



THE ERA OF PETROCHEMICAL DISCOVERIES

On 17 July 2020, SIBUR celebrates its 25th anniversary. Despite the challenging market conditions, the company feels confident about the future.

Recent years have brought breakthroughs in many ways. SIBUR divested a number of non-core assets, reinvented its business model focusing on the development of deep hydrocarbon conversion and polymer production capacity, upgraded the midstream infrastructure, continued to diversify its feedstock supply, increasing the reliability of its feedstock base. It started to implement the Industry 4.0 tools and the circular economy elements.

The Company has been adhering to the sustainable development principles for many years, focusing not only on the production issues, but also on contributing to the community.

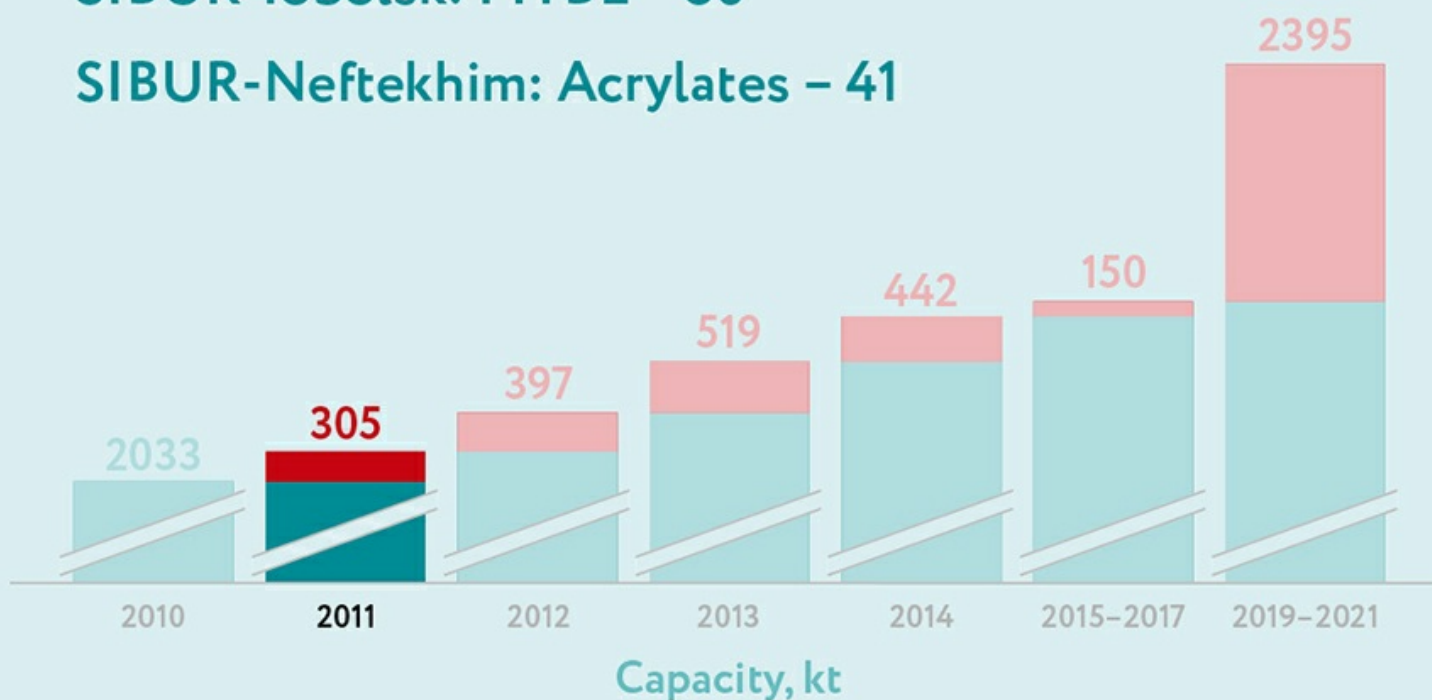
In the last eight years, SIBUR has sold around 1.8 mt of petrochemicals...

POLIEF: PET – 120

SIBUR-Khimprom: EPS – 50

SIBUR Tobolsk: MTBE – 50

SIBUR-Neftekhim: Acrylates – 41



25 FACTS AND FIGURES ON SIBUR

1. SIBUR is among the top-10 global petrochemical companies by EBITDA and the top-5 by EBITDA margin.
2. Today, SIBUR's facilities have 23,000 employees.
3. The Company sells its products in over 90 countries.
4. The Company intends to increase investment in R&D projects aimed at polymer waste recycling and use of renewable feedstock by 50%.
5. SIBUR aims to provide training in sustainable development for all of its employees.

