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Orbia Advance Corporation, S.A.B. de C.V.

2022 Investor Day

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PRESENTATION

Gerardo Lozoya Latapi

Good morning, everyone, and welcome to Orbia's 2022 Investor Day.

I am Gerardo Lozoya, Investor Relations Director. Thank you for joining us today. We appreciate your interest in Orbia. Today, we're very excited to be here presenting who is Orbia and what's our strategy. We're committed to have best-in-class disclosure and transparency as we go through this journey.

I would like to take a minute to address an important topic, which is security. So, in case we have an emergency, you will find two doors behind you with an exit signal. If needed, we will need to go out of the room, following the signal behind you, and if needed, the right, there are stairs behind you, that will allow us to—take us to the street level. We're going to receive further instructions from the Safety Team from the hotel.

So, now, I'd like to draw your attention to our Safe Harbor statements in our presentation, on Page No. 2, and take a moment to review this slide.

For those of you on our webcast, please send your questions through the webcast platform. We will be collecting your questions throughout the presentations, and I and Josh will be reading your questions to the Management Team during the Q&A session in the order in which we receive those questions.

As a reminder, at the end of the presentation, we will host a lunch in the St. George CD Room.

Now, I'd like now to introduce Josh Preneta, our Head of Corporate Strategy, who will walk through the agenda of the day.

Josh Preneta

Thank you, Gerardo. Good morning everyone.

As Gerardo said, my name is Josh Preneta, I'm Head of Corporate Strategy. I've been at the Company for about three years. I've worked with Sameer for quite a bit longer than that. Background in strategy in a variety of different industries.

The agenda for today, which I'll pull up, is really focused on answering a few questions. Just for context, the last time we had an Investor Day at Orbia was back in 2012, so it's been almost 10 years since we've done an event like this, so we thought it would be appropriate to really focus on three questions: who is Orbia, what is our strategy, and what will the results of that strategy be. This is how we built the agenda for today, and we're super-excited to share it with you.

- We're going to start with Juan Pablo, who I think many of you know, who's going to really talk about Orbia's history and how we got to were we are today.

- Sameer will then come onstage and talk to you about who we are, what ties these businesses together, what drives our growth, what is our strategy.

- Tania will come onstage and talk a little bit about sustainability, which we see as absolutely core to who we are.

- Then, each of our business group Presidents will walk through who is the business group, what is the strategy of the business group, and what are the results that that strategy is going to drive.

- Shai will come onstage, Shai is Head of Innovation for Orbia, and talk about how we think about innovation.

- Then, finally, Jim is going to come onstage as CFO and really talk about in a bit more detail what's the financial impact of this strategy.

So, super-excited. You're not going to see me onstage after this, but looking forward to catching up with all of you over lunch.

I guess, with no further ado, Juan Pablo?

Juan Pablo del Valle Perochena

It's great to be here with all of you today. As Josh said, it has been 10 years since our last Mexichem Day. I'm sure that you will see after this presentation that we have a larger company, that is more sustainable, that is more professional, and that is more global.

My name is Juan Pablo del Valle and I have been the Chairman of the Board of Orbia since 2011, and I have been lucky to participate in the last 20 years in Orbia's monumental transformation, that started, many of you will remember, with Camesa, that turned into Mexichem, and today is Orbia.

I'm here to tell you two important things: the first is what's my priority as Chairman and the second is to tell you about Orbia's resiliency and opportunities for the future.

If I tell you about my priority, it's really a shared priority with the Board and with the Leadership Team, and that is to be good stewards of capital, dual (phon) capital. If we want to be good stewards of capital, I think we have to have the right owner's mentality, and the right owner's mentality has to understand that Orbia is a business, and businesses require maximizing capital. We do that by continually growing, by having healthy margins, healthy cash flows, a strong balance sheet, and stable dividends, which is what we've done in the past years, but without forgetting that in order to do that, we have to create value for our clients, for our community and for the planet.

So, let me tell you now a little bit about why Orbia is so resilient and why Orbia has so great opportunities for the future.

I wanted to start by telling you, and many of you remember, that 20 years ago Camesa, or Mexichem, mainly sold rocks. We had a fluorspar mine and a salt mine, and we sold those rocks and that salt as chlorine and caustic soda. But, we defined a very clear strategy. Our central idea was vertical integration, and from that vertical integration, today, we're integrated from mine to market, and we're integrated from lab to everyday life materials, and from ground to home. You will see what that means when Sameer and

the team explain a little bit farther how we transform this rock, fluorspar, into derivatives that go directly into the market and that will actually be key for the energy transition.

This is the fluorspar that we have in San Luis Potosi, so that you picture the kind of rocks that we sell.

Can we go to the next? This is the salt that I was referring to.

