the Extraordinary Shareholders’ Meeting of May 12, 2009.

In February 2013, for implementation March 2013, the Board of Directors, on the proposal of the Compensation Committee, allotted stock options to around 75 Group senior executives. This stock options plan includes Mr. Jean-Pierre Clamadieu and Mr. Bernard de Laguiche (also directors). Mr. JP. Clamadieu and Mr. B. de Laguiche abstained, for ethical reasons, from the deliberations of the Board of Directors that concerned them with respect to stock options.

The Board of Directors noted their declaration of abstention, deeming that their participation in the plan fell under Article 523 §3.2 of the

Companies’ Code covering routine operations undertaken under normal market conditions and normal market safeguards for operations of the same type.

Mr. Clamadieu has accepted 35,178 options; Mr. de Laguiche 11,726 options.

At December 31, 2013, Solvay Stock Option Management SPRL’s holdings of Solvay SA shares represented 1.81% (1,529,870 shares) of the Company capital.

In 2013, stock options representing a total of 901,810 shares were exercised (it should be noted that options are in principle exercisable over a period of five years after being frozen for three years).

The stock options exercised break down as follows:

- 2002 stock option plan: 21,700 shares;
- 2005 stock option plan: 253,460 shares;
- 2006 stock option plan: 87,900 shares;
- 2007 stock option plan: 151,900 shares;
- 2008 stock option plan: 81,550 shares;
- 2009 stock option plan: 305,300 shares.

Voting and dividend rights attached to these shares are suspended as long as they are held by the Company.

Finally it should be mentioned that, under the tender offer by Solvay SA for the shares of Rhodia, liquidity agreements were concluded with employees receiving free shares or options on Rhodia shares to enable these beneficiaries to retain their rights and to sell their Rhodia shares during a specified period after the close of the tender offer. The free shares exposure is fully covered.

#### STOCK OPTIONS PLANS

Issue date	Exercise price (ln €)	Exercise date	Acceptance rate
2001	62.25	02/2005-12/2009	98.6%
2002	63.76	02/2006-12/2010	98.4%
2003	65.83	02/2007-12/2011	97.3%
2004	82.88	02/2008-12/2012	96.4%
2005	97.30	02/2009-12/2013	98.8%
2006	109.09	02/2010-12/2014	97.2%
2007	96.79	01/2011-12/2015	97.6%
2008	58.81	01/2012-12/2016	96.9%
2009	72.34	01/2013-12/2017	98.2%
2010	76.49	01/2014-12/2018	98.1%
2011	65.71	01/2015-12/2019	93.8%
2012	88.71	01/2016-03/2020	97.2%
2013	111.01	01/2017-03/2021	100%

**2.1.4** Independently of the authorization mentioned in paragraph 2.1.2. above, and in a defensive context, the Company has the ability to buy back its own shares on the stock market, up to 20% of the subscribed capital, with no price floor or cap, in the event of a threat of serious and imminent damage, such as, for example, a hostile public takeover bid.

This system was renewed in May 2011 for a three-year period by an Extraordinary Shareholders’ Meeting of the Company.

It will be proposed that the Extraordinary Shareholders’ Meeting of May 13, 2014 renews that authorization for a new three-year period.

## 2.2 Dividend policy

**2.2.1** Board policy is to propose a dividend increase to the Shareholders' Meeting whenever possible, and as far as possible, never to reduce it. This policy has been followed for many years. The graph below illustrates the application of this policy over the past 20 years.

**2.2.2** The annual dividend is paid in two installments, in the form of an advance payment (interim dividend) and a payment of the balance. The method to set the advance payment includes a guidance of 40% (rounded) of the total previous year's dividend, and takes into account the results for the first nine months of the current year.

In this way, for 2013, an interim dividend of € 1.3333 gross per share (€ 1.00 net after Belgian withholding tax of 25%) was approved by the Board of Directors on October 24, 2013.

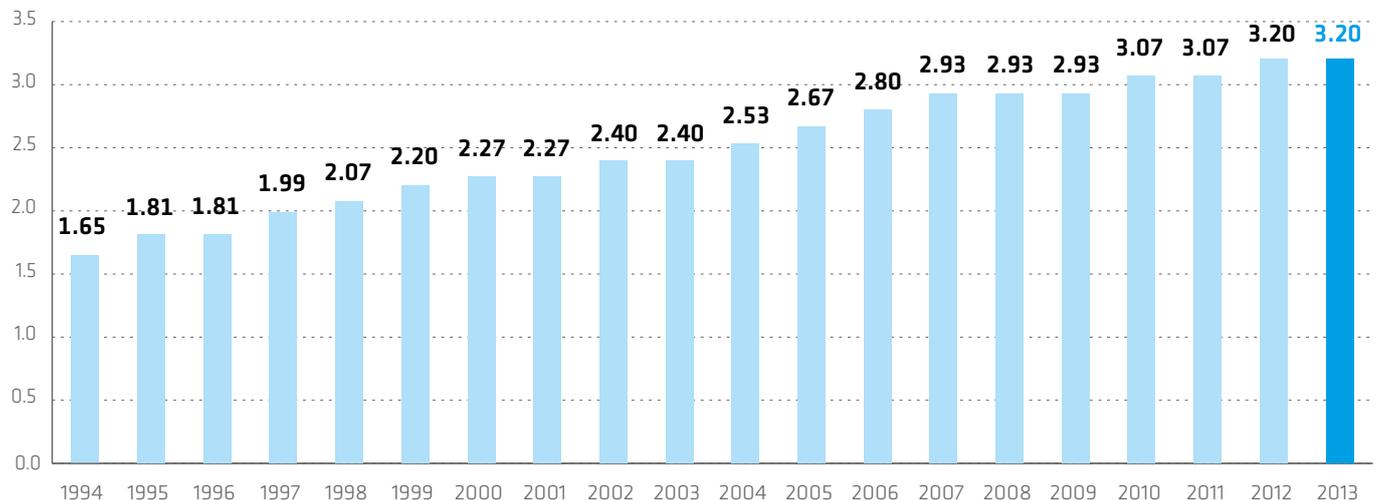
This interim dividend, which was paid on January 23, 2014, is to be offset against the total dividend for 2013.

As to the balance, once the annual financial statements have been completed, the Board of Directors proposes a dividend, in accordance with the policy described above, which it submits to the Ordinary Shareholders' Meeting for approval.

The second dividend installment, *i.e.* the balance after deducting the advance payment, is payable in May.

The dividend for 2013, proposed to the General Shareholders' Meeting of May 13, 2014, is € 3.20 gross per share (€ 2.40 net per share), stable; compared with the dividend for 2012. Given the interim dividend payment made on January 23, 2014, the balance of € 1.8667 gross per share (€ 1.40 net per share) will be payable from May 20<sup>th</sup>, 2014.

→ Solvay dividend (gross) from 1994 to 2013 (in EUR)



**2.2.3** Shareholders who have opted to hold registered shares receive the interim dividend and the balance of the dividend automatically and free of charge by transfer to the bank account they have indicated, on the dividend payment date. Shareholders owning dematerialized shares receive their dividends via their banks or as they elect and arrange.

Coupons representing the interim dividend and dividend balance are payable at KBC Bank SA and CBC Banque SA:

- KBC Bank SA, Havenlaan 2, 1080 Brussels (Belgium);
- CBC Banque SA, Grand-Place 5, 1000 Brussels (Belgium).

**2.2.4** The Company has not, up to this point, proposed optional dividends to its shareholders, *i.e.* stock instead of cash dividends. This option does not offer any tax or financial benefit in Belgium to make it attractive to investors.

## 3 Shareholders' Meetings

It should be noted that the law of December 20, 2010 concerning the exercise of certain rights of shareholders in listed companies has modified the provisions of the Companies' Code concerning the

holding of General Meetings. The by-laws of Solvay SA have been adapted accordingly.

### 3.1 Place and date

The Company's annual Ordinary Shareholders' Meeting is held every year on the second Tuesday of May at 10.30 a.m. at the registered office or any other place indicated in the notice of meeting.

The Board tries to organize any necessary Extraordinary Shareholders' Meeting immediately before or after the annual Ordinary Shareholders' Meeting.

### 3.2 Agenda

The Shareholders' Meeting is convened by the Board of Directors, which also sets its agenda. Shareholders may, however, request the calling of a Shareholders' Meeting and set its agenda where those shareholders together represent 20% of the capital, as required by the Companies' Code.

One or more shareholders owning together at least 3% of capital may also, under the conditions provided for by the Companies' Code, call for items to be included on the agenda of any Shareholders' Meeting and submit proposals for decisions concerning the items to be included or already included on the agenda of an already convened meeting.

The agenda of the Ordinary Shareholders' Meeting as a rule includes the following items:

- the Board of Directors' report on the financial year, including the corporate governance report and the compensation report;
- the auditor's report for the year;
- the consolidated financial statements for the year;
- approval of the annual financial statements;

- setting the dividend for the year;
- discharge of the directors and the statutory auditor in respect of the financial year;
- setting the number of directors and of independent directors, the length of their terms of office and the rotation of renewals;
- election of directors and of the external auditor (renewals or new appointments);
- the Company's compensation report (included in Chapter 6 below), which is communicated to the Works' Council as provided by law;
- setting the auditor's annual fee for the external audit for the duration of the auditor's appointment; and approval of change of control clauses in significant contracts (e.g. joint ventures).

Extraordinary Shareholders' Meetings are required in particular for all matters affecting the content of the Company's by-laws. Every time the Board of Directors prepares a special report in advance of an Extraordinary Shareholders' Meeting, this special report is enclosed with the notice of the meeting and is published on the Company's internet site.

### 3.3 Procedure for calling meetings

The notices convening Shareholders' Meetings set forth the place, date and time of the meeting, the agenda, the reports, proposed decisions on each item to be voted on, and the procedure for taking part in the meeting or for appointing proxies.

Holders of registered shares receive notice of the meeting by post-office mail at the address they have given, including notification of participation and proxy forms, except where recipients have agreed, individually, expressly and in writing, to receive notice of meetings

and attached documents by another means of communication. Persons owning dematerialized shares are notified of meetings by announcements in the press. These notices of meetings are published in the official Belgian gazette (*Moniteur Belge/Belgisch Staatsblad*) and in the financial press, in particular the Belgian French and Dutch-language newspapers. The major banks established in Belgium also receive the necessary documentation to pass on to Solvay shareholders among their clients.

### 3.4 Participation in Shareholders' Meetings and appointment of proxies

**3.4.1** Since January 1, 2012, the registration procedure has been obligatory for participating in and voting at the Shareholders' Meeting.

Shareholders must complete the registration of their securities by 24.00 hours (Belgian time) on the 14<sup>th</sup> calendar day prior to the relevant Shareholders' Meeting.

For holders of registered shares, shares are registered automatically by virtue of being in the Company's register of registered shares on the registration date.

Dematerialized shares are registered by virtue of their being recorded in the accounts of a recognized account holder or a clearing organization.

Shareholders are admitted to the Shareholders' Meetings and may exercise their voting rights with the shares that have gone through the legal registration procedure, regardless of the number of shares they hold on the date of the particular Shareholders' Meeting.

**3.4.2** Shareholders should also indicate to the Company and, where applicable, to the person they have designated to that effect, their desire to take part in the Shareholders' Meeting, no later than the sixth calendar day preceding the date of the Shareholders' Meeting.

Holders of registered shares must send to the Company the signed original notice of participation, using the form attached to their notice of meeting.

Holders of dematerialized shares should send the Company a certificate from the recognized account holder or the clearing organization certifying the number of shares that are registered in their name in their accounts at the registration date and for which they wish to participate in the Shareholders' Meeting.

More detailed information on arrangements for taking part in the Shareholders' Meeting will be made available to shareholders on the Company website (<http://www.solvay.com/en/investors/shareholders-meeting/index.html>).

**3.4.3** The exercise of voting rights attached to shares that are jointly owned or the usufruct and bare property rights of which have been separated, or shares belonging to a minor or a legally incapacitated person, follows special legal and statutory rules, a common feature

of which is the appointment of a single representative to exercise the voting right. Failing this, the voting right is suspended pending such appointment.

**3.4.4** Shareholders vote at Shareholders' Meetings in person or by proxy. The form of proxy is determined by the Board and will be available on the Company website once the Shareholders' Meeting in question has been called. Proxies must be received at the location indicated or, where applicable, at the email address mentioned in the notice no later than the sixth calendar day preceding the date of the Shareholders' Meeting.

The appointed agent does not have to be a shareholder of the Company.

In the event that certain shareholders exercise their right to add items or proposals for decisions to the agenda of a Shareholders' Meeting, the proxies already notified to the Company remain valid for the subjects they cover. Regarding the new items, the reader is referred to the provisions of the Companies Code.

The appointed agent may not deviate from the specific voting instructions given to him by a shareholder, except for the exceptions provided by the Companies Code.

In the absence of specific instructions on each agenda item, the agent who finds himself in a situation of potential conflict of interest with his principal, within the meaning of Article 547 *bis*, § 4 of the Companies Code, may not vote.

Invalid proxy forms will be excluded from the count. Abstentions formally expressed as such during a vote or on proxy forms are counted as such.

**3.4.5** Each shareholder who complies with the formalities for admission to the Shareholders' Meeting is entitled to ask questions in writing concerning the items on the agenda. These questions can be submitted by mail to the registered office or electronically to the email address specified in the notice. Written questions must reach the Company no later than the sixth calendar day before the date of the Shareholders' Meeting.

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## 3.5 Procedure

**3.5.1** The Shareholders' Meeting is chaired by the Chairman of the Board or, in his absence, by a Director delegated to this task by his colleagues.

The Chairman will preside over the discussions following Belgian practice for deliberative meetings. He will take care to ensure that questions from the meeting are answered, whilst respecting the agenda and confidentiality commitments. He will appoint the secretary of the meeting, who as a rule is the Corporate Secretary, and will appoint two shareholders as tellers.

**3.5.2** Resolutions in Ordinary Shareholders' Meetings are passed by a simple majority of votes of shareholders present and represented on a "one share, one vote" basis.

**3.5.3** In the case of Extraordinary Shareholders' Meetings, the Company respects the legal rules governing quorums and majorities.

**3.5.4** Voting is, as a general rule, public, by show of hands or by electronic voting. Votes are counted and the results announced immediately.

Provision is made for secret balloting in exceptional cases when a particular person is involved.

This procedure has never been requested to date. This by-law was amended at the Extraordinary Shareholders' Meeting of May 9, 2006 so as to set a threshold of 1% of capital to be reached by one or more shareholders acting in concert, and only when there is more than one candidate for a given office.

The minutes of the Shareholders' Meeting are drawn up and adopted by shareholders at the end of the meeting.

They are signed by the Chairman, secretary, tellers and those shareholders who wish to do so. Minutes of Extraordinary Shareholders' Meetings are notarized.

**3.5.5** The minutes containing the voting results will be published on the Company's internet site ([www.solvay.com](http://www.solvay.com)) no later than the 15<sup>th</sup> calendar day after the date of the Shareholders' Meeting. Minutes of the most recent Shareholders' Meetings are also available on the Company's internet site ([www.solvay.com](http://www.solvay.com)). Copies or official extracts may be obtained on request by shareholders, in particular under the signature of the Chairman of the Board.

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## 3.6 Documentation

Documentation relating to Shareholders' Meetings (notice of meeting, agenda, proxy and notification of participation forms, annual report, special report of the Board of Directors if any, etc.) is available every year on the Internet site [www.solvay.com](http://www.solvay.com) from the time of giving notice of the meeting and at least until the holding of the meeting in question.

This documentation is available in French and Dutch (official versions) and in English (unofficial translation).

## 4 Board of Directors

### 4.1 Role and mission

The Board of Directors is the highest management body of the Company.

The law accords to it all powers that are not reserved, by law or by the by-laws, to the Shareholders' Meeting.

In the case of Solvay SA, the Board of Directors has reserved certain key areas for itself and has delegated the remainder of its powers to an Executive Committee (see below).

It has not opted to set up a Management Committee (*Comité de Direction/Directiecomité*) as defined by Belgian law.

The main key areas which the Board of Directors has reserved for itself are:

- 1 matters for which it has exclusive responsibility, either by law or under the by-laws, for example:
  - the preparation and approval of the consolidated periodic financial statements and those of Solvay SA (quarterly – consolidated only, semiannual and annual) and the related communications,
  - adoption of accounting standards (in this case the IFRS standards for the consolidated accounts and Belgian standards for the Solvay SA unconsolidated accounts),
  - convening Shareholders' Meetings and drawing up the agenda and proposals for resolutions to be submitted to them (concerning, for example, Company financial statements, dividends, amendments to the by-laws, etc.);
- 2 setting the general strategies and general policies of the Group;
- 3 approving the reference frameworks for internal control and for risk management;
- 4 adopting the budget and long-term plan, including investments, R&I and financial objectives;
- 5 appointing the Chairman, members of the Executive Committee, General Managers and the Corporate Secretary, and setting their missions and the extent of the delegation of powers to the Executive Committee;
- 6 supervision of the Executive Committee and ratification of its decisions, where required by law;
- 7 appointing from among its members a Chairman and creating from among its members an Audit Committee, a Compensation Committee, a Nomination Committee and a Finance Committee, defining each Committee's mission and determining its composition and its duration;
- 8 major decisions concerning acquisitions, divestitures, the creation of joint ventures and investments. Major decisions are considered to be those involving amounts of € 50 million or more;
- 9 setting the compensation of the Chairman of the Executive Committee and of Executive Committee members;
- 10 establishing internal Corporate Governance and Compliance rules.

In all matters for which it has exclusive responsibility, the Board of Directors works in close cooperation with the Executive Committee, which in particular is responsible for preparing most of the proposals for decisions by the Board of Directors.