THE COMPANY HAS TRIPLED ITS PETROCHEMICAL CAPACITY OVER THE DECADE, BECOMING A KEY PRODUCER OF BASIC POLYMERS IN RUSSIA, AND JOINED THE RANKS OF LARGEST EXPORTERS OF HIGH ADDED-VALUE PRODUCTS

6. 22 bcm of associated petroleum gas (APG) is processed annually, which helps SIBUR prevent emissions of over 70 mt of CO₂ and
7. 16 cities in SIBUR's regions of operation benefit from its ongoing programmes focused on the development of education, science, sports and healthy lifestyle, environmental protection, culture, and volunteering.
8. Launched in 2019, ZapSibNeftekhim in Tobolsk has become Russia's largest petrochemical facility. Upon ramp-up, it will produce 1.5 mtpa of polyethylene, c. 0.5 mtpa of polypropylene and 100 ktpa of butadiene, including various grades of polyethylene and polypropylene with a total capacity of 2 mtpa. ZapSibNeftekhim is among the top-5 global polyolefin producers.
9. Over the last decade, the Company has implemented 10+ large-scale projects worth more than RUB 850 bn.
10. In 2019, SIBUR launched PolyLab, Russia's first R&D centre set to process polymers into end products.



SIBUR PolyLab.

11. The Amur Gas Chemical Complex (Amur GCC) is shaping up to be the world's largest producer of polyethylene and polypropylene. SIBUR is currently working through the pre-construction phases of the project. In its extended configuration, the plant will produce up to 2.7 mtpa of end products.
12. Since its inception, SIBUR's R&D units have registered over 50 patents covering the product range, additives, production technologies, and other innovations.



In the NIOST lab.

13. SIBUR is Russia's leading producer of low-density polyethylene (LDPE), polypropylene, biaxially-oriented polypropylene (BOPP), polyethylene terephthalate (PET), monoethylene glycol, expandable polystyrene (EPS), emulsion styrene-butadiene rubber, thermoplastic elastomers (TPE), polyvinyl chloride (PVC), and other chemical compounds.

SIBUR HAS BEEN ADHERING TO THE SUSTAINABLE DEVELOPMENT PRINCIPLES FOR MANY YEARS, FOCUSING NOT ONLY ON THE PRODUCTION ISSUES, BUT ALSO ON CONTRIBUTING TO THE COMMUNITY

14. To support its gas processing facilities, SIBUR operates a 1,100 km pipeline connecting Purovsk and Tobolsk. The overall length of the Company's pipeline network is 2,717 km.

15. SIBUR transports and processes 62% of APG and 72% of natural gas liquids (NGL) annually in Russia.

16. By 2025 SIBUR intends to recycle at least 50% of all generated waste and reduce the specific mass of contaminants in wastewater by 40%.

17. The Company plans to increase the share of green energy in its energy mix fivefold by 2025.

18. Despite the global economic challenges, SIBUR raised USD 500 m in 5-year Eurobonds in June 2020 at less than 2.95%, the lowest coupon ever for Russian corporate issuers.

19. Based on the 2020 survey on career priorities of Russian graduates, Future Today named SIBUR the No. 1 employer for students seeking a career in a particular industry. Some 25% of aspiring professionals recognised SIBUR as the most attractive employer in the petrochemical industry. Also, SIBUR has more than once won the well-known Russia's best employer award.

20. SIBUR's products are widely used in key industries, including manufacturing of packaging materials, construction, chemical, food, textile and automotive industries, agriculture, and healthcare.

21. The Company boasts Russia's largest gas fractionation (9.5 mt) and petrochemicals (2.6 mt) capacities.

IN LATE 2017, SIBUR ANNOUNCED DIGITAL TRANSFORMATION

22. Over the past 15 years, labour productivity has increased 15 times.

23. SIBUR launched a variety of unique products in Russia. Phthalate-free polyvinyl chloride plasticiser, or dioctyl terephthalate (DOTP). Unlike other plasticisers, SIBUR's product has no adverse effects on human health. DOTP is widely used in construction, fit-out, healthcare, and beyond. Expandable polystyrene (EPS) with a safer and more efficient polymer fire retarding agent based on brominated styrene resin is key to manufacturing polystyrene panels, polystyrene concrete, polymer packaging, components for the automotive industry, and consumer goods. SIBUR launched new capacities to produce thermoplastic elastomers which are polymers that can significantly improve product quality in road construction, roof coating, footwear production, and other industries.