But, don't worry with the presentation, I will continue. I was telling you that our central idea had been to grow with a vertical integration strategy, and that we evolved from mine to market, from ground to home, and from lab to everyday life, and just remember that framework, because when you see all of the business leaders presenting, that will serve you well in terms of understanding how we do it.

But, the end result is, as I told you, we are today a larger company. We grew from $200 million in 2001 to almost $9 billion now. In terms of EBITDA, we have grown around 60 times. We have maintained a very strong balance sheet, two times, around two times. Very healthy margins, more than 20%. A strong balance sheet and stable dividends. We have been able to do that because our markets are diversified. We participate in 40 countries, and the markets that we participate in are relevant, we are in water, food, data com, health, etc.

We've been able to stay resilient and grow and have all these characteristics that I tell you about even after we had a terrible global financial crisis in 2008; recently the pandemic, inflationary pressures, inflation risk, and many other obstacles; also internal, like the JV that we have from Pemex. No matter what, we have gone through these obstacles growing, having good margins, strong balance sheet, etc.

But, we understand that we cannot sleep on our laurels. As we say in Spanish (Spanish spoken), you snooze, you lose, and our team is incredibly dynamic in looking at all the opportunities that we have available and focusing on the relevant ones, the ones where we have a niche, the ones where we can make a difference.

Sameer and the team will tell you all these details, and I am pretty sure that by the end of this session you will be as excited as me about the future of the Company.

In summary, please, when you think about Orbia, think about the stewards of capital, with an owner's mindset, with a purpose to advance life around the world, and with clear opportunities to grow in the future.

Thank you. I want to also thank all of our employees, many of them who are connected, our clients and our stakeholders.

Sameer, the floor is yours.

Sameer Bharadwaj

Thank you, Juan Pablo, for the great introduction. Juan Pablo is quite humble in his remarks. He's one of the key team members that has been the chief architect of Orbia's strategy over the last 20 years, and clearly had a significant contribution to taking this Company from $200 million to almost $9 billion today.

I want to start by giving everybody a very warm welcome. Many thanks for attending the Investor Day presentation in person, and thank you for all those online who are going to be with us for the next few hours. Today, our team's primary objective is to help you understand who Orbia is and where are we headed in the future.

Let me start with a brief introduction to myself. I'm an engineer, my background is a PhD in Chemical Engineering, and I've worked in industries related to Orbia for over the last two decades. These include experiences at the Dow Chemical Company, the Boston Consulting Group and Cabot Corporation. My involvement with Orbia started over 10 years ago as a Board member for the fluor business, and I joined the Company roughly six years ago.

The key messages I would like to leave you with are the following:

- Orbia is a company that harnesses the power of material science and innovation to serve customer needs, addressing key world challenges at the same time, and providing sustainability solutions.

- The second message I want to leave you with is that we are going to be investing in profitable growth, leveraging our uniquely advantaged positions and bringing differentiated solutions to market, and we will do that by maximizing the value of vertical integration in the value chains we participate in.

- As Juan Pablo highlighted, the most important thing is being good stewards of capital, and we will demonstrate that by being disciplined operators.

- Finally, as you will hear from Jim, we aspire to deliver double-digit earnings growth and steady and growing returns to shareholders through dividends.

Let me start with defining who Orbia is today.

Three years ago, we went through the transformation from Mexichem to Orbia, and we chose the name Orbia after much deliberation. The name Orbia comes from "orb," which is Latin for a sphere or a globe, and "bia," which is Greek for the personification of force. We want Orbia to be a force for the world.

We also spent over a year with a group of 400 team members distilling Orbia's purpose, and we landed upon the purpose of advancing life around the world. This, for us, is a beacon with which we look at everything we do, the choices we make, the investments we make, and where we're headed in the future.

We also codified our values and landed upon bravery, responsibility and diversity as our key values.

So, to summarize, driven by purpose and unified by values, we choose to work on the toughest challenges. From mine to market, ground to home, field to table, and lab to everyday life, we rely on our collective ingenuity and the integration across our value chain to transform materials into greener, smarter and more efficient solutions. This is Orbia.

Orbia today is a truly global company. With 35% of our sales in Europe, 33% in North America, 22% in Latin America and 10% in the rest of the world, with operations in over 100 countries and manufacturing assets in over 50, this is a truly global company.

Safety of our people and communities is our number one priority, and we do this in three ways: by continually transforming our culture and ingraining safety into the DNA of our team members, through operational discipline in our chemical operations and mining operations and our downstream extrusion operations, and then providing the teams with the tools and technology to come to work safely and go home safely. You can see this in the results. Over the last several years, we have continuously improved our safety performance, with the total recordable incident rate of 0.6 in the last year, and we aspire to achieve world standards of 0.2 to 0.3 over the next few years.