## 4.2 Modus operandi and representation

**4.2.1** Board members have available to them the information needed to carry out their functions in the form of dossiers drawn up under instructions from the Chairman and sent out to them by the Corporate Secretary several days before each session.

They may also receive additional information of any kind that may be of use to them from the Chairman of the Board, the Chairman of the Executive Committee or the Corporate Secretary, depending on the nature of the question. Decisions to obtain outside expertise, when necessary, are taken by the Board of Directors, for those subjects falling within its authority.

**4.2.2** The Company is validly represented with regard to third parties by the joint signature of persons with the following capacities: the Chairman of the Board of Directors and/or directors belonging to the Executive Committee. For documents relating to the day-to-day management of the Company, the signature of a single director member of the Executive Committee is sufficient. Pursuant the Board

of Directors resolutions dated October 21, 2012 and July 30, 2013, the Executive Committee has authorized for day-to-day management duties and for other power delegated to the Executive Committee, the signature of any member of the Executive Committee as well as the signature of each any Group General Manager acting in conjunction with the Chairman of the Board of Directors or the Chairman of the Executive Committee. Powers may also be delegated on a case-by-case basis as needs arise.

**4.2.3** Subject to in the provisions of 2.1.4. (Article 523 of the Companies Code), the Directors of the Company were not confronted in 2012 with conflict of interest situations requiring the implementation of the legal procedures provided for by the Companies' Code.

On the other hand, and in a very limited number of cases, one or the other member has preferred, for ethical reasons, to abstain from participating in debates and in voting.

## 4.3 Composition

### 4.3.1 Size & Composition

At December 31, 2013, the Board of Directors consisted of 15 members, as listed on pages 174 and 175.

### 4.3.2 At the Ordinary Shareholders' Meeting on May 14, 2013

- The directorships of Chevalier Guy de Selliers de Moranville, Mr. Nicolas Boël, Mr. Bernard de Laguiche, Mr. Hervé Coppens d'Eeckenbrugge, Mrs. Evelyn du Monceau and Mr. Jean-Pierre Clamadieu were renewed for a four-year term.
- The directorship left vacant by Mr. Jean van Zeebroeck was not reassigned.
- Mrs. Françoise de Viron was appointed as a new independent Director for a four-year term.
- Mrs. Amparo Moraleda Martinez was appointed as an independent Director for a four-year term to replace Mrs. Petra Mateos.

At the Ordinary Shareholders' Meeting of May 13, 2014, the Board of Directors will propose:

- renewing the directorship of Mr. Denis Solvay and Dr. Bernhard Scheuble for a four-year term;
- appointing Mrs. Rosemary Thorne as an independent Director for a four-year term to replace Mr. Jean-Martin Folz who has not requested renewal of his term of office;
- appointing Mr. Gilles Michel as an independent Director for a four-year term to replace Mr. Anton van Rossum who has not requested renewal of his term of office.

### Terms of office and age limit

Directors are appointed by the Shareholders' Meeting for four years. They may be reappointed.

The age limit for membership on the Board is the annual Shareholders' Meeting following the member's 70<sup>th</sup> birthday.

### 4.3.3 Criteria for appointment

The Board of Directors applies the following primary criteria when proposing candidates for election to directorships by the Ordinary Shareholders' Meeting:

- ensuring that a substantial majority of directors on the Board are non-executive. On December 31, 2013, 14 out of 15 directors were non-executive, and only Mr. Jean-Pierre Clamadieu belonged to the Executive Committee (Mr. Bernard de Laguiche having resigned as Executive Committee member and CFO on September 30, 2013);
- ensuring that a large majority of non-executive directors are independent according to the criteria defined by law and further tightened by the Board of Directors (see "criteria of independence" below).

In this respect, on December 31, 2013, the independent status of 9 out of 14 non-executive directors has been recognized by the Ordinary Shareholders' Meeting;

- ensuring that the members of the Board of Directors together reflect the shareholder structure and possess the wide range of competences and experience required by the Group's activities;
- ensuring that the Board of Directors' international composition appropriately reflects the geographic extent of its activities. At December 31, 2013, the Board included members of seven different nationalities;
- ensuring that the candidates it presents commit to devoting sufficient time to the task entrusted to them. In this respect, attendance at Board meetings was very high in 2013 (96%);
- ensuring, finally, that it does not select any candidate holding an executive position in a competing Company or who is or was involved in the external audit of the Group.

Belgian law and the by-laws of the Company permit spontaneous candidacies for the post of director, providing that these are addressed to the Company in writing at least 40 days before the Ordinary Shareholders' Meeting.

As required by law, the Board of Directors, consisting of 12 men and 3 women at December 31, 2013, will take care, when mandates are next renewed, to comply, within the relevant deadlines, with the requirement that at least one-third of the Board be women.

The Chairman of the Board, working together with the Chairman of the Nomination Committee, gathers the information allowing the Board of Directors to verify that the selected criteria have been met at the time of appointment, renewal and during the term of office.

### 4.3.4 Criteria for independence

Based on Belgian law, the Board of Directors sets the criteria for determining directors' independence. Each director fulfilling these criteria is presented to the Ordinary Shareholders' Meeting for confirmation.

The legal criteria of independence as contained in Article 526 *ter* of the Companies' Code (introduced by the law of December 17, 2008, art. 16) are as follows:

- 1 during a period of five years before appointment, not having acted as an executive member of the management body or a member of the Executive Committee or managing director in the Company or in a company or person affiliated with the same within the meaning of Article 11 of the Companies' Code. The Board of Directors has added to this criterion a minimum one-year waiting period for the Shareholders' Meeting to recognize the independence of a non-executive director of Solvac leaving its Board of Directors to join the Solvay Board of Directors;
- 2 not having sat on the Board of directors in the capacity of a non-executive director for more than three successive terms of office or more than twelve years;
- 3 during three years prior to appointment, not having been part of the senior management, within the meaning of Article 19.2 of the law of September 20, 1948 on the organization of the economy, of the Company or of a company or an affiliated person within the meaning of Article 11 of the Companies' Code;

- 4 not having received compensation or any other significant benefit of a patrimonial nature from the Company or an affiliated company or person within the meaning of Article 11 of the Companies' Code, with the exception of any profit percentages (tantièmes) or fees received in the capacity of non-executive member of the management body or a member of the supervisory body;
- 5
  - a) not holding any ownership rights in the Company representing a tenth or more of the capital, or the Company equity, or a category of shares of the Company;
  - b) where the person in question holds ownership rights of under 10%:
    - when these ownership rights are added to those held in the same company by companies over which the independent director has control, these ownership rights may not reach one tenth of the capital, of the Company equity, or a category of shares of the Company,
 or
    - the use of these shares or the exercise of the rights attached to the same may not be subject to contract stipulations or to unilateral commitments to which the independent member of the management body has subscribed,
  - c) not representing in any way a Shareholder Meeting the conditions of this item;
- 6 not maintaining, or having maintained during the past financial year, a significant business relationship with the Company or with an affiliated company or person within the meaning of Article 11 of the Companies' Code, either directly or in the capacity of partner, shareholder, member of the management body or of member of senior management, within the meaning of Article 19.2 of the law of September 20, 1948 on the organization of the economy, of a company or a person maintaining such relationship;
- 7 not having been, during the past three years, a partner or salaried employee of the current or previous external auditor of the Company or of an affiliated company or person within the meaning of Article 11 of the Companies' Code;
- 8 not being an executive member of the management body of another company in which an executive director of the Company acts as a non-executive member of the management body or member of the supervisory body, nor maintaining other major connections with the executive directors of the Company as a result of functions exercised in other companies or bodies;
- 9 not having, either within the Company or within an affiliated company or person within the meaning of Article 11 of the Companies' Code, a spouse or legally cohabiting partner, or parents or relations up to the second degree of kinship holding the position of member of the management body, of member of the Executive Committee, of a day-to-day executive manager or of member of senior management, within the meaning of Article 19.2 of the law of September 20, 1948 on the organization of the economy, or falling under one of the other cases defined in items 1 to 8.

In this respect, on December 31, 2013, the independent status of 9 out of 14 non-executive directors has been recognized by the Ordinary Shareholders' Meeting.

Mr. Jean-Pierre Clamadieu, Chairman of the Executive Committee and CEO, was not recognized as independent at the time of the renewal of his directorship in 2013 (criterion no. 1).

Mr. Bernard de Laguiche, Member of the Executive Committee till September 30, 2013, was not recognized as independent at the time of the renewal of his directorship in 2013 (criterion no. 1).

Mr. Nicolas Boël, Mr. Denis Solvay, Mr. Jean-Marie Solvay and Chevalier Guy de Selliers de Moranville, having been Directors of the Company for over 12 years, are not independent for this reason (criterion no. 2).

	Year of birth	Year of first appointment	Solvay SA mandates, and expiry date of directorship	Diplomas and activities outside Solvay	Presence at Board meetings in 2013 as a function of date of appointment
Mr. Nicolas Boël (B)	1962	1998	2017 Chairman of the Board of Directors, Chairman of the Finance Committee and Chairman of the Compensation Committee Member of the Nomination Committee	MA in Economics (Catholic University of Louvain), Master of Business Administration (College of William and Mary – USA). Director of Sofina.	7/7
Mr. Jean-Pierre Clamadieu (F)*	1958	2012	2017 Chairman of the Executive Committee and CEO, Director and Member of the Finance Committee	Engineering degree from the École des Mines (Paris). Director of Axa, Faurecia.	7/7
Mr. Bernard de Laguiche (F/BR)*	1959	2006	2017 Member of the Executive Committee until September 30, 2013, Director and Member of the Finance Committee	MA in Economics and Business Administration HSG (University of St. Gallen, Switzerland), Managing Director of Solvac SA, Chairman of the Board Peroxidos do Brasil Ltda, Curitiba.	7/7
Mr. Jean-Marie Solvay (B)	1956	1991	2016 Director and Member of the Innovation Board	Advanced Management Programme – Insead. CEO of Albrecht RE Immobilien GmbH & Co. KG., Berlin (Germany), Director of Heliocentris GmbH & Co. KG., Berlin (Germany), Chairman of the Board of the International Solvay Institutes.	7/7
Chevalier Guy de Selliers de Moranville (B)	1952	1993	2017 Director Member of the Finance and Audit Committees	Civil engineering degree in mechanical engineering, and MA in Economics (Catholic University of Louvain). President and Co-Founder of HCF International Advisers, Vice-Chairman of the Board and Chairman of the Risk and Capital Committee of Ageas SA, Chairman of the Board of Ageas UK, Member of the Board of Ivanhoe Mines Ltd. (Canada), Member of the Supervisory Board and Chairman of the Risk Committee of Advanced Metallurgical Group (Netherlands) and, various other mandates in unlisted companies.	7/7
Mr. Denis Solvay (B)	1957	1997	2014 Director, Member of the Compensation and Nomination Committees	Business engineering – Solvay Business School (Université Libre de Bruxelles). Director of Eurogentec and of Abelag Holding.	7/7
Mr. Jean van Zeebroeck (B)	1943	2002	Independent Director Member of the Compensation and Nomination Committees until May 14, 2013	Doctorate of Law and diploma in Business Administration (Catholic University of Louvain), MA in Economic Law (Free University of Brussels), Master of Comparative Law (University of Michigan – USA). General Counsel of 3B-Fibreglass Company.	2/3
Mr. Jean-Martin Folz (F)	1947	2002	2014 Independent Director Member of the Compensation and Chairman of the Nomination Committee	École Polytechnique and Mining Engineer (France). Former Chairman of the managing Board of PSA Peugeot-Citroën, Director of Saint-Gobain, of Société Générale, of Alstom and of Axa.	7/7
Prof. Dr. Bernhard Scheuble (D)	1953	2006	2014 Independent Director Chairman of the Audit Committee	MSc, Nuclear Physics & PhD, Display Physics (Freiburg University – Germany). Former Chairman of the Executive Committee of Merck KGaA, (Darmstadt) and former Member of the E. Merck OHG Board of Directors.	7/7
Mr. Anton van Rossum (NL)	1945	2006	2014 Independent Director Member of the Audit Committee	MA in Economics and Business Administration (Erasmus University Rotterdam). Member of the Board of Credit Suisse Group (Zurich) and of Munich Re (Munich), Chairman of the Board of Royal Vopak, Erasmus University and the Netherlands Economics Institute (Rotterdam).	6/7

	Year of birth	Year of first appointment	Solvay SA mandates, and expiry date of directorship	Diplomas and activities outside Solvay	Presence at Board meetings in 2013 as a function of date of appointment
Mr. Charles Casimir-Lambert (B/CH)	1967	2007	2015 Independent Director Member of the Audit Committee	MBA Columbia Business School (New York)/London Business School (London), Master's degree (lic. oec.HSG) in economics, management and finance (University of St.Gallen – Switzerland). Supervision of family's global interests.	7/7
Mrs. Petra Mateos-Aparicio Morales (ES)	N/A	2009	Independent Director Member of the Finance Committee until May 14, 2013	PhD in Economics and Business Administration (Universidad Complutense, Madrid – Spain). Former Executive Chairwoman of Hispasat (Spain and International), Former President of Hisdesat; Tenured Professor of Finance at the University of Business Administration, UNED Madrid, Board of Trustees ANECA, Member of the International Consultative Board of Science, University and Society of CRUE, Vice President of Spain US Chamber of Commerce.	3/3
Mr. Hervé Coppens d'Eeckenbrugge (B)	1957	2009	2017 Independent Director Member of the Finance Committee Member of the Audit Committee since July 31, 2013	MA in Law from the University of Louvain-la-Neuve (Belgium), Diploma in Economics and Business, ICHEC (Belgium). Until June 30, 2013, Group Director Petercam sa, Director of Vital Renewable Energy Company LLC (Delaware).	7/7
Mr. Yves-Thibault de Silguy (F)	1948	2010	2015 Independent director Member of the Compensation and Nomination Committees Member of the Finance Committee since July 31, 2013	MA in Law from the University of Rennes, DES in public law from the Université de Paris I, graduate of the Institut d'Etudes Politiques de Paris and the Ecole Nationale d'Administration. Vice-Chairman and Lead Director of the VINCI group, Director of LVMH, Chairman of the Supervisory Board of Sofisport (France), Director of VTB bank (Moscow), and Chairman of YTSuropaconsultants.	5/7
Mrs. Evelyn du Monceau (B)	1950	2010	2017 Independent director Member of the Compensation and Nomination Committees	MA in Applied Economics from the Catholic University of Louvain. Vice Chair of the Board and Chair of the Remuneration and Nomination Committee of UCB SA, Member of the Board of Directors of La Financière de Tubize SA, Director of FBNet Belgium, Member of the Commission Corporate Governance.	7/7
Mrs. Françoise de Viron (B)	1955	2013	2017 Independent Director Member of the Compensation and Nomination Committees since July 31, 2013	Doctorate of Science (UCL, Louvain-la-Neuve). Master in Sociology (UCL, Louvain-la-Neuve) Professor in the Faculty of Psychology and Education Sciences at Louvain School of Management (UCL), Academic Member of the Center of Research Entrepreneurial Change and Innovative Strategies, of Interdisciplinary Group of Research in Socialization, Education and Training, of the Interdisciplinary Research Group in Adult Education at UCL	4/4
Mrs. Amparo Moraleda Martinez (ES)	1964	2013	2017 Independent Director Member of the Compensation and Nomination Committees since July 31, 2013	Degree in Industrial Engineering, ICAI (Spain) MBA, IESE Business School (Spain) Former General Manager for IBM Spain, Portugal, Greece, Israel and Turkey Former Chief Operating Officer, International Division (Spain) and Acting CEO, Scottish Power (UK) of Iberdrola Member of the Boards of the following listed companies: Alstom (France), Faurecia (France), Corporacion Financiera Alba (Spain) and Melia Hotels International (Spain). Member of the Consejo rector of Consejo Superior of Investigaciones Cientificas.	4/4

\* Full-time activity in the Solvay group.

#### 4.3.5 Appointment, renewal, resignation and dismissal of Directors

The Board of Directors submits directors' appointments, renewals, resignations or dismissals to the Ordinary Shareholders' Meeting for approval. It also submits to it the vote on the independence of the Directors fulfilling the related criteria, after informing the Works' Council of the same. It also first seeks the opinion of the Nomination Committee, which is tasked with defining and assessing the profile of any new candidate using the criteria of appointment and of specific competences it sets.

The Ordinary Shareholders' Meeting decides on proposals made by the Board of Directors in this area by a simple majority. When a directorship becomes vacant during a term of office, the Board of Directors may appoint a new member, subject to ratification by the next following Ordinary Shareholders' Meeting.

#### 4.3.6 Frequency, preparation and holding of Board meetings

The Board of Directors met seven times in 2013. Five ordinary meetings are planned in 2014.

The dates of ordinary meetings are set by the Board of Directors itself, more than one year before the start of the financial year. Additional meetings can, if needed, be called by the Chairman of the Board of Directors, after consulting with the Chairman of the Executive Committee.

The agenda for each meeting is set by the Chairman of the Board of Directors after consulting with the Chairman of the Executive Committee.

The Corporate Secretary is charged, under the supervision of the Chairman of the Board of Directors, with organizing meetings, and sending notices of meetings, agendas and the dossier containing the item-by-item information required for decision-making.

To the extent possible, he ensures that directors receive notices of meetings and complete files at least five days before the meeting. The Corporate Secretary prepares the minutes of the Board meetings, presenting the draft to the Chairman and then to all members.

Finalized minutes that have been approved at the following Board meeting are signed by all Directors having taken part in the deliberations.

The Board of Directors takes its decisions in a collegial fashion by a simple majority of votes. Certain decisions that are considered particularly important by the Company's by-laws require a three-quarters majority of its members. The Board may not validly transact its business unless half of its members are present or represented. Given the very high level of attendance, the Board of Directors has never been unable to transact business.

