

Pricing PROGRAM

Our ambition is to excel in pricing management by 2023

WHY IS IT IMPORTANT?

- Pricing is the most impactful bottom line improvement lever
- We noticed a pricing leakage across customer segments (e.g. avg. CM of Stand. account < KA)
- Limited pricing maturity across the group (e.g. data accuracy, pricing governance, systems and tools)

2023 AMBITION

- Set up best in class pricing[®] organization
- Equip our commercial organization with the right tools to support their pricing journey
- Create transparency on pricing data to support perf. Mgmt process
- Leverage common methodologies & best practices

Key achievements 2020

- ~15M€ price increase committed and agreed with long tail customers across 5 GBUs (SpP, TS, Sp. Chem, AP, Coatis)
- Review and update of Solvay ONE price approach and formalization into playbooks
- Definition of business needs and functionality requirement for the implementation of a front end and back end tool
- Started to build group-wide pricing network / community

Plan for 2021

- Track impact of 2020 pricing efforts and GBU budget commitments on our 2021 P&L (+50M€ price increase budgeted)
- Create ICM data transparency (at monthly and order level) and improve accessibility (potentially through creation of a data lake)
- Design and roll-out a front end pricing tool across Solvay (Pilot with SpP + roll out to 1 more GBU)
- Launch pricing transformation exercise at GBU level including design of pricing organization & governance, implementation of back end tools and change mgmt (Pilot with SpP + roll out to 1 more GBU)



Pricing
Transparency



Price
Optimization



Pricing Front
End



Pricing Data
Lake



Pricing ICM
/BOM



Visibility Model



Pricing Architect
ure