People are our most valuable asset. Today, I'm proud to say we are truly global team of 23,000 employees, that's highly diverse, highly talented, fully empowered, and works with an owner's mindset, and the fulfillment, development and wellbeing of our employees with a long-term mindset is one of our top priorities.

I want to now switch gears and talk about our businesses. Orbia today has leading positions in the businesses it operates in. We're the sixth largest producer of PVC in the world. We're the world's largest producer of specialty PVC. In our building and infrastructure business, Wavin, we are number one in Europe and number one in Latin America. Our precision agriculture business, Netafim, is the number one precision agriculture business in the world. Dura-Line, our telecommunications conduit business, is number one in North America and number three in Europe. Finally, our fluorinated solutions business, Koura, is the world's largest producer of fluorspar. These are enviable positions that provide us an incredible platform to grow from.

Orbia is a customer-focused company. Now, what's fascinating about the set of businesses we have is that not only are we customer-focused, we are also addressing key world challenges at the same time. The five world challenges I'll talk about today, and you'll hear from in the business group presentations, include: sanitation and water management, health and wellbeing, food and water security, information access and connectivity, and, finally, climate resilience and decarbonization. You can see that many of our businesses cut across each of these challenges.

Now, there's no better way for me to communicate to you who Orbia is today than by talking about the value we create in our customers' applications and the world challenges we address at the same time, and I'll talk about five of these.

The first one is providing access to clean water and sanitation. One in four people around the world today do not have access to clean drinking water. Millions of children around the world today still die in developing countries because they do not have access to clean water. One in two people around the world today do not have access to safely managed sanitation. So, as the world population grows, providing access to clean water and sanitation will continue to remain an important priority for the world.

Orbia provides PVC for use in pipes and fittings, providing clean water and sanitation to people around the world. Why PVC? PVC is safe, it's durable and it's cost-effective. It's immensely recyclable, with a lower carbon footprint than alternatives, and it gives UV resistance without the addition of carbon black. There are no real alternatives to PVC for delivering clean water and sanitation to the world. In addition, as you will hear from Maarten during his presentation, Orbia is a leader in providing city-scale water management solutions.

The second example I want to talk about is enhancing urban climate resilience. Cities around the world are stressed today with massive population growth, lack of infrastructure, aging infrastructure, flooding, droughts, pollution and sinking land, and the world's population is expected to grow—the urban population is expected to grow from 4 billion to 6 billion by 2045. Now, in that context, Orbia provides resilient urban infrastructure solutions to its customers, and these include: stormwater management, indoor climate solutions for building energy efficiency, and various mechanisms for recovering and recycling rainwater, and Maarten will talk about these in his presentation, as well.

The third example, in terms of how Orbia creates value for customers, is helping the world grow more with less. By 2050, the world population is going to exceed 10 billion. What does this mean? It means we will need a 60% increase in agricultural output. So, feeding the world is going to be a significant challenge. Orbia delivers precision agriculture solutions through its Netafim business, in particular, drip irrigation. Now, of course, many of you understand that drip irrigation allows you to use less water, improve yields, but the best way to hear about how value is created is by going and talking to customers.

A couple of weeks ago, I was in India and I went to visit a farm, and I sat down with the farmer in the field and I asked him, "Why are you using drip irrigation?" and what he explained to me was fascinating. He said, "Look, I have intermittent power, I get electricity a few times a day, I don't have enough people to work in the fields, and this area is water stressed. So, for me, it's not just about saving water, it's about saving energy, saving labor, and getting increased crop yields." That was incredible to hear, and we have similar such stories that Gaby can share with you during his presentation from around the world.

The fourth example I want to talk to you about is enabling connectivity. There's an exponential need for connectivity around the world, and Peter will discuss this in his presentation, driven by the need to bring more people online, enable people to work remotely, and provide cloud solutions and data storage. Dura-Line provides conduit solutions that allow network providers to lay these conduits and dig trenches only once, so that they can deploy fiber in the future in a much more sustainable manner. Peter will also talk to you about some of the other solutions that we are providing for network infrastructure and connectivity.

Finally, the last example I want to talk to you about is enabling the world's transition to sustainable energy. Now, all of you are aware about the significant growth expected in the transportation of the—the electrification of the transportation fleet with lithium-ion batteries, as well as with the growth in wind and solar, the need for grid-level energy storage, which will also be served by lithium-ion batteries. The demand for battery lithium-ion storage capacity is expected to go up by 10 or 20 times over the next decade. More than 30 million cars are expected to be electric by 2030.