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## 4.4 Evaluation and training

#### 4.4.1 Evaluation

In 2013, the Board of Directors undertook an evaluation, focused primarily on its own composition, modus operandi, information and interactions with executive management, and the composition and modus operandi of the Committees created by it. Board members were invited to express their views on these various points during interviews based on a questionnaire and performed by an external consultant. The improvements identified at the end of this evaluation process are related to optimization of the meeting time, interactions, contacts and exchanges with management and Board Committees as well as minor changes to the organization of the meetings. The next evaluation of the Board will take place in 2015.

#### 4.4.2 Training

Information sessions are organized for new Directors, aimed at acquainting them with the Solvay group as quickly as possible. The program includes a review of the Group's strategy and activities and of the main challenges in terms of growth, competitiveness and innovation, as well as finance, research & development, human resources management, the legal context, compliance and the general organization of operations. This program is open to every Director who wishes to participate.

It also includes visiting industrial or research sites.

## 4.5 Committees

### 4.5.1 Rules common to the various Committees

- The Board of Directors has set up on a permanent basis the following specialized Committees: the Audit Committee, the Finance Committee, the Compensation Committee and the Nomination Committee.
- These Committees do not have decision-making powers. They are advisory in nature and report to the Board of Directors, which takes the decisions. They are also called on to give opinions at the request of the Board of Directors or Executive Committee. After presentation to the Board of Directors, the Committees' reports are attached to the minutes of the Board meeting.
- Terms of office on the four Committees are for two years and are renewable. The composition of these Committees is communicated on the Company's internet site.
- Members of the permanent Committees (except for Executive Committee members) receive separate compensation for this task.
- The Board of Directors may set up a temporary *ad hoc* Committee to liaise with the Executive Committee on an important issue. One such Committee was set up at the end of 2009 to examine the reinvestment of the proceeds of the sale of the Group's pharmaceuticals activities.

All the terms of members of various Committees will expire on May 13, 2014, at the date of the Ordinary Shareholders' Meeting. The new composition of Committees will reflect departures/appointments within the Board on that date. It will take effect on May 14, 2014 for a period of two years ending on the date of the Ordinary Stakeholder's Meeting to be held in 2016.

### 4.5.2 The Audit Committee

In 2013, the Audit Committee was composed of Prof. Dr. Bernhard Scheuble (Chairman), Chevalier Guy de Selliers de Moranville, Mr. Anton van Rossum, Mr. Charles Casimir-Lambert and Mr. Hervé Coppens d'Eeckenbrugge (since July 31, 2013). These are independent non-executive directors, with the exception of Chevalier Guy de Selliers de Moranville. The Secretariat of this Committee is provided by a member of the Group's internal legal staff.

This Committee met five times in 2013, including four times before the Board meeting scheduled to consider the publication of periodic results (quarterly, semiannual and annual).

Participation in Audit Committee meetings was very high (96%).

The mission of the Audit Committee is set out in a "Terms of Reference" document (see Annex 1, section 14). It integrates the requirements of Article 526 *bis* of the Corporate law.

The main tasks of the Audit Committee include:

- ensuring the conformity of financial statements and communications of the Company and the Group to generally accepted accounting principles (IFRS for the Group, Belgian accounting law for the parent company);
- monitoring the effectiveness of the Group's internal control systems and risk management;
- examining the areas of risk that can potentially have a material effect on the Group's financial situation;
- verifying the scope/programs and results of internal audit;
- making a proposal to the Board of Directors on the appointment of the external auditor;
- examining the scope of the external audit and the way it is implemented;
- monitoring the scope and the nature of the additional services provided by the external auditor.

At each meeting, the Audit Committee hears reports from the Chief Financial Officer, the head of the Group Service Internal Audit and the auditor in charge of the external audit (Deloitte, represented by Mr. Eric Nys). It also examines the quarterly report by the Group General Counsel on significant ongoing legal disputes and reports on tax and intellectual property disputes. It meets alone with the auditor in charge of the external audit whenever it deems such meetings useful. The Chairman of the Executive Committee and CEO (Mr. Jean-Pierre Clamadieu) is invited, once a year, to discuss the major risks to which the Group is exposed.

The Directors belonging to this Audit Committee fulfill the criterion of competence by their training and by the experience gathered during their previous functions (see section 4.3. concerning the composition of the Board of Directors).

### 4.5.3 The Finance Committee

In 2013, until the Ordinary Shareholders' Meeting on May 14, 2013, the Finance Committee consisted of Mr. Nicolas Boël (Chairman), Mr. Jean-Pierre Clamadieu (Chairman of the Executive Committee) and Mr. Bernard de Laguiche (Member of the Executive Committee and Chief Financial Officer) and three Directors, Mrs. Petra Mateos-Aparicio Morales, Chevalier Guy de Selliers de Moranville and Mr. Hervé Coppens d'Eeckenbrugge. Effective July 31, 2013, Mr. Yves-Thibaut de Silguy became a Member, replacing Mrs. Petra Mateos and effective October 1, 2013 Mr. Karim Hajjar (replacing Mr. Bernard de Laguiche as Executive Committee Member and CFO) is invited to attend the

Finance Committee meetings It should be noted that Mr. Bernard de Laguiche remains a Member of the Finance Committee.

The Secretary of this Committee is Mr. Michel Defourny.

This Committee met five times in 2013. Participation of the members of the Finance Committee was very high (93%).

The Committee gives its opinion on financial matters such as the amounts of the interim and final dividends, the levels and currencies of indebtedness in the light of interest rate developments, the hedging of foreign-exchange and energy risks, the policy of buying in own shares, the content of financial communication, the financing of major investments, etc. It finalizes the preparation of the press releases announcing the quarterly results. It may also be called on to give opinions on Board policies on these matters.

#### 4.5.4 The Compensation Committee

In 2013, until the Ordinary Shareholders' Meeting on May 14, 2013, the Compensation Committee consisted of Mr. Nicolas Boël (Chairman), Messrs. Denis Solvay, Jean van Zeebroeck, Jean-Martin Folz, Yves-Thibault de Silguy and Mrs. Evelyn du Monceau.

Effective July 31, 2013 Mrs. Françoise de Viron assumes the term left vacant by Mr. Jean van Zeebroeck as Member of the Compensation Committee after the Ordinary Shareholders Meeting of May 14, 2013, and Mrs. Amparo Moraleda was also appointed Member of the Compensation Committee.

A majority of the members of this Committee have independent Director status within the meaning of the law.

The Chairman of the Executive Committee is invited to meetings, except for matters that concern him personally.

The Secretary of this Committee is Mr. Michel Defourny.

The meetings are prepared by the Group General Manager Human Resources, who attends the meetings.

This Committee met two times in 2013. Participation of the members of the Compensation Committee was very high (100%).

The Compensation Committee fulfills the missions imposed on it by law.

In particular it advises the Board of Directors on compensation policy and compensation levels for members of the Board of Directors and the Executive Committee, and is yearly informed about the compensation of General Management. It also gives its opinion to the Board of Directors and/or Executive Committee on the Group's principal compensation policies (including long term incentive plans). It also prepares the report on compensation.

The Compensation Committee has the expertise necessary to perform its missions.

#### 4.5.5 The Nomination Committee

In 2013, until the Ordinary Shareholders' Meeting on May 14, 2013, the Nomination Committee consisted of Jean-Martin Folz (Chairman), Messrs. Denis Solvay, Nicolas Boël, Jean van Zeebroeck, Yves-Thibault de Silguy and Mrs. Evelyn du Monceau.

Since July 31, 2013, Mrs. Françoise de Viron assumes the term left vacant by Mr. Jean van Zeebroeck as Member of the Nomination Committee, after the Ordinary Shareholders' Meeting of May 14, 2013, and Mrs. Amparo Moraleda was also appointed Member of the Nomination Committee.

A majority of the members of the Nomination Committee are independent non-executive Directors.

The Chairman of the Executive Committee is invited to meetings, except for matters that concern him personally.

The Secretary of this Committee is Mr. Michel Defourny.

The Committee met three times in 2013. The participation of members of the Nomination Committee was very high (100%).

The Nomination Committee gives its opinion on appointments to the Board of Directors (Chairman, new members, renewals and Committees), to Executive Committee positions (Chairmanship and Members) and to General Management positions.

## 5 Executive Committee

### 5.1 Role and Mission

**5.1.1** The Board of Directors defines the role and mission of the Executive Committee.

The main decision on delegation of powers dated back to October 24, 2012. This decision took effect on January 1, 2013.

The Board of Directors at the same time approved the internal rules of the Executive Committee.

**5.1.2.** The Executive Committee, acting collectively, has been assigned the following main tasks by the Board of Directors:

- the day-to-day management of the Company;
- overseeing the proper organization and functioning of the Company, its subsidiaries and affiliates, and ensuring oversight of their activities, including the introduction of processes for the identification, management and monitoring of the principal risks;
- introducing a process of talent management and appointing senior executives of the Group (with the exception of its own members, the General Managers and the Corporate Secretary, for which the Board expressly reserves exclusive power of appointment);
- setting senior executive compensation (other than the compensation of its own members);
- deciding on acquisitions and divestitures (including intellectual property) up to a ceiling of € 50 million (including debts and other commitments). The Board is informed of decisions involving amounts over € 10 million;
- taking capital expenditure (“Capex”) decisions up to a ceiling of € 50 million. The Board is informed of decisions involving amounts over € 10 million;
- taking decisions on substantive business operations and financial transactions not involving a change in the financial structure of the Company and/or the Group;
- proposing to the Board of Directors, for its decision, the key Group policies, and sets the others;
- proposing to the Board of Directors for its decision:
  - the general strategies (including the effect of these strategies on the budget, the Plan and resource allocation) and general policies of the Group, in particular as regards remuneration, the annual investment and research programs,
  - appointments to General Management functions and the position of Corporate Secretary,
  - the general organization of the Company and/or the Group,
  - major financial transactions that modify the financial structure of the Company and/or the Group,
  - the consolidated periodical accounts and those of Solvay SA (quarterly consolidated only, half-yearly and annual) and the related communication;
- executing the decisions of the Board or Directors;
- submitting to the Board of Directors all questions lying within the latter’s competence and reports to it regularly on the exercise of its mission.

### 5.2 Delegation of powers

Execution of Executive Committee decisions and following up on its recommendations is delegated to the Executive Committee member (or another General Manager) in charge of the activity or of the function corresponding to the decision or recommendation.

The Board of Directors in its resolution dated October 24, 2012, expanded the right of the Executive Committee to delegate its powers,

under its responsibility, and in compliance with procedures and authorization limits set by the Executive Committee, to one or more of its members, the General Managers of the Group and/or heads of Global Business Units and functions. In particular it has delegated to the GBU Managers the power to undertake binding M&A transactions and capital expenditures up to a ceiling of € 10 million.

## 5.3 Composition

### 5.3.1 Size and composition

At December 31, 2013, the Executive Committee had six members. Mr. Bernard de Laguiche resigned as Executive Committee Member and CFO effective September 30, 2013. Effective October 1, 2013, Mr. Karim Hajjar was appointed as Member of the Executive Committee and CFO. Effective January 1, 2014, Mr. Pascal Juéry was appointed as Member of the Executive Committee, to replace Mr. Gilles Auffret who left the Executive Committee on December 31, 2013.

### 5.3.2 Terms of office and age limits

Executive Committee members are appointed by the Board of Directors for two-year renewable terms. The Board of Directors has set an age limit of 65 for Executive Committee membership. An exception to this rule was granted by the Board of Directors on December 14, 2011 for of Mr. Gilles Auffret, whose mandate was renewed for a further two-year term until the end of 2013. This exception was justified by the transition situation due to the integration of Rhodia into the Solvay group.

### 5.3.3 Criteria for appointment

The Executive Committee is a collegial body made up of executives generally coming from the Group's senior management. Since January 1, 2013, each Executive Committee member has been in charge of the supervision of a number of Global Business Units/

functions; for the CEO and the CFO, this new role has been assumed in addition to their respective specific responsibilities.

All Executive Committee members have employment contracts with the Solvay group, except for Mr. Jean-Pierre Clamadieu, who has self-employed status.

### 5.3.4 Appointment and renewal procedure

The Chairman of the Executive Committee is appointed by the Board of Directors based on a proposal by the Chairman of the Board of Directors and with recommendations by the Nomination Committee and the outgoing Chairman of the Executive Committee.

The other Executive Committee members are also appointed by the Board of Directors, but on the proposal of the Chairman of the Executive Committee in agreement with the Chairman of the Board of Directors and with the opinion of the Nomination Committee and the Executive Committee.

Executive Committee members' performance is assessed annually by the Chairman of the Executive Committee. This assessment is undertaken together with the Chairman of the Board and with the Compensation Committee whenever proposals are made for setting variable compensation.

The performance of the Chairman of the Executive Committee is assessed annually by the Compensation Committee.

	Year of birth	Year of first appointment	Term of office ends	Diplomas and main Solvay activities	Presence at meetings (as a function of date of appointment)
Mr. Jean-Pierre Clamadieu (F)	1958	2011	2015	Engineering degree from the École des Mines (Paris). Chairman of the Executive Committee and CEO	12/12
Mr. Bernard de Laguiche (F/BR)	1959	1998	Resigned as member of the Executive Committee and CFO as of September 30, 2013	MA in Economics and Business Administration HSG (University of St. Gallen – Switzerland). Executive Committee Member and CFO	9/9
Mr. Jacques van Rijckevorsel (B)	1950	2000	2015	Civil Engineering degree in Mechanics (Catholic University of Louvain). Advanced studies in Chemical Engineering (Free University of Brussels). AMP Harvard, Executive Committee member	12/12
Mr. Vincent De Cuyper (B)	1961	2006	2014	Chemical engineering degree (Catholic University of Louvain), Master in Industrial Management (Catholic University of Leuven), AMP Harvard. Executive Committee member	12/12
Mr. Roger Kearns (US)	1963	2008	2014	Bachelor of Science – Engineering Arts (Georgetown College – Georgetown), Bachelor of Science – Chemical Engineering (Georgia Institute of Technology – Atlanta), MBA (Stanford University). Executive Committee Member	12/12
Mr. Gilles Auffret (F)	1947	2011	Retired as of December 31, 2013	Engineering degree from the École Polytechnique, graduate of the École Nationale d'Administration (ENA), the École des Sciences Politiques and the École Nationale de la Statistique et de l'Administration Economique (ENSAE). Executive Committee Member	12/12
Mr. Karim Hajjar (UK)	1963	2013	2015	BSC (Hons) Economics (The City University, London) Chartered Accountancy (ICAEW) Qualification. Executive Committee Member and CFO	3/3

## 5.4 Frequency, preparation and procedure of meetings

**5.4.1** The Executive Committee met 12 times in 2013. Meetings are generally held at the Company's registered office, but can also be held elsewhere at the decision of the Executive Committee Chairman. The Executive Committee sets the dates of its meetings before the start of the financial year. Additional meetings can be convened by the Chairman of the Executive Committee, who sets the agenda based, inter alia, on proposals from the Executive Committee members.

**5.4.2** The Corporate Secretary, who acts as secretary to both the Board of Directors and the Executive Committee, is responsible, under the supervision of the Chairman of the Executive Committee, for organizing meetings and sending out notices of meetings and agendas.

Documents and information relating to the agenda items are made available to the members of the Executive Committee prior to the meetings.

The Corporate Secretary drafts minutes consisting of a list of decisions taken during the meeting. These are read and approved at the end of the meeting. They are immediately distributed.

They are not signed, but the Chairman of the Executive Committee and the Corporate Secretary may deliver certified conformed copies of extracts.

It should be noted that the Executive Committee organized certain meetings in tele- or video-conference format.

**5.4.3** The Executive Committee takes its decisions by a simple majority, with its Chairman having a casting vote. If the Chairman of the Executive Committee finds himself in a minority he may, if he wishes, refer the matter to the Board of Directors which will then decide on the matter. In practice, however, almost all Executive Committee decisions are taken unanimously, so that the Chairman has never made use of his casting vote. Attendance at meetings was 100% in 2013.

The topics submitted to the Executive Committee are presented and discussed in the presence of the heads of the involved entities (GBUs, functions). For important projects, it sets up ad hoc working teams, led mainly by Executive committee members chosen on the basis of the competences required.

## 6 Compensation report

### 6.1 Description of the procedure for:

#### 6.1.1 Developing a compensation policy:

##### a) for Directors:

Directorships of Solvay SA are remunerated with fixed emoluments, the common basis of which is set by the Ordinary Shareholders' Meeting, and any complement thereto by the Board of Directors on the basis of Article 27 of the by-laws, which states that "Directors shall receive emoluments payable from overhead costs; the Shareholders' Meeting shall determine the amount and terms of payment.

"That decision shall stand until another decision is taken."

"The Board of Directors shall be authorized to grant directors with special duties (the Chairman, vice-Chairmen, directors charged with day-to-day management, members of the Executive Committee) fixed emoluments in addition to those provided for in the above paragraph."

"Each of the Directors responsible for day-to-day management is also entitled to variable compensation determined by the Board of Directors

on the basis of their individual results and of the consolidated results of the Solvay group."

"The sums referred to in the two preceding sub-sections are also paid out of overhead costs."

##### b) for Executive Committee members: compensation policy is decided by the Board of Directors based on proposals by the Compensation Committee.

In 2012, the Group reviewed its compensation policy to better align with market practices and reinforce the link between variable pay and business performance. The new compensation policy is further set out in annex 2. The policy introduces a new harmonized short term incentive plan and redesigns the long term incentive program, which is partly linked to the achievement of pre-defined multi-year Group performance level. It became effective in 2013.