24. In 2020 SIBUR launched its own Industrial Internet of Things (IIoT) platform and also its own AR platform for online consulting, which proved to be invaluable during the lockdown.

25. In 2014 SIBUR started its Open SIBUR programme aimed at raising public awareness of the Company, its mission, values, and history. It's the sixth year of the programme, and by now it helped over 10,000 people from around the world visit the Company's sites.

On a global scale

Today, SIBUR is an active player in the global petrochemical market. In the past few years, the Company has been involved in a number of international projects. In 2012, SIBUR and India's Reliance established Reliance Sibur Elastomers Private Limited. The joint venture launched a 120 kt butyl rubber plant, with the second facility scheduled for late 2020 to produce 60 kt of halobutyl rubber annually.

India is Asia's second largest rubber market and third largest synthetic rubber market with one of the highest demand growth rates in the world. However, in the absence of local butyl rubber producers, the country had to rely entirely on imports.



Completing the deal for Sinopec to acquire a stake in SIBUR.

SIBUR has a long track record of successful cooperation with Chinese partners. China's Sinopec and Silk Road Fund own 10% stakes in SIBUR each, which opens up opportunities for even stronger partnership. The collaboration between SIBUR and Sinopec dates back to 2012 when Dmitry Konov, SIBUR's CEO, and Wang Tianpu, President of China Petroleum and Chemical Corporation (Sinopec), signed a cooperation agreement during a state visit of the Russian President Vladimir Putin to China. It helped establish a joint venture at the Krasnoyarsk Synthetic Rubbers Plant (KSRP), Russia's largest producer of high-quality nitrile-butadiene rubbers. Later on, the Chinese partner became a shareholder of SIBUR and its strategic investor.



SIBUR's Krasnoyarsk site (KSRP), Russia's largest producer of high-quality nitrile-butadiene rubbers.

In autumn 2019, SIBUR and Sinopec signed a term sheet for the production of SEBS (styrene, ethylene and butylene-based block copolymers): the companies will establish a 50/50 joint venture (JV) in Russia to produce at least 20 ktpa of SEBS.

IN THE PAST FEW YEARS, SIBUR HAS BEEN AGGRESSIVELY BUILDING A DIGITAL LANDSCAPE FOR PARTNER ENGAGEMENT

Also in autumn 2019, the companies signed a Memorandum of Understanding to cooperate in nitrile-butadiene rubber (NBR) production, and set up a joint venture for the production of NBR with a capacity of 50 ktpa in China. SIBUR's and Sinopec's shares in the JV amount to 40% and 60%, respectively.

In addition, the companies consider jointly investing in the Amur GCC. In China, Sinopec distributes polyethylene from ZapSibNeftekhim. SIBUR and Sinopec agreed to join efforts to process natural gas into petrochemicals in Russia and China, and to engage in R&D and personnel training cooperation in a number of areas.

Digital pattern

The fourth industrial revolution and environmentally responsible business standards have turned into the key global economic trends in the 2010s. The Company's mission is to constantly evolve and make the world a better place. To this end, SIBUR made innovative development and environmental impact reduction its top priorities.



SIBUR's digital factory (project) concept visualised.

In late 2017, SIBUR announced digital transformation. The Company masters data management technologies, advanced analytics, the industrial Internet of things, augmented reality (AR) technologies, drones, etc. This also helped SIBUR quickly transition some of its employees to the home office during the coronavirus outbreak. Though, the Company underlines that it is at the starting point yet. Targeted innovations will then be followed by digitalisation of end-to-end management and production processes.



SIBUR's first client forum.

IN THE NEAR FUTURE, THE COMPANY PLANS TO LAUNCH A MARKETPLACE TO OFFER PETROCHEMICAL PRODUCTS AND ANCILLARY SERVICES

The introduction of digital tools in customer management is a good example of such approach. SIBUR's focus on customers is a key pillar of its strategy. In the past few years, SIBUR has been aggressively building a digital landscape for partner engagement. Today, customers can rely on SIBUR's online services to go through the entire purchase cycle on their own, including to create a transaction, get a balance, check shipment status, receive an invoice, etc. Some 77% of orders are now placed via user accounts. The Company has automated 57% of customer journey from indication of interest to order placement and intends to bring it to 100% next year.