Now, everybody talks about shortages of lithium, nickel, cobalt and concern about those supply chains. What most people don't appreciate is that fluorine is a key component of lithium-ion batteries, almost 10% by mass, and if you do the math correctly, you'll find that by the end of the decade more than half the world's fluorine should end up in lithium-ion batteries.

Now, in that context, Orbia, through its Koura business, provides three key things:

I have here with me a couple of samples of fluorspar. Juan Pablo shared these pictures with you. You can come and touch and feel these rocks during the break.

- Orbia has the world's largest fluorspar reserve and is the largest producer of fluorspar, and so we will provide security of supply to the lithium-ion battery chain over the next decade.

- Second, with increasing supply chain and logistics challenges around the world, as many of these gigafactories factories are being built in Europe and North America, all of the battery plants are requiring local supply chains, and Orbia is in a position to provide local supply chains to its customers in both Europe and North America.

- Finally, Orbia is going to provide high-value fluorinated materials for lithium-ion battery applications, which include electrolyte salts, electrolyte additives, cathode materials, and recycled components on lithium-ion batteries.

I'm pleased to announce that last Thursday, on May 12—Gregg, who's here in the audience today, will share more in his presentation—we signed our first joint venture with Foosung Technologies of Korea to produce lithium hexafluorophosphate in Poland. This is a landmark milestone, one of many, and the next frontier will be North America. Very excited about this.

Hopefully, these five examples give you a better sense for who Orbia is today. Orbia is a truly global company with a fantastic team, really talented people, extremely well positioned to grow in some very important market segments over the next decade.

I want to now talk to you about our strategy for value creation, and the first point to note is we will be investing in growth, and we will do so because we have uniquely advantaged positions that we can leverage for highly profitable growth and we have differentiated technologies that we can bring to the world. Second, I will talk you through the value of vertical integration. In a world of supply chain disruptions and deglobalization, security of supply of key materials is key, and Orbia has a unique position in the chains it participates in. Finally, I'll share with you how we'll create shareholder value by being good stewards of capital and disciplined operators.

First, we're looking at significant growth opportunities across each of our businesses, and you'll hear about these in each of the business group presentations, but I can tell you that at an Orbia level, we are aspiring to grow our earnings, our EBITDA by 11% to 14% over the next five or six years. The key thing to note here, if this is the only thing you take away from this slide, is that much of this growth is going to come from growth in our core markets; 70% to 80% of our growth is going to come from organic growth in our core markets and the remaining 20% to 30% will come from adjacent products, adjacent services, geographic expansion, and maybe a bolt-on acquisition here and there.

Let me talk about the drivers for the growth in each of these market segments. Over here, you can see—the takeaway message from this slide is we aspire to grow above market rates in each of the businesses that we operate in. in Polymer Solutions, this is driven by basic need for clean water and sanitation. Likewise, in Building and Infrastructure, with the urbanization of the planet and need for urban infrastructure solutions, we'll see significant growth in our Wavin business. In Precision Agriculture, it's increasing the penetration in high-value crops and through innovation going into extensive crops. In Data Communications, as you see increasing deployment of fiber infrastructure rurally, increasing cloud infrastructure, data storage infrastructure, we will see significant growth in that business. Then, finally, in Fluorinated Solutions, it's the solutions we are bringing for next generation refrigerants and medical propellants with far lower global warming potential, and the new materials I talked about in energy storage. Combined, this will allow us to grow our revenues by 8% to 11% over the next several years, relative to a market growth rate of 5% or 6%.

I want to spend a little bit of time on vertical integration and this has—as Juan Pablo talked about this, this has been key to our strategy and this has allowed us to be immensely successful over the past couple of decades, and will hold us in good stead in the future.

We start with two simple materials, ethane and salt. Now, both of these are highly advantaged on the U.S. Gulf Coast. Ethane comes from shale gas and salt comes from salt caverns in Texas and Louisiana. Now, we take the ethane molecule and you take two hydrogens off, that's what you do in a cracker, and you get ethylene. This is what we do in our cracker in Ingleside and Corpus Christi. Next, you take the salt, you make a solution, apply electricity to it, and split the salt molecule, you take off the chlorine. You combine the chlorine with the ethylene and you get PVC.

It's very important to understand that to be successful in PVC—there's very few companies in the world that can thread the needle on this complex value chain, where you're doing both caustic soda chlorine, you're starting with ethane, going to ethylene, combining it to make PVC, and the most advantaged location for that in the world is the U.S. Gulf Coast, and with our presence in North America on the U.S. Gulf Coast, we have one of the most advantaged cost positions in the world.

We then go further downstream, produce general resins, general PVCs, specialty resins, which then gets further integrated downstream into specialty compounds, and Gautam will talk about our Alphagary business, building an infrastructure, our Wavin business, precision agriculture, our Netafim business, and then of course we meet the needs of external customers around the world, as well. Very powerful

integration here. Last year was the best example of when we really reaped significant benefits from this integration, and you can see that in the results.