**6.1.2 Setting individual compensation:****a)** For Directors:

- the Ordinary Shareholders' Meetings of June 2005 and May 2012 (for Board attendance fee) decided to set Directors' pay, starting from the 2005 financial year, and to grant:
  - an annual gross fixed compensation of € 35,000 per Director and, on top of this, an individual attendance fee of € 4,000 gross per Board meeting attended;
  - € 4,000 gross for members of the Audit Committee and € 6,000 gross for its Chairman for each meeting of the Committee;
  - € 2,500 gross per member of the Compensation Committee, Nomination Committees and Financial Committee and € 4,000 gross for the Chairmen of these Committees, for each meeting on the understanding that a Director belonging to both the Compensation Committee and the Nomination Committee does not receive double compensation;
  - the Chairman of the Board, the Chairman of the Executive Committee and the Executive Directors do not receive attendance fees for taking part in these Committees;
- for the Chairman of the Board of Directors, the Board of Directors has made use of the authorization conferred on it by Article 27 of the bylaws to grant an additional yearly fixed compensation

of € 250,000 gross in 2013 by reason of the work load and the responsibility attached to this task;

- directors do not receive any variable compensation linked to results or other performance criteria. They are not entitled to stock options or performance share units, nor to any supplemental pension scheme;
- the Company reimburses Directors' travel and subsistence expenses for meetings and while exercising their Board and Board Committee functions.

The Chairman of the Board of Directors is the sole non-executive Director having permanent support provided by the Group (office, secretariat, car). The other non-executive directors receive logistics support from the General Secretariat as and when needed. The Company also carries customary insurance policies covering the activities of Board members in carrying out their duties,

**b)** For Executive Committee members: the compensation of the Chairman and the members of the Executive Committee is set as a global gross amount. This includes not only the gross compensation earned at Solvay SA, but also amounts received, contractually or as directors' emoluments, from companies throughout the world in which Solvay SA holds majority or other shareholdings.

Individual compensation is set by the Board of Directors based on recommendations by the Compensation Committee.

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## 6.2 Declaration concerning compensation policy for the Chairman and members of the Executive Committee

The compensation policy adopted by the Board of Directors in 2012 is set out in Annex 2 section 15. It does not apply to Mr. Clamadieu, whose compensation package is governed by specific arrangements;

the level and structure of the compensation package are aligned with market practices for a similar function in a comparable organization.

## 6.3 Amount of the compensation and other benefits granted directly or indirectly to Directors (executive and non-executive) by the Company or by an affiliated company

### GROSS COMPENSATION AND OTHER BENEFITS GRANTED TO DIRECTORS

Compensation In €	2012		2013	
	Gross amount	Including Board of Directors and Committees attendance fees	Gross amount	Including Board of Directors and Committees attendance fees
A. Michielsens <sup>(1)</sup>				
■ Fixed emoluments + attendance fees	28,419.37	16,000.00		
■ "Article 27" supplement	86,025.54			
■ Compensation for complementary pension rights	161,344.22			
N. Boël				
■ Fixed emoluments + attendance fees	65,500.04	30,500.00	63,000.00	28,000.00
■ "Article 27" supplement <sup>(2)</sup>	161,290.30		250,000.00	
D. Solvay	73,000.04	38,000.00	70,500.04	35,500.00
C. Jourquin <sup>(3)</sup>	28,607.54	16,000.00		
J-P. Clamadieu <sup>(4)</sup>	34,580.67	12,000.00	63,000.00	28,000.00
J-M. Solvay	63,000.04	28,000.00	63,000.04	28,000.00
G. de Selliers de Moranville	85,000.04	50,000.00	99,500.04	64,500.00
J. van Zeebroeck	73,000.04	38,000.00	23,389.80	10,500.00
J-M. Folz	69,000.04	34,000.00	79,500.04	44,500.00
B. de Laguiche	63,000.04	28,000.00	65,500.04	30,500.00
B. Scheuble	87,000.04	52,000.00	99,000.04	64,000.00
A. Van Rossum	71,000.04	36,000.00	75,000.04	40,000.00
C. Casimir-Lambert	79,000.04	44,000.00	87,000.04	52,000.00
H. Coppens d'Eeckenbrugge	73,000.04	38,000.00	83,500.04	48,500.00
Mrs. P. Mateos-Aparicio Morales	73,000.04	38,000.00	27,389.80	14,500.00
Mrs. E. du Monceau	73,000.04	38,000.00	70,500.04	35,500.00
Y-T. de Silguy	69,000.04	34,000.00	65,000.04	30,000.00
Mrs. A. Moraleda			40,610.24	18,500.00
Mrs. F. de Viron			40,610.24	18,500.00
	<b>1,516,768.20</b>	<b>570,500.00</b>	<b>1,366,000.52</b>	<b>591,000.00</b>

(1) Until May 8, 2012.

(2) From May 9, 2012.

(3) Until May 10, 2012.

(4) Effective May 11, 2012.

## 6.4 Amount of compensation and other benefits granted directly or indirectly to the Chairman of the Executive Committee

The base salary of the Chairman of the Executive Committee remained at € 1 million in 2013. The Annual Incentive target was set at 100% of such base salary, with a maximum of 150%. In accordance with the Group compensation policy, Long Term Incentives are composed of a 50/50 mix of stock options and so-called Performance Share

Units. In 2013, such grant amounted to € 1.5 million. The Chairman of the Executive Committee does not receive shares as part of his compensation package. In the area of extra-legal pension rights, given his self-employed status in Belgium, he has his own separate contractual regime, with pension, death-in-service and disability rules.

### Compensation and other benefits granted to the Chairman of the Executive Committee until May 10, 2012. (C. Jourquin)

In €	2012	2013
Base compensation	279,817	
Variable compensation	0	
Pension and death-in-service and disability coverage (costs paid or provided for)	0	
Other compensation components <sup>(1)</sup>	5,641	

### Compensation and other benefits granted to the Chairman of the Executive Committee effective May 11, 2012. (J-P. Clamadieu)

In €	2012	2013
Base compensation	640,000	1,000,000
Variable compensation	775,467	1,100,000
Pension and death-in-service and disability coverage (costs paid or provided for)	309,750	626,274
Other compensation components <sup>(1)</sup>	4,650	46,927

<sup>(1)</sup> Company vehicles, correction of 2012 Base Compensation.

## 6.5 Global amount of compensation and other benefits granted directly or indirectly to the other members of the Executive Committee by the Company or an affiliated company

### Compensation and other benefits granted to the other members of the Executive Committee

In €	2012 <sup>(2)</sup>	2013 <sup>(3)</sup>
Base compensation	3,207,214	2,502,169
Variable compensation	2,630,344	1,646,328
Pension and death-in-service and disability coverage (costs paid or provided for)	697,382	1,164,234
Other compensation components <sup>(1)</sup>	81,328	82,172

(1) Representation allowance, luncheon vouchers, company car, housing allowance,...

(2) J.-P. Clamadieu (until May 10, 2012), B. de Laguiche, J. van Rijckevorsel, V. De Cuyper, J.-M. Mesland, R. Kearns, G. Auffret.

(3) B. de Laguiche (until September 30, 2013), J. van Rijckevorsel, V. De Cuyper, R. Kearns, G. Auffret, K. Hajjar (from October 1, 2013).

Variable compensation consisted of an annual incentive based on the performance achieved towards pre-set collective Group performance objectives, the performance of the manager as measured against a set of pre-determined objectives and Group Sustainable Development.

The law (Art. 520 ter of the Companies' Code) provides that from 2011 onwards, in the absence of statutory provisions to the contrary or express approval by the General Meeting of Shareholders, at least one quarter of the variable compensation of Executive Committee members must be based on predetermined criteria of performance that are objectively measurable over a period of at least two years, and another quarter at least should be based on predetermined performance criteria that are objectively measurable over a period of at least three years.

The compensation policy has been reviewed in 2012. The new compensation policy set out in Annex 2 came into effect in 2013 and is in full compliance with Article 520 ter of the Companies' Code.

Executive Committee members receive stock options and performance share units as explained below. They do not, however, receive shares as part of their compensation packages.

Executive Committee members' expenses, including those of its Chairman, are governed by the same rules as apply to all Group management staff, that is the justification of all business expenses, item by item. Private expenses are not reimbursed.

In the case of mixed business/private expenses (like cars), a proportional rule is applied in the same way as to all management staff in the same position.

In the area of insurance, the Company subscribes the same type of cover for Executive Committee members as it does for its senior managers.

Pensions and retirement and death-in-service coverage for Executive Committee members are based in principle on the provisions of the schemes applicable to senior executives in their base countries.

The pensions and death-in-service coverage of Messrs. Clamadieu and Auffret reflect the conditions they had at Rhodia. In the case of Mr. Clamadieu these take the form of a formal undertaking by Solvay.

## 6.6 Stock options and Performance Share Units

In 2013, the Board of Directors, on the proposal of the Compensation Committee, allotted stock options to around 75 Group senior executives. The exercise price amounts to € 111.01 per option, with a three-year vesting period. Executive Committee members together were granted 97,490 options in 2013, compared with 174,427 in 2012.

In combination with the stock option plan and for the first time, the Board of Directors granted Performance Share Units (PSU) to around 450 Group Executives, for a possible pay-out in 3 years time if pre-set performance objectives are met. Executive Committee members together were granted 19,778 PSU in 2013.

### STOCK OPTIONS AND PSU ALLOTTED IN 2013 TO EXECUTIVE COMMITTEE MEMBERS

Country	Name	Function	Number of options	Number of PSU
Belgium	Clamadieu, Jean-Pierre	Chairman of the Executive Committee	35,178	7,136
Belgium	de Laguiche, Bernard	Member of the Executive Committee	11,726	2,379
Belgium	van Rijckevorsel, Jacques	Member of the Executive Committee	11,726	2,379
Belgium	De Cuyper, Vincent	Member of the Executive Committee	11,726	2,379
Belgium	Kearns, Roger	Member of the Executive Committee	11,726	2,379
France	Auffret, Gilles	Member of the Executive Committee	15,408	3,126
<b>TOTAL</b>			<b>97,490</b>	<b>19,778</b>

### STOCK OPTIONS HELD IN 2013 BY EXECUTIVE COMMITTEE MEMBERS

Country	Name	Held at 31/12/2012	Granted in 03/2013	Exercised in 2013	Options Expired in 2013	31/12/2013		
						Held	Exercisable	Non exercisable
Belgium	Clamadieu, Jean-Pierre	61,266	35,178	0	0	96,444	0	96,444
Belgium	de Laguiche, Bernard (until 30/09/2013)	120,000	11,726	23,760	0	107,966	56,240	51,726
Belgium	van Rijckevorsel, Jacques	114,000	11,726	35,000	0	90,726	43,000	47,726
Belgium	De Cuyper, Vincent	92,000	11,726	26,500	0	77,226	31,500	45,726
Thailand	Kearns, Roger	76,500	11,726	8,000	0	80,226	38,500	41,726
France	Auffret, Gilles	29,161	15,408	0	0	44,569	0	44,569
<b>TOTAL</b>		<b>492,927</b>	<b>97,490</b>	<b>93,260</b>	<b>0</b>	<b>497,157</b>	<b>169,240</b>	<b>327,917</b>

## 6.7 Most important provisions of their contractual relationships with the Company and/or an affiliated company, including the provisions relating to compensation in the event of early departure

Executive Committee members, including the Chairman, have directorships in Group subsidiaries as a function of their responsibilities.

Where such directorships are compensated, they are included in the amounts given above, regardless of whether the position is deemed to be salaried or undertaken on a self-employed basis under local legislation.

No Executive Committee member, including the Chairman, will benefit from any departure indemnity linked to the exercise of their office. If their service ends early, only the legal system applies.

Mr. Jean-Pierre Clamadieu's contract includes a 24-month non-competition clause, but with no more than 12 months' pay.

On September 30, 2013, Mr. Bernard de Laguiche left the Executive Committee without departure indemnity.

On December 31, 2013, Mr. Gilles Auffret left the Executive Committee, for retirement, without departure indemnity.

Executive Committee members' contracts do not contain a clause providing a right of claw-back of variable compensation in case of erroneous financial information.

## 7 Chairmen's roles in achieving coordination between the Board of Directors and the Executive Committee

The Chairman of the Board of Directors and the Chairman of the Executive Committee work together, through constructive dialogue and frequent exchanges, to harmonize the work of the Board of Directors (including its Committees) with that of the Executive Committee.

The following measures have been introduced to achieve this:

- the two Chairmen meet as often as is necessary on matters of common interest to the Board of Directors and the Executive Committee;
- the Chairman of the Board of Directors and the Executive Committee meet every month to discuss financial reporting;
- the Chairman of the Board has access to all information necessary to exercise his functions;
- the Chairman of the Executive Committee is a member of the Board of Directors, where he presents the Executive Committee's proposals.

## 8 Main characteristics of risk management and internal control systems

The Solvay group has set up an internal control system designed to provide a reasonable assurance that (i) current laws and regulations are complied with, (ii) policies and objectives set by the Company are implemented, (iii) financial and non-financial information is reliable, and (iv) internal processes are efficient, particularly those contributing to the protection of its assets.

This system has five components: the control environment, a risk assessment process, control activities, the information and communication systems, including the disclosure of financial information, and the internal control monitoring.

### 8.1 The control environment

Our control environment is made up of various elements such as:

- a Code of Conduct that acts as a reference framework for the Group;
- a management philosophy expressed in our Management and People Models;
- a clear organizational and hierarchical structure supported by job descriptions linked, where appropriate, to delegations of power;
- and management bodies (Board of Directors and Committees, Executive Committee, etc.), the workings of which are described in this Corporate Governance Statement.

### 8.2 The risk assessment process

Taking calculated risks while remaining in compliance with laws, regulations and the Code of Conduct is an inherent aspect of the business and industrial activities of the Solvay group. The Enterprise Risk Management (ERM) policy states that the Group will identify, quantify, assess and manage all potentially significant business risks and opportunities by applying systematic risk management integrated with strategy, business decisions and operations. Enterprise Risk Management is seen as an essential management tool and aid in making the decisions needed to achieve the Company's short-, medium- and long-term objectives.

The Internal Audit & Risk Management department (IA/RM) is in charge of setting up a global and consistent system of risk management across the Group.

Solvay has adopted the FERMA reference framework for risk management. This framework structures the process of risk management in following phases, taking into account the organization's strategic objectives:

- risk analysis (identification, quantification and evaluation),
- decision on how to manage the material risks,
- implementation of risk management actions,
- monitoring.

More information on this topic can be found in the "Risk Management" section of this annual report, in particular with regard to the Group's main risks and the actions taken to avoid or reduce them.

## 8.3 Control activities

Management is responsible for internal control in operations.

Control activities are set up in proportion to the stakes inherent in each relevant process.

With regard to the controls on financial data, these controls are implemented all along the reporting process: the financial elements are consolidated monthly and analyzed at every level of responsibility of the Company (such as, for example, the local finance manager, the controller and the management of the activity in question, Group

Accounting and Reporting and the Executive Committee) and in various ways such as, for example, variance analysis, plausibility and consistency checks, ratio analysis and comparison with forecasts. The results are also validated quarterly by the Audit Committee, taking into account the work carried out by the external auditor.

The monitoring of financial data is supported by the use of common ERPs, by an organization based on major financial processes that are managed centrally and integrated, where appropriate, in the Shared Services Centers, and by application of uniform procedures.

## 8.4 Information and communication

The Audit Committee is in charge of monitoring the effectiveness of internal control systems. It supervises the work of the Internal Audit Group with regard to financial, operational, and compliance monitoring. In particular, it verifies the scope, programs and results of the internal audit work and ensures that its recommendations are properly implemented. The Mission Statement of the Audit Committee is given in Appendix 1 to this Corporate Governance Statement.

The Internal Audit Group Service assesses independently the effectiveness of the internal control system. Internal Audit's mission covers in particular the following areas:

- risks, including fraud, are identified and managed;
- operational, management and (material) financial information is reliable;
- the actions of the employees are in line with the Group's policies, standards and procedures.

The internal audit assignments are planned and defined in terms of content on the basis of a risk analysis; the controls focus on the areas perceived as having the highest risks. All the entities within the Group are visited by Internal Audit at least every three years.

The recommendations of the Internal Audit Group Service are implemented by management.

Other entities carry out activities of the same type in very specific areas. For example:

- the Health Safety & Environment Group Service carries out health, safety, and environmental audits;
- the Organization, Design & Performance Group Service carries out management systems audits (e.g. Quality Management);
- the Legal and Compliance Group functions support the various audit activities of the Group to ensure that prevailing legislation is complied with and applied correctly. In particular, the Ethics and Compliance Group Service controls the implementation and enforcement of the Group's Values and Code of Conduct, intervening in case of potential infringement.

An Ethics Helpline, managed by a third party, is progressively being made available to employees to enable them to report potential violations in a confidential manner.

## 8.5 Internal control monitoring

The Solvay group publishes quarterly results. Publication of these results is subject to various checks and validations carried out in advance.

- Publication is carried out under the supervision and control of the Executive Committee.

- The Audit Committee validates it, in particular ensuring that the IFRS accounting principles are complied with and that it gives a fair and relevant picture of the business of the Group.
- The Finance Committee finalizes its preparation.
- The Board of Directors approves it.

## 9 External audit

The audit of the Company's financial situation, its financial statements and the conformance of the statements with respect to the Companies' Code and the by-laws, and of the entries to be recorded in the financial statements, is entrusted to one or more auditors appointed by the Shareholders' Meeting from among the members, either physical or legal persons, of the Belgian Institute of Company Auditors.

The mission and powers of the auditor(s) are those set by the law.

The Shareholders' Meeting sets the number of auditors and fixes their emoluments in accordance with the law. Auditors are also entitled to reimbursement of their travel expenses for auditing the Company's plants and administrative offices.

The Shareholders' Meeting may also appoint one or more alternate auditors. Auditors are appointed for three-year renewable terms, which

may not be revoked by the Shareholders' Meeting other than for good reason.

