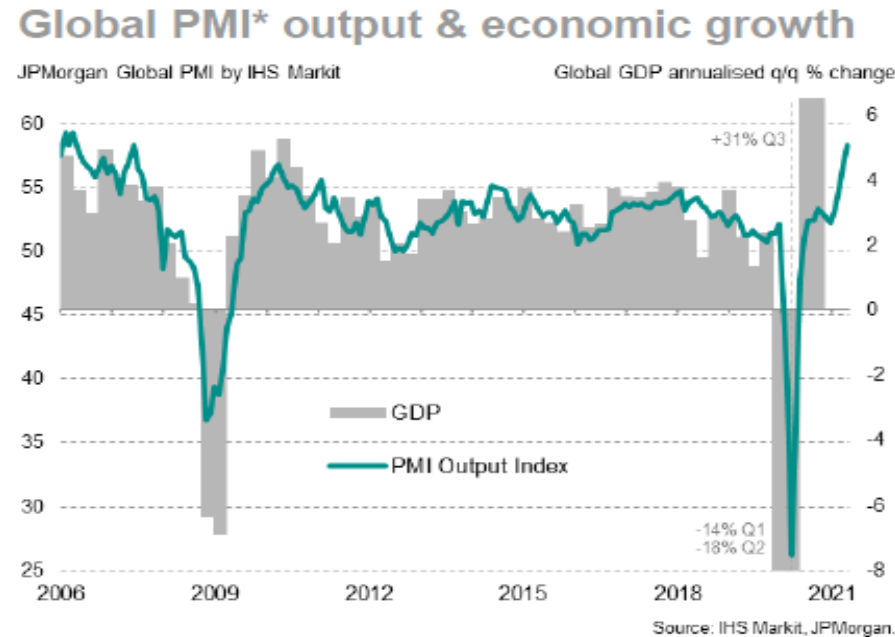




# PVC Market evolution

# Covid 19 Impact worldwide

- Strong swing of demand in 2020 and 2021 with new structural PVC demand build up
- Very tight PVC global supply/demand balance driven by strong demand and various production issues
- Resin price peaks across all regions



\* The Purchasing Managers Index (PMI) is a measure of the prevailing direction of economic trends in manufacturing based on monthly reports and surveys from private sector manufacturing firms

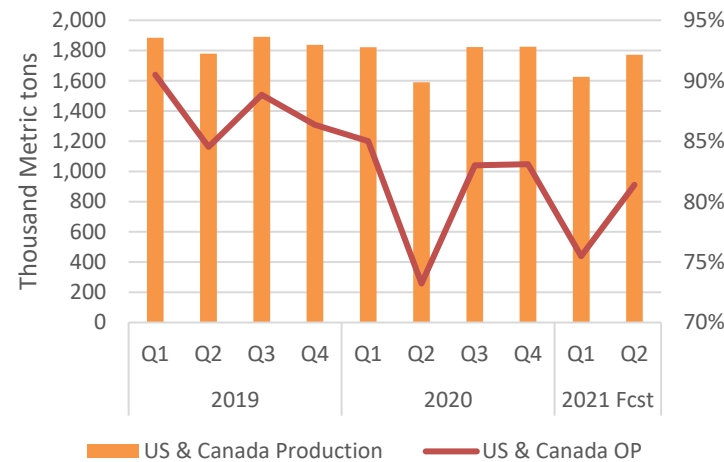
# US Market situation

- US PVC domestic demand extremely high >12% in H2 2020 versus H2 2019
- Serie of unplanned outages that heavily impacted the PVC availability worldwide
- Sharp Export reduction and price rise leading to record level of \$1,600-2,000/t in Q1 2021