The second integration I want to talk about is the mine to market integration in our fluorine chain. This rock that I talked about is going to be key to the world's transition to sustainable energy, but that's not all, there are other critical applications of fluorine. We've been producing metallurgical-grade fluorspar over the last two decades, and this goes into steel and cement applications. You cannot produce high grades of steel without fluorspar. Fluorspar also lowers the carbon footprint of steel and cement.

We then take the fluorspar and produce 97.5% fluorspar, which is called acidspar, which is a starting point for all downstream fluor chemicals. The acidspar is converted to hydrofluoric acid, and Gregg will share with you the markets we participate in today include medical propellants, refrigerant gases, energy storage materials and aluminum fluoride.

What I haven't talked about is that fluorine is also used in 5G telecom, fiberoptic cables. The jacketing on a fiberoptic cable is a fluoropolymer. Fluorine is extensively used for semiconductor manufacturing, and Gregg will share more about that with you. But, all of these will drive significant demand for fluorine and our vertical integration positions us extremely well to win in that value chain.

In addition, we are working hard to continually realize synergies across our business groups. Besides supply security and improved economics, we are working hard to increase the internal consumption of PVC, plasticizers and stabilizers, and Gautam will talk about those.

We have a strong innovation mindset and we are working seamlessly across business groups with materials innovation. For example, Nick is working with Maarten and Gaby on a fit-for-purpose PVC for irrigation applications.

We have significant geographic synergies, and Peter and Maarten will talk about those. Wavin was able to enter India in an accelerated fashion by taking on two of Dura-Line's facilities, and Dura-Line was able to do the same in Europe.

Finally, we have many other asset synergies that we are going after, and sharing resources, where it makes sense, across the whole Company.

We have a highly disciplined approach to investments. As I mentioned before, 70% to 80% of our growth is coming from investments in our core markets. We have a very rich pipeline of opportunities. These are highly actionable projects which we have clear line of sight into, expansions within our current assets, brownfield expansions, additional new lines, and much of this growth comes at least than 4 times EBITDA, typically, 2 to 4 times EBITDA, and at significant scale.

We will look at inorganic growth opportunities on a case-by-case basis, specifically, to address our technology gaps, any gaps in our geographic footprint, all to facilitate entry into our market, but the bar will be very high, need to have significant growth, significant synergies, and strong financial discipline in terms of return on invested capital.

Now, I will share with you the scale of our aspirations shortly, but one cannot scale a company, a $9 billion company, without having a robust operating system in place, and to that end, we've been slowly deploying an excellence operating system across the entire Company, across each of the businesses, and you'll hear each of the business leaders talk about the excellence operating system during their presentations, which provide a common set of tools and processes and standardization of how we run our business.

Finally, digital transformation is going to be key to enable us to scale the Company. I have Mike Bruggeman, sitting in the back, who leads our technology function, and we've assembled a really fantastic team that's addressing our foundational IT needs, enabling customer-centric digital, our e-commerce applications, and then future-fit digital, where we will leverage tools, such as artificial intelligence, machine learning, whether it's for preventive maintenance, for supply and demand planning, and other applications.

So, this is what we're aspiring to. Today, we're roughly a $9 billion company and, based on what I've shared with you so far and as you'll hear from the business groups, we are looking at growing our revenues to $13 billion to $15 billion over the next five or six years. Our EBITDA will scale from around $1.8 billion, $1.9 billion to a range of $3.1 billion to $3.5 billion—Jim will talk a lot more about this in his presentation—and simultaneously, we will grow our margins from the 20%, 21% range to 23%, 24% by 2027.

We understand we are living in an uncertain world. There are many risks out there. What I'd like you to walk away with is we understand these risks and we have put the systems, processes and teams in place to mange these risks should any of these events occur, and these include: cybersecurity, ethics and compliance, operational safety, regulatory risks, as well as systemic risks.

I want to spend a moment on resilience. Our balance sheet is incredibly strong, today our leverage is around 1.3, and our operating cash flow is in excess of 60%. We have ready access to additional debt, as necessary. Then, on the structural side, the vertical integration that I described positions us at the bottom left of the supply curve in the chains we participate in, which allows us to weather storms better than most people out there.

I want to come back to what I started with.

- Orbia is a company that harnesses the power of material science and innovation to serve customer needs, and is addressing key world challenges at the same time.
- We are gearing up to invest in profitable growth and will leverage our uniquely advantaged positions, offer differentiated solutions and maximize the power of vertical integration.
- We'll create value for all stakeholders by being good stewards of capital and disciplined operators.
- Finally, we aspire to deliver double-digit earnings growth and steady returns to our shareholders through growing dividends.