The audit mandate of Deloitte Réviseurs d'Entreprises SC s.f.d. SCRL has been renewed at the Ordinary Shareholders' Meeting of 2013 for three years.

Deloitte Réviseurs d'Entreprises SC s.f.d. SCR is represented by Mr. Eric Nys. Mr. Frank Verhaegen has been appointed by the Ordinary Shareholder's Meeting of 2013 as alternate representative of Deloitte Réviseurs d'Entreprises SC s.f.d. SCRL for the same duration.

The yearly audit fees are € 1,146,300. They include the audit of the statutory accounts of Solvay SA as well as the audit of the Group consolidation.

## 10 Code of Conduct

The Solvay Code of Conduct sets out how Solvay wishes to carry out its business and how it wishes to interact with all its stakeholders in an ethical and compliant manner. It is based on a strong tradition of values that are historically ingrained in the Group's culture. This Code applies to every Solvay employee wherever Solvay operates or conducts its business.

The Solvay Code of Conduct provides general guidance to all employees about how to behave in the workplace, in Solvay's businesses and while representing Solvay in their communities. It is not an exhaustive document anticipating every situation employees may face in their day-to-day business. Rather, the Code highlights the guiding principles that form the basis of the Group's policies.

The Code of Conduct is part of the Group's constant effort to maintain and strengthen trust both among all its employees and between the Group and its partners, including its employees, their representatives, shareholders, customers and suppliers, government agencies and all other third parties.

To obtain the widest possible involvement of all employees in implementing the Code, the Group will continue to promote a rich and balanced social dialogue between senior management and social partners.

The Solvay group takes various measures to ensure that the Code is applied, including targeted training programs, in order to minimize

the danger of violation: and there are provisions for clear sanctions where necessary.

The Legal & Compliance function under the authority of the Group General Counsel, contributes to or enhances the compliance culture. The Ethics and Compliance department has the more specific objective of strengthening a culture based on ethics and on compliance with the Solvay Values and Code of Conduct.

Compliance Officers have been appointed in all four geographic zones where the Group is active. These are assisted by a network of experienced employees tasked, in addition to their other responsibilities, with supporting activities in this area.

The Group encourages its employees to take up any difficulty or question relating to the application of the Code of Conduct with superiors or other identified interlocutors (Compliance Officers, legal staff, human resources).

It is also progressively introducing the opportunity, on a worldwide basis, of turning to an Ethics Helpline in the form of an external service to voice any difficulties or pose questions in complete confidence. The Ethics Helpline is managed in accordance with applicable legislation and in particular the laws governing data protection.

In the joint ventures, Board representatives make every effort to have rules adopted that are in line with the Group's Code of Conduct.

## 11 Preventing insider trading

The Group has established a policy for preventing insider trading, and a manual containing strict rules of confidentiality and non-use of “inside information” for both regular and occasional insiders. This policy and manual have been widely circulated within the Group.

The interpretation and oversight of compliance with these rules are entrusted to a Transparency Committee composed of the Group Corporate Secretary (Chairman), who is also Group General Manager Communication, the Chief Financial Officer, the Group General Counsel and the Group General Manager Human Resources. In particular, this Committee advises the Board of Directors, the Executive Committee and any employee confronted with a difficult situation.

This policy is applied equally by the Executive Committee and the Board of Directors.

Moreover, in conformity with the law of August 2, 2002, persons exercising managing responsibilities within the Group, and persons who are closely related to them, that is:

- the members of the Solvay SA Board of Directors;
- the members of the Executive Committee;
- the Corporate Secretary;
- the Group General Manager Human Resources; and
- the Group General Counsel;

have been informed and are regularly reminded of their obligation to declare to the Financial Services and Markets Authority every transaction involving Solvay shares.

## 12 Internal organization of the Solvay group

The internal organization of the Solvay group is described on page 22 of this annual report.

## 13 Relations with shareholders and investors

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### 13.1 Performance of the Solvay share

Solvay shares are dually listed on NYSE-Euronext Brussels – the primary listing – and, since January 2012, on NYSE-Euronext Paris under the unique mnemonic code of SOLB. Furthermore, Solvay joined the CAC 40 stock index on September 21, 2012. Both these events reflect the Group’s long history in France as well as its economic weight.

On December 31, 2013, its price was € 115.0, as against € 108.6 at the end of 2011. During 2012, the average price was € 110.0 and the highest price was € 118.9 (May 7, 2013).

Average daily trading volume as reported by Euronext was 213,237 shares in 2013, compared with 304,000 shares in 2012.

## 13.2 Active financial communication

Throughout the year the Investor Relations team has endeavored to communicate in a timely and effectively manner with, and present financial and strategically relevant facts about and developments concerning Solvay to various investor groups, equity and credit analysts and other stakeholders, on a worldwide basis. To that end, in the course of the year, the Investor Relations team members have held regular contacts with financial analysts and institutional and retail investors, including updates with facts regarding financial and strategic trends and have organized selected presentations, visits and roadshows.

The Group is very attentive to the equal treatment of all shareholders.

The Group's communication policy is to disseminate, as soon as reasonably possible, information that is of material interest to the market in the form of press releases and/or press conferences and public presentations available in the Group internet website.

Solvay SA

Investor Relations

Rue de Ransbeek, 310

B-1120 Brussels (Belgium)

e-mail: [investor.relations@solvay.com](mailto:investor.relations@solvay.com)

Internet: [www.solvay.com](http://www.solvay.com)

## 13.3 Individual investors

For many years the Group has maintained very close relations with individual investors both by taking part in fairs and conferences and by providing regular information on the life of the Group (press releases, the annual report, etc.) on request.

In 2013, the Solvay group actively continued its meetings with individual investors in Belgium and developed new initiatives in France.

By way of example:

- in April 2013, Solvay took part in an "Investors' Event" organized in Antwerp by the Netherlander federation of Investments Clubs and Investors, VFB (Vlaamse Federatie van Beleggingsclubs en Beleggers) and attended every year by more than 1,000 participants. On this occasion, Solvay's CFO presented the Group in the presence of about 400 individual investors;

- in June 2013, Solvay's participation in the "Finance Day" in Brussels organized by the Belgian magazine MoneyTalk offered a further opportunity to meet individual shareholders;
- in September 2013, Solvay took part in the retail investors full day event in Paris *Le Village des Actionnaires* attended by 1,300 participants. In addition to individual interviews with a member of the investor relations team, two conferences were held, one on the theme of innovation as an asset in the international competition in the presence of Solvay's CEO, Jean-Pierre Clamadiou, and the second on the solar airplane Solar Impulse, in the presence of the Director of the Partnership Solvay-Solar impulse, Claude Michel.

Furthermore, on the occasion of the 150<sup>th</sup> anniversary of the Group, three performances of the show "Odyseo The Chemistry of Dreams" were given in the presence of shareholders, totalling 3,000 participants.

## 13.4 Roadshows and meetings for institutional stakeholders

Roadshows and meetings with senior Group managers are organized regularly for international financial professionals (analysts, portfolio managers, press, etc.). Solvay is also developing an active dialogue on its sustainability policy and parameters and multiplies the opportunities of interaction with investors concerned with Corporate Social Responsibility (CSR) values.

In 2013, more than 600 total contacts were established at meetings and events organized in Europe (Brussels, London, Paris, Frankfurt,

Geneva, Zurich, Edinburg, Dublin, Amsterdam, Luxembourg, Stockholm, etc.) and the United States.

Furthermore, on November 27, 2013, Solvay held its Capital Markets Day in London, attended by 90 participants onsite and 120 by live video webcast. During this full-day event, Solvay's senior management confirmed its strategic vision and announced its new ambition for 2016.

Conference telephone calls with management are also systematically organized, every quarter, to comment on Group results.

### 13.5 A specific internet site

Dedicated internet pages, [www.solvay.com/en/investors](http://www.solvay.com/en/investors), provide shareholders and investors with the latest published financial and strategic information from the Group. In 2013, the site has been completely redesigned providing enriched and valuable services. Furthermore, it is henceforth available in three languages – English, French and Dutch. Based on responsive design, it offers an optimal viewing experience on any devices.

It continues to provide useful contacts with sell-side analysts who closely track the Group. It further offers the opportunity to join the Investors' Club in order to receive email notifications in the three languages concerning information of various kinds: agendas of meetings, including the annual Shareholders' Meeting, by-laws amendments, special reports of the Board of Directors, publication of the annual report, unconsolidated parent company accounts, payment of dividends, etc.

→ Solvay share prices and trading volumes from January 1, 2012 to December 31, 2013



→ The Solvay share compared with indexes from January 1, 2012 to December 31, 2013



## Annex 1

# 14 Audit Committee Mission Statement

## 1 Members

The Audit Committee consists of a Chairman and at least two other members, all three of whom are non-executive directors and at least two of whom are independent directors.

The members of this Audit Committee are competent in this area through training and experience acquired in their previous positions.

## 2 Guests

The Audit Committee invites the following persons to report to its meetings:

- a) the Chief Financial Officer;
- b) the Head of the "Internal Audit and Risk Management" Department;
- c) a representative of the Group's statutory auditor.

## 3 Frequency of meetings

The Audit Committee meets at least four times a year prior to the publication of the annual, semiannual and quarterly results. Additional meetings may be organized to discuss and agree on the scope of audit plans and on audit costs, and to discuss other important questions relevant to its mission.

## 4 Main tasks of the Audit Committee

- a) The Audit Committee ensures that the annual report and accounts, the periodic financial statements and all other important financial communications by the Group conform to generally accepted accounting principles (IFRS for the Group, Belgian accounting law for the parent company). These documents should provide a fair and relevant view of the business of the Group and of the parent company and meet all legal and stock-market requirements.
- b) The Audit Committee regularly examines the accounting strategies and practices that are applied in preparing the Group's financial reports, making sure that these conform to good practices and meet the requirements of the appropriate accounting standards.

- c) The Audit Committee regularly examines the scope of the external audit and the way it is implemented across the Group.

The Audit Committee studies the recommendations of the external audit and the auditor's report to the Board of Directors.

- d) The Audit Committee monitors the effectiveness of the Group's internal control systems, and in particular the financial, operational and conformity controls, along with risk management. The Audit Committee also satisfies itself that the electronic data processing systems used to generate financial data meet the applicable standards.

- e) In respect of the internal audit, the Audit Committee verifies the scope/programs/results of the work of the internal audit department and makes sure that the internal audit organization has the necessary resources.

The Audit Committee checks that internal audit recommendations are properly followed up.

- f) The Audit Committee verifies and monitors the independence of the external auditor, in particular concerning supplementary services requested from the auditor outside its legal mission. In this respect, it is the Audit Committee that proposes the external auditor to the Board of Directors, which will transmit the candidacy for approval and appointment (including remuneration) by the Ordinary Shareholders' Meeting.

Additionally, on a proposal from the Chief Executive Officer and the Chief Financial Officer, the Audit Committee participates in the choice of head of the Internal Audit and Risk Management Department.

- g) The Audit Committee examines areas of risk that can potentially have a material effect on the Group's financial situation. These include, for example, foreign-exchange risk, major legal disputes, environmental questions, product-liability issues, etc.

During such examination, the Audit Committee examines the procedures in place to identify these major risks and to quantify their potential impact on the Group and the way the control systems work.

## 5 Minutes

As a Committee of the Group's Board of Directors, the Audit Committee prepares minutes of each of its meetings and submits them to the Board.

## Annex 2

# 15 Compensation policy for General Managers

To assess relevant competitive practice, Solvay takes as its frame of reference a selection of European chemical and industrial manufacturing companies with international operations and annual sales revenues and headcount reasonably close to its own. The composition of this group is reviewed on a periodic basis to assure that it continues to reflect the Company's strategic orientation.

For executives with a non-European home country and who are based outside Europe, the home country practice (ideally weighted towards the chemicals sector) constitutes the reference. For data relating to the international market, the services of internationally recognized compensation consultants are retained.

Solvay's objective is to provide total compensation levels that are at or around the median of the chosen reference market for normal performance and close to the upper quartile level of the market in case of outstanding collective and individual performance.

The compensation of the General Managers comprises the Base Salary (reviewed on an annual basis), Annual Incentives, Long Term Incentives and Other Benefits.

In 2012, the Group has reviewed its compensation policy to better align Annual Incentives and Long Term Incentives to market practices and reinforce the link between variable pay and business performance. The new compensation policy effective as of 2013, covers the Executive Committee members, the General Managers and the Heads of large Global Business Units.

## Compensation Policy

The compensation policy is composed of Short Term Incentive (STI) plan providing for annual bonus linked to the Group business performance and Long Term Incentive (LTI) plan to introduce a link with the global Group performance.

## Short Term Incentives (STI)

STI are partly linked to the Group performance and partly linked to individual performance.

The target annual incentive ranges, according to position level, from 50% (General Managers and Heads of large GBUs) to 60% (members of the Executive Committee) of base salary. The target short-term incentive consists of 3 components weighted as follows:

- 30% depending on the individual performance of the manager as measured against a set of pre-determined objectives, approved, for Executive Committee members by the Board of Directors;

- 60% linked to the actual performance achieved towards pre-set collective Group performance objective;
- 10% related to a Group Sustainable Development indicator.

The actual annual incentive can vary from 0% in case of poor performance up to 200% of target in case of outstanding collective and individual performance.

## Long Term Incentives (LTI)

The Long Term Incentives consist of a 50/50 mix of Stock Options (SOP) and Performance Share Units (PSU).

With respect to stock options, the budget allocated is targeting upper market level, and the number of SOP allocated is not pre-defined, but derives from the fixed budget, considering the fair value of the SOP (according to the Monte Carlo Model) at grant date.

The PSU plan, settled in cash, provides for a possible pay-out in 3 years time if pre-set performance objectives are met (REBITDA, CFROI), with a +/-20% adjustment depending on the actual performance versus the initial pre-set objective. The minimum pay-out can vary between 0 (if the minimum performance required or "threshold" is not met), 80% if the performance minimum "threshold" is met up to 120% for a performance exceeding a pre-defined ceiling performance.

In its sole discretion the Executive Committee (or the Board of Directors for the Executive Committee members) may decide/recommend individual grants of + or -50% of the target to reward special or unique achievements or circumstances or to acknowledge insufficient performance, while respecting the 50/50 split between SOP and PSU grants.

Each annual LTI plan is subject to prior Board approval.

In its sole discretion, the Executive Committee (or the Board of Directors for Executive members) assesses the achievement of the targets and the Executive Committee (or the Board of Directors for Executive members) may also re-evaluate the targets in case of material change of perimeter or other unexpected circumstances.

## Other benefits

The General Managers are entitled to retirement, death-in-service and disability benefits, as a rule, on the basis of the provisions of the plans applicable in their home country. Other benefits, such as medical care

and company cars or car allowances, are also provided according to the rules applicable in the host country. The nature and magnitude of these other benefits are largely in line with the median market practice.

## Short Term and Long Term Incentives applicable from 2013

### SHORT TERM INCENTIVES – STI

Comex				Other General Managers & Heads of large GBUs			
Target STI in % of Base Salary	Split in 3 components			Target STI in % of Base Salary	Split in 3 components		
	Individual performance	Group performance	Sustainable Development indicator		Individual performance	Group performance	Sustainable Development indicator
60%	30%	60%	10%	50%	30%	60%	10%

Actual STI pay-out can vary between 0 and 200%, according to the level of individual or group performance achieved.

### LONG TERM INCENTIVES – LTI

	Comex	Other General Managers & Heads of large GBUs
Performance Share Units	Target Grant € 250,000	Target Grant € 200,000

The corresponding number of PSU is determined at grant date based on the fair value of the PSU.

Between 0% and 120% of granted PSU number depending on the actual achievement over a 3 years period of the pre-set Group performance targets.

	Comex	Other General Managers & Heads of large GBUs
Stock Options	Target Grant € 250,000	Target Grant € 200,000

The corresponding number of SOP is determined at grant date, based on the fair market value of the SOP.

- Each annual Long Term incentive plan is subject to prior approval by the Board of Directors.
- The Board of Directors may decide individual grants of +/-50% of the target to reward special achievements or circumstances or to acknowledge poor performance, while respecting the split 50/50 between SOP and PSU's grants.

### Notes

- 1) Excluding Mr. Clamadiou whose compensation is governed by specific agreements.
- 2) The Board of Directors assesses the achievement of the targets and may also re-evaluate the targets in case of material change of perimeter or other unexpected circumstances.

## **Rosemary THORNE**

Birth date : 12<sup>th</sup> February 1952.

Nationality : British

### **Education/Professional affiliations**

- BSc (Hons), Mathematics and Economics, University of Warwick (UK)
- Fellow, Chartered Institute of Management Accountants and Chartered Global Management Accountants
- Fellow, Association of Corporate Treasurers
- Companion, Chartered Management Institute

### **Professional Activities**

- 1974-1977 : Accountant at the BOC Group
- 1977-1986 : Group Financial Controller at Habitat Mothercare and Storehouse
- 1986-1990 : Finance Director and Company Secretary at Harrods
- 1990-1992 : Group Financial Controller at Grand Metropolitan
- 1992-1999 : Group Finance Director at J. Sainsbury
- 1999-2005 : Group Finance Director at Bradford & Bingley
- 2006-2007 : Group Finance Director at Ladbrokes

### **Non executive roles**

- 1997-1999 : Non-Executive Director of the Department fo Education & Employment (UK)
- 1998-2004 : Non-Executive Director Royal Mail Group
- 2004-2007 : Non-Executive Director of Cadbury Schweppes
- 2007-2008 : Senior Non-Executive Director of Virgin Radio Holdings
- since 2006 : Non-Executive Director and Chair Audit Committee of Santander UK
- since 2008 : Non-Executive Director and Chair Audit Committee of Smurfit Kappa Group

### **Other activities**

- 1996-2006 : Member of the Financial Reporting Review Panel (UK)
- 1998-2007 : Member of the Financial Reporting Council (UK)
- 2002-2008 : Member of the Council, University of Warwick (UK)
- 2006-2009 : Member of the Council, Royal College of Art (UK)

## Gilles MICHEL

Birth date : January 10, 1956.

