



Progress beyond

Press release
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Solvay targets carbon neutrality before 2050

- All businesses other than soda ash to achieve carbon neutrality by 2040 with an investment up to €1 billion
- Soda ash to complete carbon neutrality before 2050 with identified investments of approximately €1 billion by 2040
- Investments expected to generate compelling economic returns

Brussels, October 28, 2021

Solvay announced today its plans to reach carbon neutrality before 2050¹. This represents the next stage in the company's ongoing sustainability journey and builds on the 2030 targets set out in its sustainability roadmap, [Solvay One Planet](#), launched in January 2020. As part of its roadmap, Solvay is upgrading its greenhouse gas emissions reduction target to -30% by 2030 (from -26% initially).

Meeting carbon neutrality in the future requires Solvay's investment in innovation today. Solvay will focus its efforts on maximizing electrification and clean energy, such as solar power and sustainable biomass use across its plants, as well as facilitating process innovations. Furthermore, the infrastructural, regulatory and macroeconomic levers enabled by public policies will be a critical component in Solvay's investment decisions in order to achieve these ambitions. Partnerships with authorities and other stakeholders will be key drivers towards an affordable and competitive transition to cleaner energy across Solvay's entire value chain.

Ilham Kadri, CEO of Solvay, said: "Since the launch of Solvay One Planet, we have delivered against the Paris Agreement and today's carbon neutrality announcement is yet another milestone in our journey, including our decision to phase out coal in the second soda ash plant in just two years. Our new carbon neutrality roadmap, backed by meaningful investments, will prove yet again that targeted action on climate is good for the planet and good for business — and we will continually report progress against these targets. At the same time, we are preparing our scope 3 commitments with the Science-Based Targets initiative (SBTi). We believe that sustainability is profitability, and we will continue to develop our innovation pipeline to deliver the sustainable solutions our customers need for tomorrow's future technologies in areas such as electrification, lightweighting and green hydrogen."

¹ The plans cover all scope 1 and 2 emissions produced by its global operations. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased energy (e.g., electricity, steam, heating, cooling) consumed by the company.



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Laying the groundwork for a carbon-neutral future

Solvay's roadmap includes a three phase approach spanning three decades, with the primary focus on switching energy sources to cut emissions and improve the Group's carbon footprint across all its businesses and operational activities.

Phase 1: 2020 to 2030

- Solvay aligned its emission reduction targets with the Paris Agreement within the holistic [Solvay One Planet](#) program. At the end of 2020, 8% structural reductions of emissions were delivered against the 2018 baseline.
- In October 2020, Solvay joined the [Science-Based Targets initiative](#) and is currently working to define its objectives for scope 3 emissions². Solvay expects to finalize scope 3 targets and communicate more on these ambitions in 2022.
- To date, 36 emission reduction projects are underway representing 2.4 megatons of CO₂ annually, equivalent to cutting emissions of 1.3 million carbon fuel vehicles each year.
 - Solvay has placed among the [top 10 companies in the U.S.](#) for installed solar power, having transitioned three of its core U.S. businesses across 17 sites to 100% renewable electricity as of January 2021.
 - Solvay is also a proud member of [Apple's Supplier Clean Energy Program](#), and has successfully transitioned its Apple-related operations to 100% green power.
- Solvay's commitment to phase out its use of coal by 2030 is well underway in the soda ash business.
 - Announced earlier this year, Solvay's soda ash plant in [Rheinberg](#), Germany, is set to become the world's first soda ash plant to be powered primarily by renewable energy by 2025 thanks to sustainable biomass derived from discarded wood chips, which will cut 4% of the Group's total emissions.
 - On October 27, 2021, Solvay's board of directors approved the soda ash site in Dombasle, France, to transition to primarily refuse-derived fuel³ as early as 2024, which will cut another 2% of the Group's total emissions.

Phase 2: 2030 to 2040

- Solvay will continue to execute new energy transition projects for the Group with the target to reach full neutrality in all businesses outside of soda ash.
 - Solvay will continue to deploy and accelerate electrification for low- to medium-energy intensive businesses.
 - The company will execute on process innovations and new energy technologies, particularly for emission-intensive businesses and sites.

² Scope 3 covers all other impacts upstream and downstream the Group's value chain.

³ Refuse-derived fuel (RDF) comprises non-recyclable waste (industrial, commercial and municipal) that can only be thermally valorized.



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Phase 3: 2040 to 2050

- Solvay's roadmap continues with remaining "hard-to-abate" soda ash sites to reach neutrality before 2050.
- Solvay expects to use offsets for a volume up to 10% (of the 2018 baseline) primarily through nature-based offsetting programs adhering to high-quality sustainability standards and in partnership with NGOs.

Investments

Solvay plans to invest up to €1 billion to reach carbon neutrality by 2040 for all its businesses other than soda ash. Additional investments of approximately €1 billion have been identified for soda ash to pave its path towards full carbon neutrality for the Group before 2050. These investments will be partially supported by non-recourse financing, enabling Solvay to also continue to invest in its growth initiatives. Further studies on technology innovation will determine the future investment needs beyond 2040. The company has also raised its internal carbon price from €50 to €100 per metric ton of CO₂, ensuring that future investments are oriented towards zero-emission projects. Solvay fully expects the investments will be value accretive, generating returns well in excess of the Group's cost of capital, and are estimated to represent around 10% on average of annual capex spend.



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Safe harbor

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About Solvay

Solvay is a science company whose technologies bring benefits to many aspects of daily life. With more than 23,000 employees in 64 countries, Solvay bonds people, ideas and elements to reinvent progress. The Group seeks to create sustainable shared value for all, notably through its Solvay One Planet roadmap crafted around three pillars: protecting the climate, preserving resources and fostering a better life. The Group's innovative solutions contribute to safer, cleaner, and more sustainable products found in homes, food and consumer goods, planes, cars, batteries, smart devices, health care applications, water and air purification systems. Founded in 1863, Solvay today ranks among the world's top three companies for the vast majority of its activities and delivered net sales of €9 billion in 2020. Solvay is listed on Euronext Brussels and Paris (SOLB). Learn more at www.solvay.com.



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Contacts

Media relations

Brian Carroll
+32 471 70 54 72

Peter Boelaert
+32 479 309 159

media.relations@solvay.com

Investor relations

Jodi Allen
+1 (609) 860-4608

Geoffroy d'Oultremont
+32 2 264 2997

Bisser Alexandrov
+32 2 264 3687

Valérie-Anne Barriat
+32 2 264 1622

investor.relations@solvay.com



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