Thank you very much.

With that, I'd like to invite Tania to come and talk to you about how we think about sustainability at Orbia.

Tania Rabasa Kovacs

Thank you very much, Sameer.

Hello everyone, and welcome once again to our Investor Day. It's really great to see so many familiar faces, and also new faces.

My name is Tania Rabasa Kovacs, I'm Corporate Vice President of Sustainability and Corporate Affairs, and I'm truly delighted to be with you today to share Orbia's exciting ESG story, which really is all about

enabling a sustainable future for generations to come. But, before I step into my slides, I'd like to tell you a little bit about myself for those of you that don't know me.

I stepped into my current role only in December of last year, but I've been with Orbia for over three years, heading areas of corporate development and energy skill sets. Before joining Orbia, I worked in large energy companies, looking at energy transition and strategic agendas.

Let's start. During my presentation today, I will focus on three key aspects of our ESG story to set the broad framework from what you'll hear later on today from each of our business group Presidents:

- First, the very ambitious environmental goals we have committed to and how we have been progressing towards achieving them, whilst at the same time setting new bold targets around Scope 3 emissions to help our customers reduce their own environmental footprint.

- Second, the strategy we have to actually reach those goals and our aspirations to go beyond.

- Third, the strong governance structures and processes we have in place to enable our ESG ambitions and to create the impact at the scale and the speed that all our stakeholders demand.

As a global, purpose-led company, that Sameer already described, we recognize that the world needs to drastically reduce greenhouse gas emissions by 2050 to avoid further climate catastrophes. At Orbia, we are committed to reaching carbon neutrality by 2050, and we have also laid down, with transparency, our path to get there, rooted in climate science.

Starting in 2025, we've already set ourselves three environmental-related goals around waste, environmental management assistance and SOx reduction.

By 2030, we are a first in Latin America among petrochemical companies to actually set a Scope 3 greenhouse gas emissions reduction target. This is really a landmark that sets us apart. You will hear with much more detail the very concrete actions we have to actually reach this target. Since these Scope 3 emissions are mostly related to our fluorinated solutions, Gregg Smith will go into more detail later on today.

Also, by 2030, we are aiming at reducing our Scope 1 and Scope 2 emissions by 47%, and that should place us—should allow us to reach by 2050 net-zero.

That we are progressing on our path is demonstrated by recent accomplishments, from which I'd like to highlight three today: 2021, we already reduced our Scope 1 and 2 emissions by 10%, our Scope 3 emissions by 8%, and our SOx emissions by 21%. These achievements have been recognized by external parties, as they have upgraded our rating, the most recent one being EcoVadis, who upgraded Orbia to Gold, which means that we are now at the top 5% of our industry.

I have already shared with you what our goals and targets are, so now let me tell you what the three strategic pillars are we are focusing on to reach those goals, and even to go beyond.

- The first one we are focusing on is running low-impact and resilient operations. This means seeking opportunities to minimize or eliminate any negative impacts, while implementing projects to become climate-resilient.

- Second, constantly delivering sustainable solutions. This means developing products and services with an improved environmental performance and supporting the United Nations Sustainable Development Goals.

- Third, seeding new business, which means accelerating new technologies and business models for a net-positive world.

This framework allows us not only to operate sustainably, but also to grow sustainably.

I'll now go into a little bit more detail into each one of these three pillars.

Starting with our own operations, at Orbia, we aspire to be a global leader in sustainable development, based also on how we conduct our business, which is why we are continually seeking opportunities in all of our plans across all of our business groups to optimize our processes and make our manufacturing processes more efficient, to transition to renewable and lower carbon energy sources, and, additionally, each business group President is looking at implementing circular models around water, waste and recycled content.

Now, let me move on to the second strategic pillar, sustainable solutions. The world is set to add 2 billion people, as Sameer already mentioned, and that means we're going to need more water, more energy and more food, and so we will need more efficient solutions to cover these basic needs. As a sustainable solution provider, at Orbia, we are constantly seeking to address some of the most pressing challenges the world is facing today, such as expanding health and wellbeing, connecting communities, ensuring food and water security, contributing to climate resilience and decarbonization, and improving access to sanitation.

Sameer also already gave very concrete examples of how our offerings contribute to each of these challenges. What he did not mention, and I want to highlight here, is that our solutions also contribute to the United Nations Sustainable Development Goals, and we have actually conducted an assessment to better understand, and even quantify, how our different offerings contribute to these goals. This was just the first exercise we conducted, together with KPMG, but we are looking at further understanding and quantifying how each of our offerings contribute to many of the United Nations Development Goals.

