

SOLVAY

MEXICO: TAX SUMMARY: ESPP

This note applies to Purchased Shares purchased, Matching Share Awards and Free Share Awards granted under the ESPP, is correct as at May 2022 and assumes that the employee is Mexican tax resident and has been at all times from the purchase of the Purchased Shares, grant of Matching Share Awards and Free Share Awards to the vesting of a Matching Share Award or Free Share Award or sale of shares.

This information is provided for general guidance only and the actual tax consequences will depend on your own individual circumstances. If you are in any doubt as to your tax position, you should seek independent tax advice.

EMPLOYEE

1. Will I be taxed when I buy Purchased Shares?

No – you will not have to pay any income tax or social security contributions when you buy Purchased Shares.

2. Will I be taxed when I am granted the Matching Share Award or Free Share Award?

No – you will not have to pay any income tax or social security contributions when you are granted a Matching Share Award or Free Share Award.

3. Will I be taxed when the Matching Share Award or Free Share Award vests?

Yes - you will need to pay income tax at progressive rates of up to 35% on the market value of the shares you receive on vesting of your Matching Share Award or Free Share Award. Your employer will withhold the income tax and social security contributions due.

If Solvay recharges the costs of the ESPP to your employer, you will also need to pay social security contributions when the Matching Share Award or Free Share Award vest if your salary does not exceed the yearly cap of MXN\$817,782 (approx. EUR 31,793.73) or monthly cap of MXN\$68,149 per month (approx. EUR 3,108.93). Your employer will withhold any social security contributions due (if applicable).

4. Will I be taxed when I sell my shares?

If the sale proceeds on the sale of your shares exceed the market value of the shares on the date you received them, you will need to pay capital gains tax on the difference between the market value of the shares (i) at vesting for Matching Share Awards and Free Share Awards and (ii) at purchase for Purchased Shares, and the market value of the shares on sale.

Capital gains are taxed at a progressive rate of up to 35%. An estimated payment for the accounting of the annual tax applies when you sell the shares and is determined by applying a 20% tax rate to the total transaction.

Your employer will not withhold any capital gains tax due and it is your responsibility to pay and report this in your self-assessment return.

5. Will I be taxed when I receive my dividends?

Dividends will be paid on your Purchased Shares and they are subject to income tax at progressive rates of up to 35% when they are paid, which will be calculated and paid on an annual basis. Dividends are also subject to additional income tax at a rate of 10%.

Your employer will not withhold any tax due on dividends and it is your responsibility to pay and report this in your self-assessment return.

If any tax is withheld in Belgium in respect of your dividend, then to avoid any double taxation, a tax deduction or tax credit may be available if your country has a double tax treaty with Belgium. You will need to apply to your tax authority to claim the tax deduction or tax credit.