



## NOTE TO READERS

Peter O'Brien, Member of the Management Board – Managing Director for Economics and Finance at SIBUR.

Dear clients and partners,

Today, businesses from all around the world are embarking on a transformation journey. Economic paradigms are shifting under our feet, and strategies are being turned on their heads. In order to organically evolve with their environment, every company must turn to state-of-the-art solutions.

The ripples of 2020 continue to make themselves felt across all segments of the industry, with the global petrochemicals market still reeling from last year's economic turmoil. The surge in global polymer prices after multiple players halted production in the first quarter of 2021 placed increased strain on all links of the supply chain. Mining companies, processors and consumers were all forced to adapt to a new market environment. As Russia's largest polymer producer, SIBUR has been doing all it can to ease the pressure on its partners. First, we seek to maintain a balance, allocating products to the domestic and export markets in approximately equal proportions. Second, we offer broad support to our partners, including a number of financial mechanisms, including factoring and deferred payment.

Today, with the global and Russian economies gradually returning to growth, polymer consuming industries are showing a renewed optimism. Having weathered a slump in the market, the Russian automotive industry, construction and FMCG players all expect increased demand for their products. We are also looking to the future with confidence, and see the key task facing SIBUR right now as meeting market demand for popular basic polymer grades.

Strategic thinking in any business seeks current and long-term growth. We are always pleased to share the stories of our partners when they are successful in striking this balance.

In this latest issue of SIBUR for Clients, experts from McKinsey & Company discuss the trends forcing companies to change their business models by sharing key conclusions of their recent global digitisation survey and also providing a list of principles key to success in digital commerce. The researchers' conclusion is that by implementing these principles, businesses will not only be able to uncover new niches in the market, but, looking ahead, will be better positioned for future.

This issue also addresses the continued trend towards a green economy. Going green has gone from being a fad to a priority for companies serious about long-term growth. A number of articles in this issue lay out our current sustainability initiatives with both Russian and international partners. These include evaluating options to use more recycled plastics, major campaigns to promote plastic waste collection and recycling, and the development of a digital platform to bring together producers and consumers of recycled materials.

Having weathered the perfect storm last year, SIBUR has come out the other side strengthened, better equipped, and with an acute awareness of the power of our partnerships. Now, we must press on, full steam ahead, to strengthen our market position, foster a positive business environment, reshape our industry and, in doing so, help the global economy to bounce back stronger than ever.

This is a task best faced together – let's go out there and make it happen!

If you have any questions, suggestions or opinions (including criticisms), do not hesitate to email them to [dearcustomer@sibur.ru](mailto:dearcustomer@sibur.ru) (mailto:dearcustomer@sibur.ru)