Let me move on to the third strategic pillar. I already described previously that we are not only focused on decarbonizing our current footprint and operations, but we're also developing new offerings and we are also seeding new business for a net-positive world. Because we believe decarbonization is our generation's greatest opportunity, but also our greatest responsibility, we are exploring these five different sub-categories in the broad climate tech space: energy, mobility, food, agriculture and land use, heavy industry and built environment.

Through our Corporate Venture Capital Fund, we are making strategic investments and partnering to develop key technologies to unlock opportunities for deep decarbonization. I'll just highlight two of them here: Verdagy, which is a start-up that's developing technology for the production of green hydrogen; and Ascend Elements, that's looking into the recyclability of batteries. I will not go into further detail now, because later on our Vice President of Innovation, Shai, will do a deep dive.

The best ESG practices start and end with corporate governance, so let me end my presentation today by describing our governance structure at the Board, as well as at the enterprise level, and I do want to take the opportunity here to acknowledge the dedication and the commitment of all of our Board of Directors to our ESG journey.

At the Board level, the Corporate Practices and Sustainability Committee aids the Board in setting the strategy and overseeing the ESG strategy. Myself, as VP of Sustainability, reports at least quarterly to the committee. On the other hand, the Audit Committee assists the Board in managing risks through a Critical Risk Committee led by our CEO and our CFO, and certainly climate risks are included in this process.

At the enterprise level, we have taken steps to better align management practices around ESG. Crucially, we have now an ESG modifier that ties our leaders' performance to specific ESG metrics, such as greenhouse gas emission reductions.

Let me conclude by highlighting three key takeaways:

- First, we have established ambitious commitments, made significant progress across ESG practices in the past few years and set new impactful targets.
- Second, we will deliver long-term value by focusing on climate action both in our operations and also through our offerings and investments.
- Third, we will continually raise the bar to improve already strong governance structure and ensure we achieve our ambitions with transparency and accountability.

Just a final slide. We won't have time today to really go into all the details and the data on our progress, our expanded portfolio of solutions and our investments in impactful ventures (phon), which is why we wanted to share with you that on our website you can find our latest 2021 Annual Sustainability Report, our improved TCFD-aligned Climate Risk Report, and our companion ESG Databook, which provides a data-driven view of our ESG performance. As you will see, these reports are really a reflection of the achievements of each and every one of my Orbia colleagues, so I do want to take this opportunity to thank them all for their daily efforts on our sustainability commitment.

Thank you very much.

With that, I'll turn the presentation to Nick.

Nick Ballas

Terrific. Thank you, Tania. Good morning, everyone.

My name is Nick Ballas and I look after the core vinyl portion of the Polymer Solutions business for Orbia. I've been in my role for almost two years now, and I've got more than 25 years of experience in the chemical industry, much of that living and working in Asia.

I'm sharing the presentation today with Gautam Nivarthy, who's the head of our compounds business, our downstream compounds business.

Look, our teams are very driven by our purpose of advancing life around the world, and we're all quite motivated by the role that we play in helping address the key world problems that Sameer talked about. I'm very excited about where we are with the business today. We've got some great people working on really challenging problems. The business is doing great, we have very strong profitability today, and we've got some great growth opportunities in front of us. Again, when I finish my presentation today, I hope you're all as excited as I am about our business.

There are four key messages that we hope that you walk away with about the Polymer Solutions business:

- One, we have leading market positions in all the businesses that we operate.

- Two, our strength comes from our low-cost position and a geographic footprint that gives us access to really attractive markets.

- Number three, our specialty products portfolio is considered by our customers best-in-class, and it gives us a stable source of earnings and really strong margins throughout the business cycle.

- Then, the fourth, and maybe the most important, point is that the market conditions have really shifted for us, the demand/capacity balance is tight, and we see a really favorable market environment, and we, as a business, are very well positioned to grow and expand.

This is the Polymer Solutions business in a nutshell. We have leading positions in the businesses that we operate, as I said before, and these are our numbers. We serve customers in 80-plus countries, we've got 28 production sites, 11 R&D centers, and 3,600 employees. It's important to note here that the earnings power and the growth of the business is strong. We delivered $1.1 billion in EBITDA in 2021, and $3.5 billion in sales, so a very healthy 33% EBITDA margin. So, that's the business in a nutshell, or at a glance.

Sameer talked about these megatrends before, but, again, our business is addressing customer needs and important world challenges. The big megatrends are population growth for us, life expectancy and urbanization. The population is going to be 10 billion people on the planet, a 25% increase from today; life expectancy 77 years, that's from 73 today; and 68% of the people in the world will be living in cities, as compared to 56% today. Those trends are driving the need for clean water and sanitation, affordable housing and infrastructure, food security, city-scale water management and safe medical products, and our business helps provide solutions that address those problems.

