As an international chemical group, Solvay assists industry in finding and implementing ever more responsible and value-creating solutions. The Group is firmly committed to sustainable development and focused on innovation and operational excellence. Solvay serves diversified markets, generating 90% of its turnover in activities where it is one of the top three worldwide. In 2012 the Group achieved net sales of EUR 12.4 billion. Solvay SA (SOLB.BE) is listed on NYSE Euronext Brussels and Paris (Bloomberg: SOLB.BB - Reuters: SOLBt.BR).

(**) All data refer to 2012 activity.

Founded in 1863 by industrialist and researcher Ernest Solvay, Solvay celebrates its 150th anniversary in 2013 and affirms its position as one of the world’s leading chemical groups.

“We have always operated by imposing on our minds a duty of continuous progress.”

Ernest Solvay

Sustainability, responsibility: never have these issues been so crucial for mankind. All of us are looking for answers to the questions raised by an evolving world. How to respond to climate change? How to produce more with increasingly scarce resources? How to meet the needs of more than one billion new consumers? And how to achieve our aspirations for health and well-being?

For Solvay, chemistry is a part of the answer. It proves this by imagining and producing increasingly innovative solutions that meet the sustainable development challenges facing its stakeholders. Proud of chemistry, an expert in its businesses, welded into highly qualified teams, the Group combines operational excellence and continuous improvement to blaze a creative path of shared value.

In this way Solvay affirms itself as a committed and strong leader, ready to play its part in reshaping the global chemical industry.
STRENGTHENING OUR PRESENCE IN GROWTH AREAS

With a well-balanced geographic presence and solid positions in growth regions, Solvay is accelerating its geographic expansion through production capacity increases and targeted acquisitions.

In 2012, Solvay significantly expanded its production capacity in the region, by increasing capacity in India and consolidating its industrial presence in China and Thailand. The opening of a new Research & Innovation center in India makes Asia home to the group’s second research cluster.

Almost 40% of net sales are realized in high-growth countries, accounting for 1/3 of the workforce.

50% of growth investments are being made in the world’s strongest-growing countries (Russia, China, India, Korea, Thailand, Middle East, etc.).
Providing Industry with an Increasing Number of Sustainable Solutions

Solvay develops high added-value, innovative and competitive solutions, tailored to the present and future demands of end users.

Environment
Solvay develops specific solutions that help protect the environment in daily life and in industry. These are used in air-emission control, soil remediation, water supply and treatment, gas-separation membrane technologies and water-purification membranes.

Construction
The quality and reliability of Solvay solvents, fibers meet the needs of manufacturers of paints and coatings, thermal insulation, window frames, electrical wiring, cabling, and pipes and fittings for heating and cooling systems, as well as blowing agents and flame retardants.

Agriculture
For pesticides manufacturers, Solvay develops substitutes for conventional additives that are safe, easy to use, environmentally-friendly and effective. Its silica and sodium bicarbonate are used in the manufacture of animal feed and animal-care products.

Electricity and Electronics
Solvay’s high-performance products support the progress of these industries. Its formulations and solutions are used in conductive and photovoltaic materials, coatings for flat-panel displays, semiconductors, medical imaging, digital cameras, optimizing the energy efficiency of electric lighting, electrical insulation components and organic electronics.

Automotive
Solvay supports manufacturers as they advance toward sustainable mobility with a wide and varied range of high-performance products and applications. Its silicas make tires more energy-efficient, while its engineering plastics and specialty polymers lighten the weight of vehicles. The Group also develops materials based on rare earths that reduce polluting emissions.

Energy
For its industrial customers, Solvay devises cutting-edge solutions to increase energy efficiency in industrial installations or the amount of energy stored in lithium batteries. Its products are used to generate energy from renewable resources (solar and wind), and in fuel cells, gas-diffusion membranes and heat transfer.

Other Industries
Providing environmental performance while remaining competitive is a major challenge for advanced industries. Solvay supplies them with process agents and intermediates for numerous applications.

Consumer Goods
Solvay offers consumers increasingly more comfort in daily life, through a wide range of fibers, plastics, flavors and various solutions. Solvay products and applications are used in particular in cleaning, personal care, nutrition and human health products, textiles and sports equipment.

Paper
Solvay is a leading supplier to the world’s paper industry. Its products are used at different stages of production: hydrogen peroxide for bleaching paper pulp, caustic soda for pulp production and soda ash for preparing the paper (opacity, coating formulation).

28% of net sales

2% of net sales

7% of net sales

19% of net sales

14% of net sales

5% of net sales

4% of net sales

15% of net sales

6% of net sales

57% of net sales
INNOVATION, THE KEY LEVER OF GROWTH

Research & Innovation carries Solvay’s ambition to be a model for sustainable development.