Nationality : French

### Education

- Institut d'Etudes Politiques de Paris
- Ecole Nationale de la Statistique et de l'Administration Economique (ENSAE)
- Ecole Polytechnique

### Professional Activities

World Bank (Washington DC, USA)

- 1982-1986 : Industrial Economist

Compagnie de Saint-Gobain

- 1986-1989 : Vice President, Control and Strategic Planning, Industrial Ceramics Division
- 1989-1994 : Plant Manager, then General Manager, SEPR (a Saint-Gobain subsidiary, France)
- 1994-1997 : Vice President, Fused Cast Ceramics, Industrial Ceramics Division
- 1997-2000 : Chairman and CEO, Ball Foster Glass (a Saint-Gobain subsidiary, USA)
- 2000-2001 : President, Ceramics and Plastics Division  
Member of the Group Executive Committee

PSA Peugeot-Citroën

- 2002-2007 : Executive Vice President, Platforms, Engineering and Purchasing  
Member of the Group Executive Committee
- 2007-2008 : Executive Vice President of Automobiles Citroën  
Member of the PSA Peugeot Citroën Managing Board

Fonds Stratégique d'Investissement ("French Sovereign Fund", co-owned by French Government and Caisse des Dépôts et Consignations)

- 2009-2010 : CEO

Imerys (world leader of Industrial Minerals)

- since 2010 : President and CEO

### Non executive roles

- since 2012 : Independent Director of GML-I (holding company of privately owned GML Group – Mauritius)

**This document has been translated for information purposes only. Whilst every effort has been made to ensure that the English version is a faithful and accurate translation of the French/Dutch text, only the latter is a legally valid document.**

## EXPLANATORY NOTE

### **EXTRAORDINARY SHAREHOLDERS' MEETING**

**May 13, 2014**

This note was prepared in application of article 533 bis §2 d) of the Code of Companies and contains explanations for each of the items listed on the agenda for the Extraordinary Shareholders' Meeting.

For more detailed information about the Meeting and the applicable formalities, please refer to the text of the convocation that can also be found on Solvay's internet site.

#### Report to the Board of Directors

The Board of Directors has drawn up a report on the by-laws changes proposed to the Extraordinary Shareholders' Meeting on May 13, 2014.

This document can be found on Solvay's internet site and has been communicated to shareholders.

This is required for communication purposes only and does not require adoption of a decision.

#### Changes in the By-laws

1. Article 1

It is proposed to replace the text of this article by the text below:

*"The company, constituted in the form of a limited liability company on December 26, 1863, is in the form of a corporation. Its legal name is "SOLVAY." It is a corporation making or having made a public offering.*

2. Article 6

Due to the disappearance of bearer shares, it is proposed to replace the text of this article by the text below:

*"§1. These eighty-four million, seven hundred one thousand and one hundred thirty three (84,701,133) shares without par value are entirely liberated. They are*

*dematerialized or registered as permitted by the law. Their holder may, at any time, request conversion of the shares into dematerialized shares (at the holder's cost) or into registered shares (without charge).*

*§2. The dematerialized share is represented by entry in the name of the owner or of the holder through a recognized account holder or a clearing organization.*

*The registered share is represented by entry in the company's register of registered shares held at the corporate headquarters. Any shareholder may consult the register with regard to his/her shares."*

3. Article 7

To reflect the elimination of type C shares, it is proposed to delete this article.

4. Article 9

For the same reason, it is proposed to delete this article.

5. Article 10

It is proposed to replace the text of the **third and fourth paragraphs** of this article by the following text:

*"Barring decision to the contrary by the shareholders' meeting, taken upon the conditions required for modifications to the by-laws, the new shares to be subscribed in cash are offered by preference to shareholders of old shares, regardless of type and degree of liberation, prorata based on the proportional ownership of these shareholders of the capital stock; the Board of Directors proposes to the General shareholders' meeting the conditions on and prices at which the new shares may be offered by preference to these shareholders.*

*During each increase in capital, the Board of Directors may conclude, under conditions that it judges proper, any agreements in order to ensure subscription of any or all of the new shares to be issued."*

6. Renewal of authorizations for the acquisition and disposal of own shares

6.1. Article 10 ter

It is proposed to renew the authorization set forth in article 10 ter for another three-year period starting with the date of publication in the Annexes to the Belgian Gazette (*Moniteur belge*) of the decision to be made by the Extraordinary Shareholders' Meeting and to therefore replace the date of May 10, 2011 in the text of the **first paragraph** of this article by the date of May 13, 2014.

6.2. Article 10 quater

It is proposed to renew the authorization granted in article 10 quater, for another five-year period, starting with the date of publication in the Annexes of the Belgian Gazette (*Moniteur Belge*) of the decision to be made by the Extraordinary Shareholders' Meeting and to show the price range from 20 EUR to 200 EUR and to therefore

replace the text of the **first and second paragraphs** of this article by the following text:

*"1° The Board of Directors is authorized to acquire shares of the company for a five-year period starting on the date of the General Shareholders' meeting on May 13, 2014, up to a maximum of sixteen million, nine hundred forty thousand (16,940,000) shares, at a unit price between twenty euro (20 EUR) and two hundred euro (200 EUR).*

*2° The shares thus acquired may, without prior authorization of the General Shareholder's meeting, be alienated by the Board of Directors under conditions that it determines, in conformity with the law."*

7. Article 11

It is proposed to replace the text of the **fifth and sixth paragraphs** of this article by the text below:

*"In addition, the Board of Directors has the right, one month after sending to the defaulting shareholder a notice by certified mail or by a process server, to sell the shares for which the called payments have not been made, without prejudice of the right to claim from the defaulting shareholder the balance due, as well as any possible damages and interest."*

8. Article 13

It is proposed to replace the text of the **second paragraph** of this article by the following text:

*"They must, for exercise of their rights, refer to the current by-laws, to the annual accounts and to the decisions of the General Shareholders' Meeting and the Board of Directors."*

9. Article 13 bis

It is proposed to replace in the **first paragraph** of this article the words "*Commission Bancaire Financière et des Assurances*" [*Banking, Finance and Insurance Commission*] by the term "*FSMA*".

10. Article 19

It is proposed to clarify and update the formulation for delegation of daily management and for powers delegated to the Executive Committee and to replace the text of this article by the following text:

It is proposed to replace the text of this article by the following text:

*"The Board of Directors elects from among its members a Chairman.*

*The Board of Directors may delegate daily management of the company, as well as representation of the company regarding such management, to an Executive Committee and/or to one or more Board Members who are members of the Executive*

*Committee, acting separately. The Board of Directors may delegate complementary powers to the Executive Committee. The members of the Executive Committee may be Board members or not. Each of the members of the Executive Committee is appointed by the Board of Directors. The Chairman of the Committee is appointed by the Board of Directors from among the members of the Board of the company.*

*In addition, the Board of Directors creates consultative committees under article 522 of the Code of Companies, and especially the Audit Committee as described in article 526 bis of the Code of Companies, with, among other things, the missions contemplated by such article.*

*The Board determines the powers attached to the functions, delegations and mandates set forth in the preceding paragraphs. It may revoke them at any time.*

*The Board of Directors and the Executive Committee, as well as the Board member(s) in charge of daily management may, in the framework of their powers, also confer special and specific powers to one or more people at their choice.*

*The holders of special powers may partially delegate their powers to one or more people for whom they assume responsibility by derogation from article 1994, art.1 of the Civil Code.”*

11. Article 20

Due to the proposal for deletion of the function of Vice-Chairman of the Board of Directors, it is proposed to delete in the **first paragraph** of this article the words "*of a Vice-Chair or, in their absence.*"

12. Article 21

**12.1.** As a result of the proposal to eliminate article 9 from the by-laws, it is proposed to replace in the **second paragraph** of this article the words "*of articles 9 and 24*" by the words "*of article 24.*"

**12.2.** It is proposed to delete in the **third paragraph** of this article the word "*telegram.*"

13. Article 23

It is proposed to delete **paragraphs 2 to 10** of this article.

14. Article 24

It is proposed to specify that the Board decisions that must be made with a majority of three-quarters of votes deal only with major transactions, taking into account the current size of the Group. It is also proposed that the majority of three-quarters is based on the number of members present or represented on the Board of Directors.

Article 24 would be worded as follows:

It is proposed to replace the text of this article with the following text:

*"The Board of Directors, however, for actions that would substantially modify the activities of the company or its group must act by a majority of three-quarters of the votes of members composing the Board present or represented.*

*Actions that substantially modify the activities of the company or its group are considered to be: actions for investment, acquisition, shareholding, divestment or sale, in any form whatever, representing an enterprise value of at least two billion euros (2,000,000,000 EUR) or generating either sales of at least two billion euros (2,000,000,000 EUR), or a contribution to the group's operating results of at least two hundred fifty million euros (250,000,000 EUR)."*

15. Article 25

It is proposed to clarify the external representation of the company. Paragraph 1 aims to make the power of representation more flexible, while maintaining the base principle of a general representation by two Board members acting together, one of whom would be the Chairman of the Board of Directors or a member of the Executive Committee.

Paragraphs 2 and following aim to clarify the text regarding representation of the company for daily acts of management, powers delegated to the Executive Committee and in the framework of special powers.

Article 25 would be worded as follows:

It is proposed to replace the text of this article with the following text:

*"The company is represented, in its activities and at law, by two board members acting together, of whom one is the Chairman of the Board and/or a member of the Executive Committee. With respect to third parties, they need not demonstrate prior authorization from the Board of Directors.*

*The Executive Committee organizes representation of the Company in the framework of powers delegated to it by the Board of Directors.*

*The Board of Directors may, on the other hand, delegate to any other persons, whether or not chosen from the board, special powers to act on behalf of the company."*

16. Article 26

It is proposed to replace the text of this article by the following text:

*"The members of the Executive Committee are obligated to actively be involved in company affairs, without taking any positions that would prevent them from carrying out the duties inherent in the powers delegated to the Committee.*

*They may, however, administer companies and enterprises in which the company has an interest, and be involved in the same, considering that this activity is a company matter. Compensations, fixed fees or payments that they earn in this way must, except for exceptional circumstances evaluated by the General Shareholders' meeting, be*

*paid to the company or be imputed to the fees and benefits due to the interested parties.”*

17. Article 27

It is proposed to delete in the **second paragraph** of this article the words "*Vice-Chairman*" and the words "*members of the Executive Committee.*"

18. Article 33

It is proposed to replace the text of the **second paragraph** of this article with the following text:

*"It has the powers provided by law. It has the right to interpret these by-laws."*

19. Article 37

To reflect the disappearance of bearer shares, it is proposed to delete in the **first paragraph** of this article the words "*to the bearer or*" and the words "*filed with a financial agency or*".

20. Article 41

It is proposed to replace the text of this article by the following text:

*"Subject to legal restrictions, each share has the right to one vote."*

21. Article 42

Due to the proposal to eliminate the function of Vice-Chairman of the Board of Directors, it is proposed to delete from the **first paragraph** of this article the words "*a Vice-Chair or.*"

22. Article 46

It is proposed to delete this article, since it is a repetition of article 552 of the Code of Companies.

23. Renumbering of the article in the by-laws

Due to the numerous articles eliminated by past or present changes (articles 7 – 8 – 9 - 10bis – 16 – 31 - 46) and the existence of articles bis, ter or quater, it is proposed to renumber successively all of the articles in the by-laws from 1 to 51.

**SOLVAY Société Anonyme**  
**Corporate Headquarters: 31 rue de Ransbeek at 1120 Brussels**  
**Brussels, RPM 403.091.220**

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**EXPLANATORY NOTE**

**ANNUAL GENERAL SHAREHOLDERS' MEETING ON TUESDAY, MAY 13, 2014**

This note was drawn up in application of article 533bis, §2, d) of the Companies Code and contains explanations on each item listed on the agenda for the General Shareholders' Meeting.

For more information on the General Shareholders' Meeting and the applicable procedures, we refer you to the text of the convening notice of which can be found on Solvay's internet site.

1. Management Report on operations for 2013 including the Declaration of Corporate Governance and External Auditor's Report.

The Board of Directors drew up a management report on operations for the year 2013 – including the Declaration of Corporate Governance --, in which all legally required elements are addressed. The External Auditor has established his report without reservation.

The documents are available on the Solvay SA internet site. They were given to the registered shareholders and are also available on request.

This item is for communication only and does not require adoption of a motion.

2. Approval of the Compensation Report.

It is proposed to approve the compensation report found in chapter 6 of the Declaration of Corporate Governance.

The Code of Companies requires that the General Shareholders' Meeting approve the compensation report each year by a separate vote. This report describes, among other things, the compensation policy for Board members and members of the Executive Committee and provides information regarding their compensation.

3. Consolidated accounts from 2013 – External Audit Report on the consolidated accounts.

The consolidated accounts from 2013 were verified and approved by the Board of Directors. The External Auditor has established his report without reservation.

The documents are available on the Solvay internet site. They were given to the registered shareholders and are also available on request.

This item is for communication only and does not require adoption of a motion.

4. Approval of annual accounts from 2013 – Allocation of earnings and setting of dividend.

It is proposed to approve the annual accounts as well as the distribution of earnings for the year and maintain the gross dividend per entirely liberated share at 3.20 EUR, or 2.40 EUR net. After deduction of the prepayment of 1.3333 EUR gross paid on January 23, 2014, the balance of the dividend will amount to 1.8667 EUR gross, payable as of May 20, 2014.

A copy of the annual accounts is available on the Solvay internet site. They were given to the registered shareholders and are also available on request.

The Code of Companies requires that the General Shareholders' Meeting approve by a separate vote each year the annual accounts as well as distribution of earnings and setting of the dividend.

5. Discharge of liability to be given to Board members and to the External Auditor for operations for the year 2013.

It is proposed to discharge the liability for the Board members and for the External Auditor working in 2013 for the operations relating to this fiscal year.

In conformance with the Companies Code, the General Shareholders' Meeting must, after approval of the annual accounts, approve by special vote the discharge of liability for the Board members and for the External Auditor.

6. Board of Directors: Term Renewals – Nominations.

- a) The terms of Mr. Denis Solvay and Mr. Bernhard Scheuble, will expire at the end of this General Shareholders' Meeting.

It is proposed to reelect Mr. Denis Solvay and Mr. Bernhard Scheuble for a four-year term each as Board members. Their terms will expire at the end of the General Shareholders' Meeting in May 2018.

- b) It is proposed to confirm the designation of Mr. Bernhard Scheuble as independent Board members on the Board of Directors.
- c) It is proposed to designate Mrs. Rosemary Thorne as Board member for a four-year term in replacement of Mr. Jean-Martin Folz who does not renew his mandate. The mandate of Mrs. Rosemary Thorne will expire at the end of the General Shareholders' Meeting in May 2018.
- d) It is proposed to designate Mrs. Rosemary Thorne as independent Board member on the Board of Directors.
- e) It is proposed to designate Mr. Gilles Michel as Board member for a four-year term in replacement of Mr. Anton van Rossum who does not renew his mandate. The mandate of Mr. Gilles Michel will expire at the end of the General Shareholders' Meeting in May 2018.
- f) It is proposed to designate Mr. Gilles Michel as independent Board member on the Board of Directors.

Taking into consideration the advice of the Nomination Committee, the Board of Directors recommends the adoption of these resolutions by the General Shareholders' Meeting.

For more information regarding on the one hand, Mr. Denis Solvay and Mr. Bernhard Scheuble, we refer shareholders to chapter four of the Declaration of Corporate Governance and on the other hand regarding Mrs. Rosemary Thorne and Mr. Gilles Michel we refer shareholders to their curriculum vitae.

## 7. Miscellaneous.

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**In order to be admitted to the general meetings on 13<sup>th</sup> May 2014,  
SOLVAY SA must be in possession of this notice of attendance  
by 7<sup>th</sup> May 2014 at the latest**

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## **NOTICE OF ATTENDANCE**

I, the undersigned

currently owner of the above-mentioned shares in SOLVAY SA , on the date of registration, I advise the mentioned company of my intention to attend the Ordinary and Extraordinary General Meetings that will be held on Tuesday 13<sup>th</sup> May 2014 at 10:30 a.m., at the Solvay Corporate Headquarters, rue de Ransbeek 310 at 1120 Brussels, with all shares registered at the date of registration, on 29<sup>th</sup> April 2014 at midnight.

Signed at \_\_\_\_\_, on the \_\_\_\_\_ 2014.

Signature(s)

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Dear Shareholder,

Due to the fact that the quorum required by laws was not reached at the Extraordinary General Meeting held on April 7, 2014 the meeting was not able to deliberate validly on its agenda.

As a result, we have the honour of informing you, as a registered shareholder, that a second Extraordinary General Meeting will take place on Tuesday, May 13, 2014 after the Ordinary General Meeting, rue de Ransbeek 310, 1120 Brussels. This meeting will deliberate validly on the same agenda regardless of the number of shareholders present or represented.

The Ordinary General Meeting - to which you are also cordially invited - will take place at 10.30 a.m. on the same day. The agenda for the Ordinary General Meeting as well as the reports and the annual accounts relating to the financial year 2013 are also enclosed.

**IF IT IS NOT YOUR INTENTION TO ATTEND THE MEETINGS OR VOTE BY PROXY**

There is no procedure to be completed.

