

Payments to governments Report 2017

Basis of Preparation and Scope

This report has been prepared as required by the Transparency Directive Amending Directive (2013/50/EU), with the disclosure of Payments to Governments, in line with Chapter 10 of the EU Accounting Directive (2013/34/EU). Royalties to governments are presented on a cash-paid basis during the reporting period. The report includes such payments for activities which relate to extraction of minerals of each of our operations. Income taxes paid relating to extractive industry activities cannot be segregated reliably from other income taxes. Therefore, income taxes paid are excluded from this report. It excludes also payments by entities that are accounted for using the equity method, such as Provadsol (BG) and Devnya Varovik (BG).

Solvay SA as parent of the group has prepared the report on a consolidated basis and reports the activity of any of its subsidiary undertakings that are active in the extractive industry. The following terms have the meanings noted below:

Government

Any national, regional or local authority of a country and includes any department, agency or undertaking controlled by such an authority.

Project

Operational activities that are governed by a single contract, license, lease, concession or similar legal agreements and form the basis for payment of liabilities to a government. Where multiple such agreements are substantially interconnected, this is considered as a single project.

Royalties

Payments to governments in respect of revenue or production related to the extraction of mineral and coal.

Disclosure threshold

Payments made to a government as a single payment or as a series of related payments of EUR 100,000 or more made in a financial year form part of this report. As a consequence, in the tables "Payments by government" and "Payments by project", some smaller payments were excluded, which explains the difference with the total in the table "Payments by country".

Payments by country

In € thousands	Royalties
Belgium	149
Spain	389
Germany	763
Italy	819
United States of America	20,534
Total	22,654

Payments by government

In € thousands	Royalties
Belgium	118
Wallonia Region	118
Spain	372
City of San Felice	212
City of Polanco	160
Germany	715
District government Arnsberg	715
Italy	819
Region Toscana	572
City of San Carlo	247
United States of America	20,534
National	9,119
Sweetwater county	7,305
State of Wyoming	4,110
Total	22,558

Payments by project

In € thousands	Royalties
Belgium	149
Walcourt quarry mine	149
Spain	389
San Felice salt mine	218
Polanco salt mine	171
Germany	715
Erpe salt mine	715
Italy	819
Ponteginori salt mine	378
San Carlo quarry mine	442
United States of America	20,533
Green River soda ash mine	20,533
Total	22,606