Solvay’s Research & Innovation today has a critical mass that will enable it to accelerate its development and enhance its leadership in its areas of expertise. Research and Innovation’s missions: to contribute to the Group’s operational excellence, strengthen its leadership positions, identify future trends, and develop new technologies with which to expand the existing activities portfolio and open new markets for existing activities.

SIX INNOVATION THRUSTS ALIGNED WITH MEGATRENDS

> Coming up with new materials;
> Developing renewable chemistry;
> Contributing to the creation of sustainable energy solutions;
> Producing more efficiently and responsibly;
> Supporting the growth of expanding markets;
> Developing ever more responsible consumer products.

A GROUP COMMITTED TO SUSTAINABLE DEVELOPMENT

In 2013, the Group published a more robust social and environmental policy, with newly defined goals. Its ambition is to become a reference in global sustainable chemistry thanks to its practices recognized as among the best and its innovative solutions incorporating the requirements of sustainable development.

FIVE PRIORITY OBJECTIVES

> To achieve excellence in safety, health and occupational hygiene for everyone on the sites;
> To realize an increasing share of sales in markets or with an activities portfolio meeting the requirements of sustainable development;
> To continuously improve the performance of technologies, processes and products, so as to avoid injuries and limit their environmental impact throughout product lifecycles;
> To reduce greenhouse gas emissions, energy and water consumption, and negative impacts on soil, water and air quality, as well as the use of resources, especially non-renewable ones;
> To develop rich and balanced social dialogue with employee representatives at national and international levels.

The Solvay Way reference framework gives managers of the various Solvay sites, Global Business Units and Functions a grid with which to self-assess their progress at four levels: launch, deployment, maturity and performance.

1. In risk capital and start-up funds.
ORGANIZING AND MOBILIZING AROUND A COMMON VISION

To adjust its management structure to the diversity of its businesses, Solvay has redrawn its organization, with a focus on simplifying and decentralizing its decision-making. Thanks to these changes, the Group is closer to its customers, more agile and better placed to seize opportunities and realize its growth ambitions.

The new organization favors an entrepreneurial approach focused on value creation. Close to its customers and markets, each GBU has the requisite operating resources to implement its strategy.

PROMOTING CULTURE CHANGE

Based on the principles of empowerment and delegation, the Solvay organization is structured to encourage initiative at each decision level. In order to anchor these principles in managerial reality and on the ground, the Group has transformed its culture model. The fruit of a collective effort and a vision by its teams, the new Solvay culture defines itself as one of responsibility and results. Reflecting the Group’s tradition of excellence, it is built on two pillars: a management model and a “social” contract. Having employees take ownership represents a major challenge.

TALENTS TO MATCH THE GROUP’S AMBITIONS

The development of its employees – the driving force of its success – is a priority for Solvay. Training, mobility and international exposure are all for building a career.

FIVE OPERATING SEGMENTS SERVING THE STRATEGY

> Consumer Chemicals serves the consumer products markets. Its growing product offering is directed at societal megatrends: demographic growth, the increasing purchasing power of emerging markets, the appearance of new modes of consumption, and a demand for safer, more sustainable products and renewable materials-based solutions.

Novecare, Aroma Performance, Coatis

> Advanced Materials offers ultra high-performance solutions for aerospace, high-speed trains, health, low-energy tires, automotive emission control, smartphones and hybrid vehicle batteries.

Specialty Polymers, Silica, Rare Earth Systems, Special Chemicals

> Performance Chemicals operates in mature and resilient markets, where success is based on economies of scale, competitiveness and quality of service.

Essential Chemicals, Acetow, Eco Services, Emerging Biochemicals

> Functional Polymers brings together the chlorovinyls chain and the polyamide activities to serve mainly the construction, infrastructure, automotive and electrical/electronics markets.

Polyamide: Polyamide & Intermediates, Engineering Plastics, Fibras; ChloroVinyls: SolVin, ChlorChemicals

> Corporate & Business Services includes the Energy Services GBU and Corporate Functions such as Business Services and the Research & Innovation Center. Energy Services’ mission is optimize energy consumption and reduce emissions.

Energy Services, Corporate Functions
The consumer goods market is experiencing soaring growth in all areas, supported by strong demand from emerging countries and the desire of consumers around the world for sustainable, safer and healthier products. Key drivers of Solvay’s growth, the Consumer Chemicals activities support this forward movement through geographical expansion, the strengthening of their value-creating technological expertise and innovation focused on sustainable development.

**NOVECARE**
- World leader in specialty surfactants.
- Major player in the polymers, guar and phosphorus derivatives markets.

Novacare creates formulations that provide specific functionalities to consumer products and to advanced industrial applications.

**COATIS**
- Largest Latin American producer of phenol derivatives.
- Leader in oxygenated solvents.

Coatis offers products that meet the challenges of sustainable development from bio-sourced raw materials.