In the near future, the Company plans to launch a marketplace to offer petrochemical products and ancillary services. SIBUR rolled out the Express Doveriye, a pilot project in cooperation with Sberbank. Though prepayment is normally required, it enables a customer to ask for a credit via a user account to cover the transaction amount in full or in part when necessary. More financial services and delivery options are coming soon. The Company is committed to offering more and more opportunities to its customers.



DMITRY KONOV

Chairman of the Management Board at SIBUR Holding

"SIBUR's past performance makes the Company a success story in any macroeconomic environment. In the past years, the Company has substantially transformed its business model towards increasing polyolefin capacities. This model proved true during the 2020 crisis when the markets suffered from a double hit of low prices for hydrocarbons and the coronavirus outbreak. In extreme economic conditions, SIBUR's vertical integration once again showed its resilience in view of highly volatile markets of commodities and end products.

2020 was rather a significant milestone for the Company. We completed the construction of ZapSibNeftekhim, one of the world's largest petrochemical facilities. We expect our financial performance to grow stronger in the following years on the back of debt reduction and rising liquidity as this strategic investment starts to pay off.

SIBUR continues to increase its operational efficiency in line with high standards for operating excellence. The Company implements programmes and initiatives aimed at fostering the corporate culture, occupational training, production risk management, health, safety, and environment protection. We strive to adopt the principles of sustainable development, which reflects the Company's ambition to keep improving environmental, social and governance (ESG) policies.

I would like to thank our customers and partners for the long-term and mutually beneficial cooperation. Our top priority is to serve your interests.

I wish to extend my gratitude to many thousands of our employees for their contribution to the success of our Company and their strive for continuous improvements and professional excellence. Dear colleagues, let me congratulate you on SIBUR's 25th anniversary."

QUOTED SPEECH

Ahead of the anniversary, SIBUR's customers and partners answered three questions devoted to cooperation with the Company.

What are your impressions of working with SIBUR?

Conflex SPb: "It is always nice and good working with SIBUR. Everything is quick and effective."

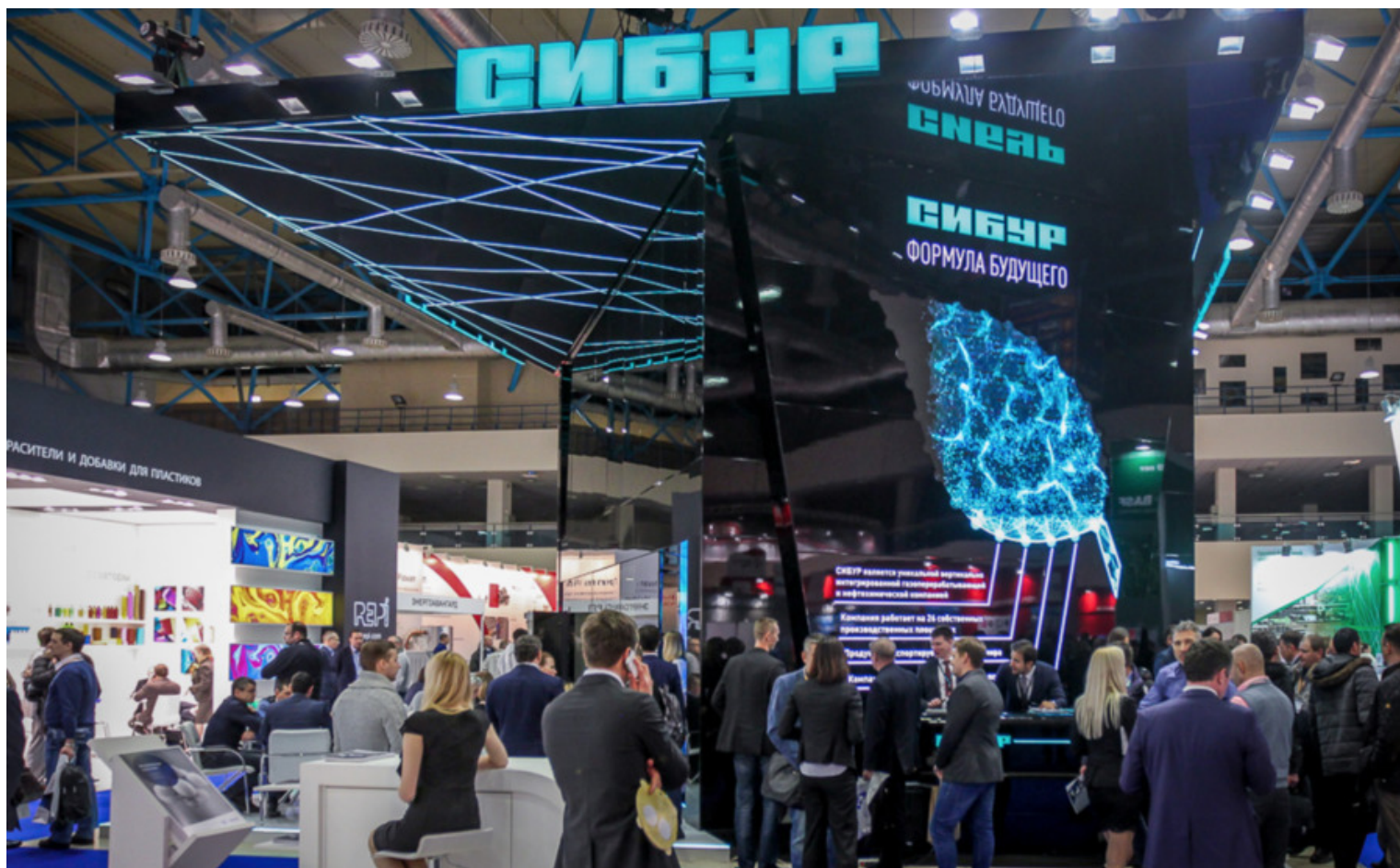
Europlast: "SIBUR has proved to be a reliable, stable and client-focused business partner for many years of working together with us. In our view, SIBUR's top priority is to build open business relations for successful cooperation based on professional excellence."