**PROCEDURES NECESSARY FOR ATTENDING OR VOTING BY PROXY AT THE SHAREHOLDERS' MEETINGS ON MAY 13, 2014**

**1) Holders of registered shares**

Admission to the General Shareholders' Meetings involves a twofold procedure: on the one hand, your shares will be submitted to a registration procedure entering them in the account of registered shares of Solvay SA on Tuesday April 29, 2014 at midnight and, on the other hand, you must confirm your desire to participate in the Shareholders' Meetings.

Only those people who are shareholders of Solvay SA as of midnight (Belgian time) on April 29, 2014 (hereafter called the "**registration date**") will have the right to participate and vote in the meetings on May, 13 2014, regardless of the number of shares held by the shareholders on the day of the general meetings.

If you wish to attend the meetings, you must sign and date the attached **PARTICIPATION NOTICE** so that it reaches us no later than the sixth day preceding the meetings, which is May 7, 2014.

If you do not plan to attend the meetings, you will find attached a **PROXY** form that you may choose to return, **duly completed and signed**. This proxy form will also have to reach us no later than May 7, 2014.

We ask that you send us your participation notice and, if you do not plan to attend, the proxy form. If you return the proxy form, you may attend the meetings in person, but without being able to vote since the proxy votes will have been counted in advance.

**2) Holders of dematerialized shares**

If you plan to attend the meetings, you will have to produce a statement from the authorized account holder or from the settlement organization that holds your share account, certifying the number of dematerialized shares registered in the name of the shareholder on the registration date, which is Tuesday April 29, 2014 at midnight, and for which you have indicated your desire to participate in the general meetings. The statement obtained for registration will have to reach Solvay SA no later than May 7, 2014.

For shareholders who would like to be represented at those meetings, proxy forms are available at the company's corporate headquarters and on the Solvay SA Internet site, as well as at the following financial institutions: BNP Paribas Fortis, ING and KBC. The properly **duly completed and signed** proxy forms will also have to reach Solvay SA no later than May 7, 2014. The shareholders who have declared their desire to participate in the meetings, by returning their proxy form may attend the meetings in person, but without being able to vote since their votes by proxy will have been counted in advance.

\* \* \*

These documents can be sent to Solvay SA, either by regular mail to the corporate headquarters, or by fax, or electronically to the e-mail address.

The designated proxy holder does not have to necessarily be a shareholder of Solvay SA. When the proxy holder is designated, the shareholder must be especially careful to avoid any potential conflicts of interest between him/herself and the proxy holder (see article 547bis §4 of the Code of Companies). This clause is aimed particularly at the Chairman of the General Shareholders' Meetings, the members of the Board of Directors, the members of the Executive Committee and generally the employees of SOLVAY SA, their spouses or legal partners and their relatives.

Under some conditions, one (or more) shareholder(s) holding (together) at least 3% of the share capital may request the addition of new items to the agendas and/or submit new motions for a resolution. Solvay SA should receive these requests no later than April 18, 2014 either by regular mail, by fax or by electronic mail. Should certain shareholders exercise this right, Solvay SA will send, no later than April 28, 2014, to shareholders by regular mail a final agenda and a completed proxy form and will also make these documents available on the Internet site.

If you have complied with the instructions for its admission to the meetings, you may also submit questions in writing to the Board of Directors regarding items on the agendas or report as well as the Auditor regarding his report. These questions must reach Solvay SA no later than May 7, 2014, either by regular mail to the address of its corporate headquarters, or by fax, or by electronic mail.

For complete information, all the documents attached to this convening notice are also posted on the Web site.

We draw your attention to the fact that the motions for resolutions will be submitted for electronic votes. Proxy votes will be counted in advance and systematically recorded for each point. It should be recalled that one share is equal to one vote.

It should be noted that if you are also a Solvac shareholder, you will be required to carry out the procedure for signing of attendance lists for Solvay and Solvac only one time. You will receive only one mailbox for the meetings of both companies as well as a single smart card showing, totally separated, the number of votes corresponding to the portfolio of shares involved. This is done for your convenience and simplification.

Finally please note that the signatures on the attendance list will begin being accepted as of 9:00 a.m. on May, 13 2014

We send you our best regards.

Nicolas Boël  
Chairman of the Board of Directors

Useful information:

- Solvay SA  
Assemblées Générales  
310, rue de Ransbeek  
1120 Brussels
- Fax: +32-(0)2.264.37.67
- e-mail: [ag.solvay@solvay.com](mailto:ag.solvay@solvay.com)
- site Internet: <http://www.solvay.com/en/investors/shareholders-meeting/index.html>

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**SOLVAY Société Anonyme**  
**Headquarters: 310 rue de Ransbeek at 1120 Brussels**  
**Brussels, RPM 403.091.220**

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Due to the fact that the quorum required by laws was not reached at the Extraordinary General Meeting held on April 7, 2014 the meeting was not able to deliberate validly on its agenda.

Therefore, a new Extraordinary General Meeting is convened, which will validly deliberate on the same agenda whatever the number of shares represented. It will take place on May 13, 2014 at the end of the Ordinary General Meeting

Shareholders are invited to attend:

1) **the *Ordinary* General Shareholder Meeting that will take place on Tuesday May 13, 2014, rue de Ransbeek 310, 1120 Brussels, with the following agenda**

1. Management Report on operations for 2013 including the Declaration of Corporate Governance and External Auditor's Report.
2. Approval of compensation report.

It is proposed to approve the compensation report found in chapter 6 of the Declaration of Corporate Governance.

3. Consolidated accounts from 2013 – External Audit Report on the consolidated accounts.
4. Approval of annual accounts from 2013 – Distribution of earnings and setting of dividend.

It is proposed to approve the annual accounts as well as the distribution of earnings for the year and maintain the gross dividend per entirely liberated share at 3.20 EUR, or 2.40 EUR net. After deduction of the prepayment of 1.3333 EUR brut paid on January 23, 2014, the balance of the dividend will amount to 1.8667 EUR brut, payable as of May 20, 2014.

5. Discharge of liability to be given to Board members and to the Auditor for operations for the year 2013.

It is proposed to discharge the liability of the Board members and the Auditor working in 2013 for the operations relating to this fiscal year.

6. Board of Directors: Term renewals – Nominations

- a) The terms of Mr. Denis Solvay and Mr. Bernhard Scheuble will expire at the end of this Meeting.

It is proposed to reelect Mr. Denis Solvay and Mr. Bernhard Scheuble for a four-year term each as Board members. Their terms will expire at the end of the General Shareholders' Meeting in May 2018.

- b) It is proposed to confirm the designation of Mr. Bernhard Scheuble as independent Board member on the Board of Directors.
- c) It is proposed to confirm the designation of Mrs. Rosemary Thorne for a four-year term in replacement of Mr. Jean-Martin Folz who does not wish to renew his mandate.  
The mandate of Mrs. Rosemary Thorne will expire at the end of the General Shareholders' Meeting in May 2018.
- d) It is proposed to confirm the designation of Mrs. Rosemary Thorne as independent Board member on the Board of Directors.
- e) It is proposed to designate Mr. Gilles Michel as a Board member for a four-year term, in replacement of Mr. Anton van Rossum who does not wish to renew his mandate.  
The mandate of Mr. Gilles Michel will expire at the end of the General Shareholders' Meeting in May 2018.
- f) It is proposed to confirm the designation of Mr. Gilles Michel as independent Board member on the Board of Directors.

7. Miscellaneous.

- 2) **the *Extraordinary General Meeting* that will take place on Tuesday May 13, 2014 after the Ordinary General Meeting, at the same place and with the following agenda :**

**I. Report from the Board of Directors**

**II. Changes in the By-laws**

**1. Article 1**

It is proposed to replace the text of this article by the text below:

*"The company, constituted in the form of a limited liability company on December 26, 1863, is in the form of a corporation. Its legal name is "SOLVAY." It is a corporation making or having made a public offering.*

2. **Article 6**

Due to the disappearance of bearer shares, it is proposed to replace the text of this article by the text below:

*"§1. These eighty-four million, seven hundred one thousand and one hundred thirty three (84,701,133) shares without par value are entirely liberated. They are dematerialized or registered as permitted by the law. Their holder may, at any time, request conversion of the shares into dematerialized shares (at the holder's cost) or into registered shares (without charge).*

*§2. The dematerialized share is represented by entry in the name of the owner or of the holder through a recognized account holder or a clearing organization.*

*The registered share is represented by entry in the company's register of registered shares held at the corporate headquarters. Any shareholder may consult the register with regard to his/her shares."*

3. **Article 7**

To reflect the elimination of type C shares, it is proposed to delete this article.

4. **Article 9**

For the same reason, it is proposed to delete this article.

5. **Article 10**

It is proposed to replace the text of the **third and fourth paragraphs** of this article by the following text:

*"Barring decision to the contrary by the shareholders' meeting, taken upon the conditions required for modifications to the by-laws, the new shares to be subscribed in cash are offered by preference to shareholders of old shares, regardless of type and degree of liberation, prorata based on the proportional ownership of these shareholders of the capital stock; the Board of Directors proposes to the General shareholders' meeting the conditions on and prices at which the new shares may be offered by preference to these shareholders.*

*During each increase in capital, the Board of Directors may conclude, under conditions that it judges proper, any agreements in order to ensure subscription of any or all of the new shares to be issued."*

6. **Renewal of authorizations for acquisition and alienation of own shares**

6.1. **Article 10 ter**

It is proposed:

To renew the authorization set forth in article 10 ter for another three-year period starting with the date of publication in the Annexes to the Belgian Gazette (*Moniteur belge*) of the decision to be made by the Extraordinary Shareholders' Meeting and to therefore replace the date of May 10, 2011 in the text of the **first paragraph** of this article by the date of May 13, 2014.

## **6.2. Article 10 quater**

It is proposed:

To renew the authorization granted in article 10 quater, for another five-year period, starting with the date of publication in the Annexes of the Belgian Gazette (*Moniteur Belge*) of the decision to be made by the Extraordinary Shareholders' Meeting and to show the price range from 20 EUR to 200 EUR and to therefore replace the text of the **first and second paragraphs** of this article by the following text:

*"1° The Board of Directors is authorized to acquire shares of the company for a five-year period starting on the date of the General Shareholders' meeting on May 13, 2014, up to a maximum of sixteen million, nine hundred forty thousand (16,940,000) shares, at a unit price between twenty euro (20 EUR) and two hundred euro (200 EUR).*

*2° The shares thus acquired may, without prior authorization of the General Shareholder's meeting, be alienated by the Board of Directors under conditions that it determines, in conformity with the law."*

## **7. Article 11**

It is proposed to replace the text of the **fifth and sixth paragraphs** of this article by the text below:

*"In addition, the Board of Directors has the right, one month after sending to the defaulting shareholder a notice by certified mail or by a process server, to sell the shares for which the called payments have not been made, without prejudice of the right to claim from the defaulting shareholder the balance due, as well as any possible damages and interest."*

## **8. Article 13**

It is proposed to replace the text of the **second paragraph** of this article by the following text:

*"They must, for exercise of their rights, refer to the current by-laws, to the annual accounts and to the decisions of the General Shareholders' Meeting and the Board of Directors."*

## **9. Article 13 bis**

It is proposed to replace in the **first paragraph** of this article the words "*Commission Bancaire Financière et des Assurances*" [Banking, Finance and Insurance Commission] by the term "*FSMA*".

## **10. Article 19**

It is proposed to replace the text of this article by the following text:

*"The Board of Directors elects from among its members a Chairman.*

*The Board of Directors may delegate daily management of the company, as well as representation of the company regarding such management, to an Executive Committee and/or to one or more Board Members who are members of the Executive Committee, acting separately. The Board of Directors may delegate complementary powers to the Executive Committee. The members of the Executive Committee may be Board members or not. Each of the members of the Executive Committee is appointed by the Board of Directors. The Chairman of the Committee is appointed by the Board of Directors from among the members of the Board of the company.*

*In addition, the Board of Directors creates consultative committees under article 522 of the Code of Companies, and especially the Audit Committee as described in article 526 bis of the Code of Companies, with, among other things, the missions contemplated by such article.*

*The Board determines the powers attached to the functions, delegations and mandates set forth in the preceding paragraphs. It may revoke them at any time.*

*The Board of Directors and the Executive Committee, as well as the Board member(s) in charge of daily management may, in the framework of their powers, also confer special and specific powers to one or more people at their choice.*

*The holders of special powers may partially delegate their powers to one or more people for whom they assume responsibility by derogation from article 1994, art.1 of the Civil Code.”*

**11. Article 20**

Due to the proposal for deletion of the function of Vice-Chairman of the Board of Directors, it is proposed to delete in the **first paragraph** of this article the words "*of a Vice-Chair or, in their absence.*"

**12. Article 21**

**12.1.** As a result of the proposal to eliminate article 9 from the by-laws, it is proposed to replace in the **second paragraph** of this article the words "*of articles 9 and 24*" by the words "*of article 24.*"

**12.2.** It is proposed to delete in the **third paragraph** of this article the word "*telegram.*"

**13. Article 23**

It is proposed to delete **paragraphs 2 to 10** of this article.

**14. Article 24**

It is proposed to replace the text of this article with the following text:

*"The Board of Directors, however, for actions that would substantially modify the activities of the company or its group must act by a majority of three-quarters of the votes of members composing the Board present or represented.*

*Actions that substantially modify the activities of the company or its group are considered to be: actions for investment, acquisition, shareholding, divestment or sale, in any form whatever, representing an enterprise value of at least two billion euros (2,000,000,000 EUR) or generating either sales of at least two billion euros (2,000,000,000 EUR), or a contribution to the group's operating results of at least two hundred fifty million euros (250,000,000 EUR)."*

**15. Article 25**

It is proposed to replace the text of this article with the following text:

*"The company is represented, in its activities and at law, by two board members acting together, of whom one is the Chairman of the Board and/or a member of the Executive Committee. With respect to third parties, they need not demonstrate prior authorization from the Board of Directors.*

*The Executive Committee organizes representation of the Company in the framework of powers delegated to it by the Board of Directors.*

*The Board of Directors may, on the other hand, delegate to any other persons, whether or not chosen from the board, special powers to act on behalf of the company."*

**16. Article 26**

It is proposed to replace the text of this article by the following text:

*"The members of the Executive Committee are obligated to actively be involved in company affairs, without taking any positions that would prevent them from carrying out the duties inherent in the powers delegated to the Committee.*

*They may, however, administer companies and enterprises in which the company has an interest, and be involved in the same, considering that this activity is a company matter. Compensations, fixed fees or payments that they earn in this way must, except for exceptional circumstances evaluated by the General Shareholders' meeting, be paid to the company or be imputed to the fees and benefits due to the interested parties."*

**17. Article 27**

It is proposed to delete in the **second paragraph** of this article the words "Vice-Chairman" and the words "members of the Executive Committee."

18. **Article 33**

It is proposed to replace the text of the **second paragraph** of this article with the following text:

*"It has the powers provided by law. It has the right to interpret these by-laws."*

19. **Article 37**

To reflect the disappearance of bearer shares, it is proposed to delete in the **first paragraph** of this article the words *"to the bearer or"* and the words *"filed with a financial agency or"*.

20. **Article 41**

It is proposed to replace the text of this article by the following text:

*"Subject to legal restrictions, each share has the right to one vote."*

21. **Article 42**

Due to the proposal to eliminate the function of Vice-Chairman of the Board of Directors, it is proposed to delete from the **first paragraph** of this article the words *"a Vice-Chair or."*

22. **Article 46**

It is proposed to delete this article.

23. **Renumbering of the article in the by-laws**

Due to the numerous articles eliminated by past or present changes (articles 7 – 8 – 9 - 10bis – 16 – 31 - 46) and the existence of articles bis, ter or quater, it is proposed to renumber successively all of the articles in the by-laws from 1 to 51.

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To take part in the General Shareholders' Meetings on May 13, 2014, shareholders must follow the procedures described below:

- 1) Only people who are Solvay SA shareholders on April 29, 2014 at midnight (Belgium time) (hereafter called the **registration date**) will have the right to participate and vote in the General Shareholders' Meetings on May 14, 2014, regardless of the number of shares held by the shareholder the day of the meetings.
- 2) Holders of registered shares who wish to participate in the meetings will not have to follow specific procedures to register their shares. The registration of their shares will ensue from their enrollment on the SOLVAY SA shareholder register on the registration date. They will, however, have to give notice of their desire to attend the meetings by returning the participation notice attached to the convening

notice; it must be received by Solvay SA no later than May 7, 2014 and can be returned either by regular mail to the address of the corporate headquarters, or by fax or by electronic mail.

Holders of registered shares who wish to be represented at the meetings will also have to return the completed and signed proxy form attached to this convening notice; it must be received by Solvay SA no later than May 7, 2014 either by regular mail to the address of the corporate headquarters or by fax or by electronic mail.

The shareholders who have declared their desire to participate in the meetings and have returned a proxy form may attend the meetings in person, but without being able to vote since their votes by proxy will have been counted in advance.

- 3) Holders of dematerialized shares who wish to participate in the meetings must request a statement from the authorized account holder or from the settlement organization that holds their share account stating the number of dematerialized shares registered in their name in the books of these institutions on the registration date and for which they have declared a desire to participate in the meetings. This statement will have to be received by Solvay SA no later than May 7, 2014, and sent by regular mail to the address of Solvay's corporate headquarters, or by fax or by electronic mail.

The holders of dematerialized shares who wish to be represented by proxy at the meetings will also have to return a completed and signed proxy form to be received by Solvay SA no later than May 7, 2014 either by regular mail to the address of Solvay's corporate headquarters, or by fax or by electronic mail.

The proxy form is available at the corporate headquarters, on the Internet site and at the following financial establishments: BNP Paribas Fortis, ING and KBC.

The shareholders who have declared their desire to participate in the meetings, by returning their proxy form, can attend the meetings in person, but without, however, being allowed to vote since their votes by proxy will have been counted in advance.