**AROMA PERFORMANCE**
- World’s largest producer of diphenols and derivatives (vanillin, inhibitors).
- Number three producer of trifluoric acid.

As one of the leading global providers of fluorinated intermediates, Aroma Performance is the partner of choice for producers of aroma and fragrances.

**SILICA**
- Inventor of highly dispersible silica and world leader in this market.

Silica is the reference supplier to manufacturers of energy-saving tires.

**Advanced Materials** designs solutions to meet the sustainable development concerns of high-performance industries. Sustaining its growth is the demand for less energy consuming and less polluting functionalities.

**SPECIALTY POLYMERS**
- World leader in specialty polymers and high-performance polymers.

Specialty Polymers produces the widest range of specialty polymers in the world: more than 1,500 very high added-value products and 35 brands for high-growth markets.

**RARE EARTH SYSTEMS**
- World’s number one supplier of formulations based on rare earths, with a global market share of nearly 30%, in particular in automotive catalysis and the luminescence and electronics markets.

Rare Earth Systems offers a very wide range of formulations that exploit the particular catalytic, magnetic, luminescent or abrasive qualities of rare earths.

**SPECIAL CHEMICALS**
- Among the world leaders in fluorine chemistry.

Special Chemicals operates in many markets: energy conservation and storage, semiconductors, electronics, food processing, health and high performance materials.

**Net sales:**

**EUR 2,565 million**

**EUR 2,743 million**
Performance Chemicals operates in cyclical-resistant niche markets, where the main success factors are economies of scale, competitiveness and quality of service. Its leadership here is based on marketing and logistics excellence; its markets find their dynamics in the constantly updated product offerings.

**Performance Chemicals**

- operates in cyclical-resistant niche markets, where the main success factors are economies of scale, competitiveness and quality of service. Its leadership here is based on marketing and logistics excellence; its markets find their dynamics in the constantly updated product offerings.

**ESSENTIAL CHEMICALS**

- **> World's largest producer of sodium carbonate, sodium bicarbonate and hydrogen peroxide.**

**Essential Chemicals** relies on technological process innovation to consolidate its lead positions in carbonate, sodium bicarbonate, and peroxides.

**ECO SERVICES**

- **> Number 1 in sulfuric acid regeneration in the United States.**

Eco Services produces and regenerates the sulfuric acid used in refineries, chemicals manufacturing and other industrial applications.

**EMERGING BIOCHEMICALS**

- **Created to develop green chemistry, the Emerging Biochemicals GBU includes the chlorovinyl and epichlorohydrin activities in Asia.**

**Acetow**

- **> World number three producer of cellulose acetate.**
- **> Number 1 in the CIS and Latin America, number 2 in Western Europe.**

Acetow is the reference supplier for cigarette filter manufacturers and a leading provider of cellulose acetate flake to the textile industry.

**Functional Polymers**

- **groups the chlorovinyl and polyamide activities. Its strategy is based on optimizing its production facilities and exploiting its industrial integration.**

**POLYAMIDE CLUSTER**

- The Polyamide cluster covers the activities of the polyamide 6.6 value chain. Solvay is one of the few players to control the entire chain, both upstream and downstream.

**POLYAMIDE & INTERMEDIATES**

- **> Among the world's leading producers of polyamide 6.6 (nylon) and its intermediates.**

From facilities across the world, Polyamide & Intermediates provides polyamide and polyurethane intermediates to a variety of markets.

**ENGINEERING PLASTICS**

- **> A global specialist in polyamide-based engineering plastics.**

Engineering Plastics develops, manufactures and sells a full range of high-performance materials under the Tecury® brand.

**FIBRAS**

- **> Number one manufacturer of polyamide (nylon) in Latin America.**

Fibras manufactures and markets yarns and fibers based on polyamide 6,6, for textile and industrial applications.

**CHLOROVINYLs CLUSTER**

- **> World's third-largest player in the PVC (polyvinyl chloride) market.**

The new Chlorovinyls Cluster groups several activities in the chlorovinyls chain, including SolVin, the European market leader in vinyls.

**Net sales:**

- **EUR 3 808 million**

**Acetow**

- **> World number three producer of cellulose acetate.**
- **> Number 1 in the CIS and Latin America, number 2 in Western Europe.**

Acetow is the reference supplier for cigarette filter manufacturers and a leading provider of cellulose acetate flake to the textile industry.

**The Corporate & Business Services Operating Segment houses those activities that serve the specific Group objectives involving operational excellence, efficiency and collaborative innovation. These are Energy Services, Business Services and the Corporate Functions, charged with defining the overall policies that ensure the Group’s consistency and with supporting the GBUs in implementing them.**

**Net sales:**

- **EUR 157 million**