US & Canada Domestic Demand 2019 - 2021Fcst



US & Canada Production & OP 2019 - 2021Fcst



US & Canada Exports 2019 - 2021Fcst

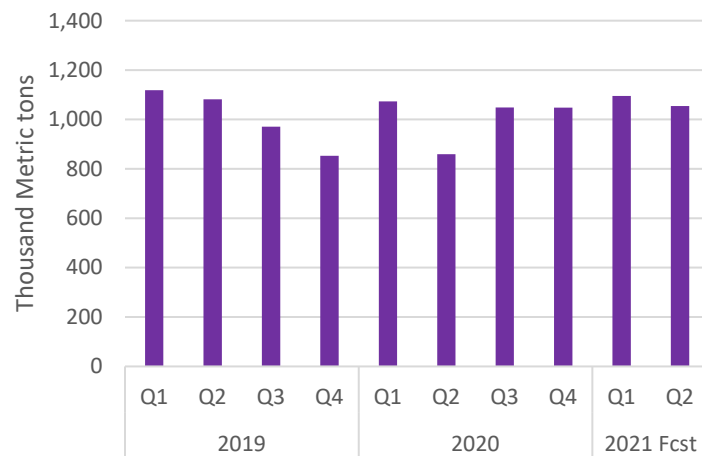




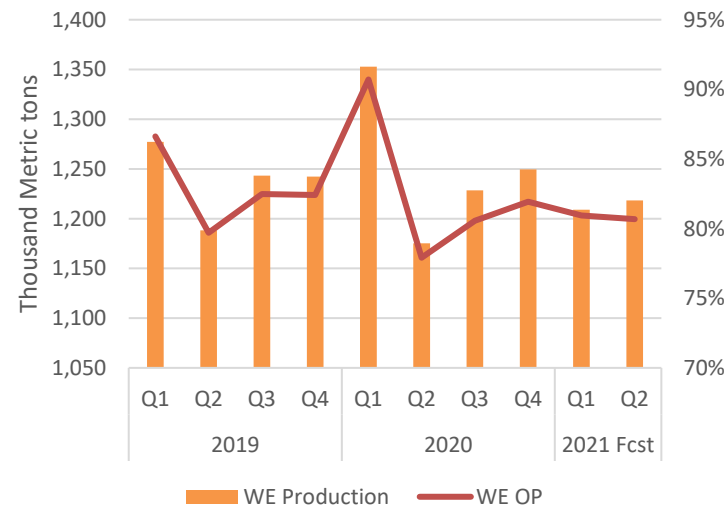
# EU PVC Market situation

- Drop of demand in Q2 2020 followed by steep recovery with demand >10% above average in H2 2020
- Operating rate maintained at good level by EU industry, limited industrial issues in Q4 2020/Q1 2021
- Drastic reduction of import : -43% in 2020 and -60% for Q2 2020/Q2 2021
- Progressive price rise starting Sept 2020, moderate versus global peak

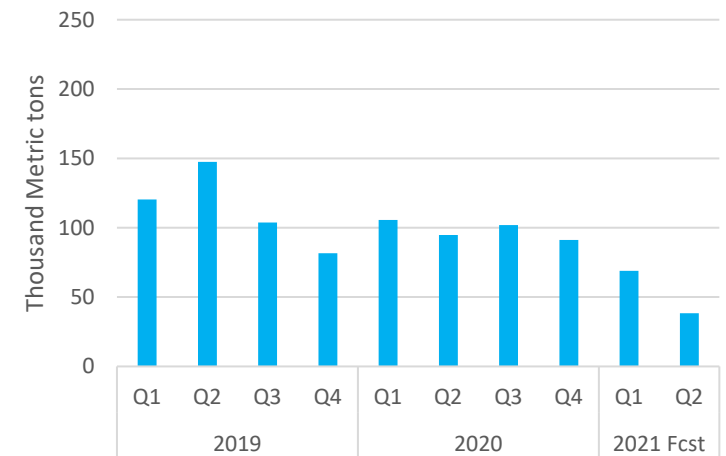
WE Domestic Demand 2019 - 2021Fcst



WE Production & OP 2019 - 2021Fcst

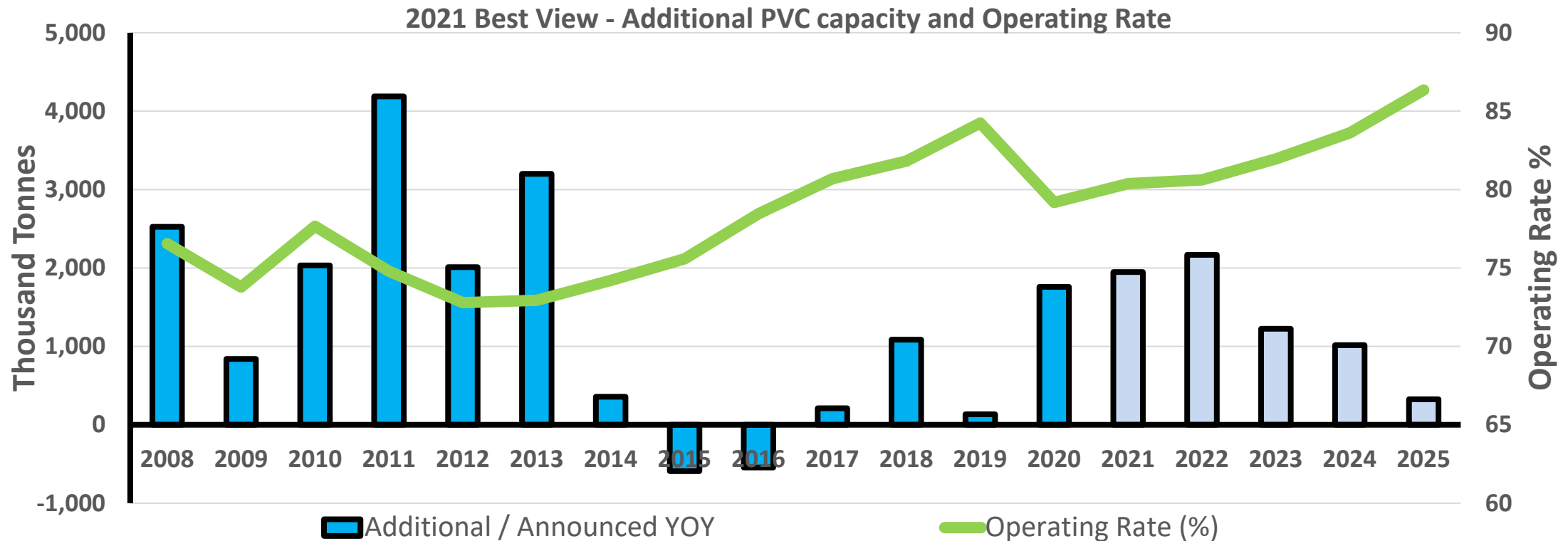


WE Imports 2019 - 2021Fcst



# Outlook

Global market getting short after last 10 years of limited investment and need to get sustainable margin to get sustainable situation



# Key take away

---

- Improved demand in post Covid19 time and unplanned outages have shorten PVC market pushing PVC prices to record level
- Supply will regularize in H2 2021 but operating rate will remain structurally high supported by sustained demand
- Industry hasn't been on reinvestment level for years, with limited capacity increase under way
- Record prices will be corrected but most probably stabilize above pre-covid historical levels
- For EU, imports no longer a reliable source linked to opportunistic behaviour