- 4) The designated proxy holder does not necessarily have to be a SOLVAY SA shareholder. The appointment of the proxy holder must be done with special consideration to avoid potential conflicts of interest between the shareholders and the proxy holder (see article 547bis §4 of the Code of Companies). This clause is aimed particularly at the Chairman of the General Shareholders' Meetings, the members of the Board of Directors, the members of the Executive Committee and generally the employees of SOLVAY SA, their spouses or legal partners and their relatives.
- 5) Under some conditions, one (or more) shareholder(s) holding (together) at least 3% of the share capital may request the addition of new items to the agendas and/or submit new motions for a resolution. Solvay SA should receive these requests no later than April 18, 2014, sent either by regular mail to the address of its corporate headquarters, or by fax or by electronic mail. Should certain shareholders exercise this right, Solvay SA will send, no later than April 28, 2014, to shareholders by regular mail a final agenda and a completed proxy form and will also make these documents available on the Internet site.

Shareholders who have complied with the instructions for admission to the meetings may also submit questions in writing to the Board of Directors regarding items on the agendas or its reports, as well as to the External Auditor with regard to his report. These questions must reach Solvay SA no later than May 7, 2014 and be sent either by regular mail to its corporate headquarters or by fax or by electronic mail.

Upon presentation of a statement by an authorized account holder or a settlement organization certifying the number of dematerialized shares registered in the name of the shareholder, each

shareholder can obtain a free copy of all the documents related to the meeting on May 13, 2014, either at the corporate headquarters or with the financial organizations mentioned above. All of these documents are also available on the Internet site of Solvay SA.

- 6) Motions for resolution or comments from the Board of Directors on the agenda items that do not require motions are also available on the Solvay Internet site.
- 7) It should be noted that the motions for resolutions will be submitted for electronic vote. Proxy votes will be counted in advance and systematically integrated into each point. It should be recalled that one share is equal to one vote.

It should be noted that if you are also a Solvac shareholder, you will be required to carry out the procedure for signing of attendance lists for Solvay and Solvac only one time. You will receive only one mailbox for the meetings of both companies as well as a single smart card showing, totally separated, the number of votes corresponding to the portfolio of shares involved. This is done for your convenience and simplification.

- 8) Please note that the signatures on the attendance list will begin being accepted as of 9:00 a.m. on May 13

Useful information:

Solvay SA  
Assemblées Générales [General Shareholders' Meetings]  
310, rue de Ransbeek  
1120 Brussels  
Fax: +32-(0)2.264.37.67  
e-mail: [ag.solvay@solvay.com](mailto:ag.solvay@solvay.com)  
Internet: <http://www.solvay.com/en/investors/shareholders-meeting/index.html>

The Board of Directors

To be valid, this form must be received by SOLVAY SA  
no later than Wednesday, May 7, 2014

## PROXY

This document has been translated for information purposes only. Whilst every effort has been made to ensure that the English version is a faithful and accurate translation of the French/Dutch text, only the latter is a legally valid document.

I, the undersigned

currently holder of \_\_\_\_\_ shares of SOLVAY SA, with registered office at 310 Rue de Ransbeek, 1120 Brussels, hereby grant authority, to  
First Name, Last name :  
Address :

Or if no name is given, Mr. René Degrevè  
each with right of substitution,

### NOTE:

A shareholder may only appoint a single person as a proxy holder, other than the exceptions shown in article 547bis of the Companies Code. The proxy holder does not necessarily have to be a shareholder.

It is recommended that the shareholder not designate as a proxy the Chairman of the General Shareholders' Meetings, members of the Board of Directors, members of the Executive Committee and in general the employees of Solvay SA, their spouse or legal partner and their relatives, who could pose a conflict of interest according to article 547bis, §4 of the Code of Companies.

to

A. Represent me in the SOLVAY SA **Ordinary General Shareholders' Meeting** that will take place on **Tuesday, May 13, 2014 at 10:30 a.m.** at the Corporate headquarters, 310 rue de Ransbeek, 1120 Brussels and to vote in my name for all the items on the agenda. Lacking specifications on how to vote for one or more of the decisions proposed below or if for any reason the instructions given are not clear, please consider that this is a specific instruction to vote in favor of the proposals of the motions involved.

1. Management Report on operations for 2013 including the Declaration of Corporate Governance and External Auditor's Report.
2. Approval of compensation report.  
It is proposed to approve the compensation report found in chapter 6 of the Declaration of Corporate Governance.  
FOR  AGAINST  ABSTAIN
3. Consolidated accounts from 2013 – External Audit Report on the consolidated accounts.
4. Approval of annual accounts from 2013 – Distribution of earnings and setting of dividend.  
It is proposed to approve the annual accounts as well as the distribution of earnings for the year and maintain the gross dividend per entirely liberated share at 3.20 EUR, or 2.40 EUR net. After deduction of the prepayment of 1.3333 EUR brut paid on January 23, 2014, the balance of the dividend will amount to 1.8667 EUR brut, payable as of May 20, 2014.  
FOR  AGAINST  ABSTAIN
5. Discharge of liability to be given to Board members and to the Auditor for operations for the year 2013.  
It is proposed to discharge liability  
of Board members FOR  AGAINST  ABSTAIN   
and of the External Auditor FOR  AGAINST  ABSTAIN   
working in 2013 for the operations relating to this fiscal year.
6. Board of Directors: Term renewals - Nominations
  - a) The terms of Mr. Denis Solvay and Mr. Bernhard Scheuble will expire at the end of this General Shareholders' Meeting.  
It is proposed to reelect successively  
Mr. Denis Solvay, FOR  AGAINST  ABSTAIN   
Mr. Bernhard Scheuble FOR  AGAINST  ABSTAIN   
each for a four-year term each as Board members. Their terms will expire at the end of the General Shareholders' Meeting in May 2018
  - b) It is proposed to confirm the designation  
of Mr. Bernhard Scheuble FOR  AGAINST  ABSTAIN   
as independent Board member on the Board of Directors.
  - c) It is proposed to designate Mrs. Rosemary Thorne as Board member for a four-year term in replacement of Mr. Jean-Martin Folz who does not wish to renew his mandate. The mandate of Mrs. Rosemary Thorne will expire at the end of the General Shareholders' Meeting in May 2018.  
FOR  AGAINST  ABSTAIN
  - d) It is proposed to confirm the designation of Mrs. Rosemary Thorne as independent Board member on the Board of Directors  
FOR  AGAINST  ABSTAIN
  - e) It is proposed to designate Mr. Gilles Michel as Board member for a four-year term in replacement of Mr. Antom van Rossum who does not wish to renew his mandate. The mandate of Mr. Gilles Michel will expire at the General Shareholder's Meeting of May, 2018.  
FOR  AGAINST  ABSTAIN
7. Miscellaneous.

B. Represent me in the SOLVAY SA **Extraordinary General Shareholders' Meeting** that will take place on **Tuesday, May 13, 2014 after the Ordinary General Meeting** at the same place and with the following agenda :

## I. Report from the Board of Directors

## II. II.Changes in the By-laws

### 1.Article 1

It is proposed to replace the text of this article by the text below:

*"The company, constituted in the form of a limited liability company on December 26, 1863, is in the form of a corporation. Its legal name is "SOLVAY." It is a corporation making or having made a public offering.*

FOR  AGAINST  ABSTAIN

### 2.Article 6

Due to the disappearance of bearer shares, it is proposed to replace the text of this article by the text below:

*"§1.These eighty-four million, seven hundred one thousand and one hundred thirty three (84,701,133) shares without par value are entirely liberated. They are dematerialized or registered as permitted by the law. Their holder may, at any time, request conversion of the shares into dematerialized shares (at the holder's cost) or into registered shares (without charge).*

*§2.The dematerialized share is represented by entry in the name of the owner or of the holder through a recognized account holder or a clearing organization.*

*The registered share is represented by entry in the company's register of registered shares held at the corporate headquarters. Any shareholder may consult the register with regard to his/her shares."*

FOR  AGAINST  ABSTAIN

### 3.Article 7

To reflect the elimination of type C shares, it is proposed to delete this article.

FOR  AGAINST  ABSTAIN

### 4.Article 9

For the same reason, it is proposed to delete this article.

FOR  AGAINST  ABSTAIN

### 5.Article 10

It is proposed to replace the text of the **third and fourth paragraphs** of this article by the following text:

*"Barring decision to the contrary by the shareholders' meeting, taken upon the conditions required for modifications to the by-laws, the new shares to be subscribed in cash are offered by preference to shareholders of old shares, regardless of type and degree of liberation, prorata based on the proportional ownership of these shareholders of the capital stock; the Board of Directors proposes to the General shareholders' meeting the conditions on and prices at which the new shares may be offered by preference to these shareholders.*

*During each increase in capital, the Board of Directors may conclude, under conditions that it judges proper, any agreements in order to ensure subscription of any or all of the new shares to be issued."*

FOR  AGAINST  ABSTAIN

## 6.Renewal of authorizations for acquisition and alienation of own shares

### 6.1.Article 10 ter

It is proposed:

To renew the authorization set forth in article 10 ter for another three-year period starting with the date of publication in the Annexes to the Belgian Gazette (*Moniteur belge*) of the decision to be made by the Extraordinary Shareholders' Meeting and to therefore to replace the date of May 10, 2011 in the text of the **first paragraph** of this article by the date of May 13, 2014.

FOR  AGAINST  ABSTAIN

### 6.2.Article 10 quater

It is proposed:

To renew the authorization granted in article 10 quater, for another five-year period, starting with the date of publication in the Annexes of the Belgian Gazette (*Moniteur Belge*) of the decision to be made by the Extraordinary Shareholders' Meeting and to show the price range from 20 EUR to 200 EUR and therefore to replace the text of the **first and second paragraphs** of this article by the following text:

*"1° The Board of Directors is authorized to acquire shares of the company for a five-year period starting on the date of the General Shareholders' meeting on May 13, 2014, up to a maximum of sixteen million, nine hundred forty thousand (16,940,000) shares, at a unit price between twenty euro (20 EUR) and two hundred euro (200 EUR).*

*2° The shares thus acquired may, without prior authorization of the General Shareholder's meeting, be alienated by the Board of Directors under conditions that it determines, in conformity with the law."*

FOR  AGAINST  ABSTAIN

### 7.Article 11

It is proposed to replace the text of the **fifth and sixth paragraphs** of this article by the text below:

*"In addition, the Board of Directors has the right, one month after sending to the defaulting shareholder a notice by certified mail or by a process server, to sell the shares for which the called payments have not been made, without prejudice of the right to claim from the defaulting shareholder the balance due, as well as any possible damages and interest."*

FOR  AGAINST  ABSTAIN

### 8.Article 13

It is proposed to replace the text of the **second paragraph** of this article by the following text:

*"They must, for exercise of their rights, refer to the current by-laws, to the annual accounts and to the decisions of the General Shareholders' Meeting and the Board of Directors."*

FOR  AGAINST  ABSTAIN

### 9.Article 13 bis

It is proposed to replace in the **first paragraph** of this article the words "*Commission Bancaire Financière et des Assurances*" [Banking, Finance and Insurance Commission] by the term "*FSMA*".

FOR  AGAINST  ABSTAIN

### 10.Article 19

It is proposed to replace the text of this article by the following text:

*"The Board of Directors elects from among its members a Chairman.*

*The Board of Directors may delegate daily management of the company, as well as representation of the company regarding such management, to an Executive Committee and/or to one or more Board Members who are members of the Executive Committee, acting separately. The Board of Directors may delegate complementary powers to the Executive Committee. The members of the Executive Committee may be Board members or not. Each of the members of the Executive Committee is appointed by the Board of Directors. The Chairman of the Committee is appointed by the Board of Directors from among the members of the Board of the company.*

*In addition, the Board of Directors creates consultative committees under article 522 of the Code of Companies, and especially the Audit Committee as described in article 526 bis of the Code of Companies, with, among other things, the missions contemplated by such article.*

*The Board determines the powers attached to the functions, delegations and mandates set forth in the preceding paragraphs. It may revoke them at any time.*

*The Board of Directors and the Executive Committee, as well as the Board member(s) in charge of daily management may, in the framework of their powers, also confer special and specific powers to one or more people at their choice.*

*The holders of special powers may partially delegate their powers to one or more people for whom they assume responsibility by derogation from article 1994, art.1 of the Civil Code."*

FOR  AGAINST  ABSTAIN

#### **11. Article 20**

Due to the proposal for deletion of the function of Vice-Chairman of the Board of Directors, it is proposed to delete in the **first paragraph** of this article the words *"of a Vice-Chair or, in their absence."*

FOR  AGAINST  ABSTAIN

#### **12. Article 21**

**12.1.** As a result of the proposal to eliminate article 9 from the by-laws, it is proposed to replace in the **second paragraph** of this article the words *"of articles 9 and 24"* by the words *"of article 24."*

FOR  AGAINST  ABSTAIN

**12.2.** It is proposed to delete in the **third paragraph** of this article the word *"telegram."*

FOR  AGAINST  ABSTAIN

#### **13. Article 23**

It is proposed to delete **paragraphs 2 to 10** of this article.

FOR  AGAINST  ABSTAIN

#### **14. Article 24**

It is proposed to replace the text of this article with the following text:

*"The Board of Directors, however, for actions that would substantially modify the activities of the company or its group must act by a majority of three-quarters of the votes of members composing the Board present or represented.*

*Actions that substantially modify the activities of the company or its group are considered to be: actions for investment, acquisition, shareholding, divestment or sale, in any form whatever, representing an enterprise value of at least two billion euros (2,000,000,000 EUR) or generating either sales of at least two billion euros (2,000,000,000 EUR), or a contribution to the group's operating results of at least two hundred fifty million euros (250,000,000 EUR)."*

FOR  AGAINST  ABSTAIN

#### **15. Article 25**

It is proposed to replace the text of this article with the following text:

*"The company is represented, in its activities and at law, by two board members acting together, of whom one is the Chairman of the Board and/or a member of the Executive Committee. With respect to third parties, they need not demonstrate prior authorization from the Board of Directors.*

*The Executive Committee organizes representation of the Company in the framework of powers delegated to it by the Board of Directors.*

*The Board of Directors may, on the other hand, delegate to any other persons, whether or not chosen from the board, special powers to act on behalf of the company."*

FOR  AGAINST  ABSTAIN

#### **16. Article 26**

It is proposed to replace the text of this article by the following text:

*"The members of the Executive Committee are obligated to actively be involved in company affairs, without taking any positions that would prevent them from carrying out the duties inherent in the powers delegated to the Committee.*

*They may, however, administer companies and enterprises in which the company has an interest, and be involved in the same, considering that this activity is a company matter. Compensations, fixed fees or payments that they earn in this way must, except for exceptional circumstances evaluated by the General Shareholders' meeting, be paid to the company or be imputed to the fees and benefits due to the interested parties."*

FOR  AGAINST  ABSTAIN

#### **17. Article 27**

It is proposed to delete in the **second paragraph** of this article the words *"Vice-Chairman"* and the words *"members of the Executive Committee."*

FOR  AGAINST  ABSTAIN

#### **18. Article 33**

It is proposed to replace the text of the **second paragraph** of this article with the following text:

*"It has the powers provided by law. It has the right to interpret these by-laws."*

FOR  AGAINST  ABSTAIN

#### **19. Article 37**

To reflect the disappearance of bearer shares, it is proposed to delete in the **first paragraph** of this article the words *"to the bearer or"* and the words *"filed with a financial agency or"*.

FOR  AGAINST  ABSTAIN

#### **20. Article 41**

It is proposed to replace the text of this article by the following text:

*"Subject to legal restrictions, each share has the right to one vote."*

FOR  AGAINST  ABSTAIN

**21. Article 42**

Due to the proposal to eliminate the function of Vice-Chairman of the Board of Directors, it is proposed to delete from the **first paragraph** of this article the words *"a Vice-Chair or."*

FOR  AGAINST  ABSTAIN

**22. Article 46**

It is proposed to delete this article.

FOR  AGAINST  ABSTAIN

**23. Renumbering of the article in the by-laws**

Due to the numerous articles eliminated by past or present changes (articles 7 – 8 – 9 - 10bis – 16 – 31 - 46) and the existence of articles bis, ter or quater, it is proposed to renumber successively all of the articles in the by-laws from 1 to 51.

FOR  AGAINST  ABSTAIN

I note that I will be represented at the Ordinary and Extraordinary General meetings for the total number of shares registered in my name to the record date April 29, 2014 at midnight.

If, after the date of this proxy form, proposals for new motions would be added at shareholders' request in compliance with article 533ter of the Code of Companies, the proxy holder is authorized, in compliance with article 533ter, §4, al.2 of the Code of Companies, to withdraw from any possible instructions given by the shareholder if the execution of these instructions risks compromising the interest of the shareholder.

If, after the date of this proxy form, new subjects are added to the agenda at the request of shareholders in compliance with article 533ter of the Code of Companies, the proxy holder:

- is authorized to vote on the new items that would be added to the agendas (\*);
- must abstain from voting on the new items that would be added to the agendas (\*).

**C.** to take part in all discussions on the items listed on the agendas for these meetings, to cast all votes, to pass and sign all acts, items, minutes, attendance lists and other documents:

**D.** in general, do all that is necessary to carry out this proxy, promising ratification in advance.

SOLVAY SA must be in possession of this proxy form, completed and signed, **no later than May 7 2014.**

It can be sent by regular mail in the attached envelope, or by electronic mail to the e-mail address: [ag.solvay@solvay.com](mailto:ag.solvay@solvay.com), or by fax at +32-(0)2.264.37.67.

Signed at \_\_\_\_\_, on \_\_\_\_\_ 2014.

**Signature** must be preceded by the notation "Good for Authorization"

-----  
(\* ) Cross out the option not chosen. If none is crossed out, the proxy holder will have to abstain from voting on the new items added to the agendas.