Artplast: "The employees' attitude to work is impressive. When we hold our joint events we see how sympathetic and sociable they are."

Altaiskiye Prisadki: "SIBUR's approach to customers is what differentiates the Company from its vertically integrated peers. Working with SIBUR always means a good feedback, close contact, and working dialogue. SIBUR combines its scale with an individual approach to customers, which is one of its key distinctive features."

SLT AQUA: "We are absolutely happy cooperating with the Company. It is always a pleasure to work with seasoned professionals."

Netkanika: "SIBUR is always a seal of excellence for its feedstock, employee efficiency and steady supplies. Thanks to its professional team, carefully chosen strategy and personal skills, the Company retains the leadership in the Russian petrochemical industry."



Exhibitions are a convenient tool to reach out to clients.

What is your outlook for SIBUR's role in 10 to 20 years?

Conflex SPb: "SIBUR will remain the industry leader driving R&D and innovations and offering high-quality services to its customers. We always get to know new interesting information from SIBUR and strive to share ours. We hope to continue such mutually beneficial exchange in 10, 20 and 100 years."

Europolast: “We believe in a long perspective of fruitful cooperation and new projects in the PET industry. We want to believe that the Company will be always leading the way in terms of high technologies and innovative products contributing to higher profitability and eco-friendly production.”

Artplast: “We hope that SIBUR will be a growing and sustainable company but not the only one standing in the Russian market as strong competitors give a hefty impetus to further growth.”

Altaiskiy Prasadki: “SIBUR is the fastest growing business among the industry majors. It continues to launch new facilities and tap into new areas. That is why it is easy to forecast. SIBUR will be marketing new and unprecedented products and will always be able to meet the needs of our economy.”

SLT AQUA: “We are confident that SIBUR’s products and solutions will be able to meet most of the domestic needs.”

Netkanika: “The Company’s achievements in 25 years are great! Even now, SIBUR delivers superior results against all odds. SIBUR is an example of a sustainable, forward-thinking and competitive business. We believe that SIBUR will grow much bigger to lead the way in the petrochemical industry going forward.

What would you like to wish the Company? What should be the focus of its management and teams?

Conflex SPb: “We wish SIBUR new knowledge, projects, and solutions. Never look back!”

Europolast: “We hope that focus on customers and respect will always underpin SIBUR’s relations with partners. Let the Company enjoy stability to strengthen its positions in the industry and continue developing new business lines. Of course, we wish SIBUR’s management and teams good health and further success!”

Artplast: “May our future cooperation avoid such adverse events as we all are passing through in 2020. May the society be fair and sound in its attitude to plastics. Let SIBUR stay on track and the polymer quality and capacities leave no room for imports.”

Altaiskiy Prasadki: “Let success attend SIBUR, which is known to be always mutual and related to that of its customers and consumers.”

SLT AQUA: “We wish SIBUR a rapid innovative development, new solutions, and agreeable partners. Of course, we are looking forward to a broader polymer range.”

Netkanika: “Let your teams grow, facilities expand, technologies improve and restraints recede!”