Sameer has already talked about PVC. It's a very unique and difficult—difficult to replicate characteristics. In addition to that, we have a derivatives business, that's primarily caustic soda and chlorine-based products, that also offer essential products for critical end uses in the building and automotive industry, in water treatment and sanitation, and also in the medical and pharmaceutical industries.

The world needs our products to grow. It needs PVC and it needs our derivative products. These are the industries, the growth rates, which are extremely healthy for the products that we—for our applications, for our products and our applications. A couple key points here. These are all large, important industries, again, with very healthy growth rates, and our products are absolutely critical in each one of these industries.

I want to move now into the market situation and the big opportunity that we have in front of us.

PVC demand growth has been strong and stable for decades. Market growth just sort of ticks along with just a little bit above overall GDP growth, and growth is being driven by the trends, the megatrends that we just talked about. A couple other quick points. Growth is expected to accelerate just after the COVID crisis ends, and the second key point is that there's no real existing material that provides the cost and performance balance that PVC does, so we don't really see product substitution as something that's going to cause a meaningful change in this overall demand picture.

So, that's the demand side of the equation, strong and stable growth. Let me move on to the supply side of the market.

This shows the history, as well as the projected global capacity expansions and closures. The key points here are really that over the last 10 years, there's been underinvestment in the industry, and over the next five, we see very limited expansions, overall. The important thing to understand is that PVC capacity additions will not keep pace with demand.

Other key issues affecting supply are that we've seen reliability problems in the industry due to aging assets and a lack of investment. There's a fair amount of capacity in China that's coal-based that is offline today because of environmental concerns and issues and that's limiting global supply. So, supply will remain constrained.

This kind of pulls the market picture together overall. It shows supply, demand and operating rates, history and projected. IHS has an estimate of operating rates for 2022 at 84%, growing to 90% in 2025. But, this is based on nameplate capacity, and actual available capacity is much lower than this. So, you see, these rates are probably understated in a major way. Again, I mean, Sameer mentioned the supply disruptions that we saw in 2021. A very small, I think it was a 2% or 3% of the global capacity came offline because of the weather problems and reliability problems, and it caused a huge disruption in supply, overall, and it made us realize that the market was a lot tighter than we thought it was. The market's tight today. Demand growth will continue to outpace capacity expansions. So, we've got, again, very healthy market conditions today and moving forward. That's the market situation.

In addition, we, as a business, are operating at very high rates, margins are good, we're delivering strong profitability. In that context, we're working on two key initiatives to expand our core business and then to strengthen our overall competitive position.

Our first initiative is a major investment in the PVC value chain. We'll be expanding capacity by a million tons, in really what's going to be a four-year phased investment. It will be a mix of new investment and an expansion of existing assets. In the short-term, we've identified some smart capital-efficient debottlenecking and expansion projects that'll give us about 120,000 tons of capacity in the short-term, and we're working on those right now. Then, in the medium-term, we're going to invest in a new integrated facility that'll bring us to the—that'll keep us at the low-cost end of the supply curve.

The strategic rationale for the investment, we've talked about some of these already. It's the market situation. It's advantaged access to raw materials on the U.S. Gulf Coast. The U.S. Gulf Coast is also an excellent location for logistics and to reach other markets. We've got these capital-efficient investments in our existing footprint, that will allow us to unlock value in our existing plants. The project, or the series of projects, will provide a return on capital that's well in excess of our cost of capital. We estimate that, when the expansion is finished and mature, it'll be contributing about $650 million in EBITDA.

I wanted to make a point here. I mean, Sameer talked about it earlier, but the barriers to entry for this industry are high. The value chain's complex, and to invest and operate in this space, you really need to have world-class technology, strong operating capability and very deep value chain knowledge. You also need the ability to deploy large amounts of capital, and we are already have these capabilities.

A couple other things to mention, is that sustainability will be key for this project. We're going to try to use clean (inaudible) raw materials for our compounds, our building infrastructure and our precision agriculture businesses.

Sameer talked about the industry cost curve, and here it is, and this is our position on the cost curve. Our integration and our access to low-cost raw materials really creates that position for us, or helps create that position for us. What's really important here is that in our industry this is the place to be. It's a great place to operate from and it makes our business extremely resilient. Our new investment will help strengthen our position further, it'll move us even further down the cost curve.

The second key project, or major initiative that I want to talk about is an increase in our specialty resins capacity, and that's going to address global growth. The project will increase our capacity by about 30%,

it'll help us address growth, high growth in key high value segments, and we'll take the opportunity to also implement our best-in-class technology across our system of plants.

In addition to the big projects that we've been working on, we're also deploying a number of excellence initiatives to improve efficiency, to reduce costs and to take care of our people.

Let me start very quickly with people. In the safety area, we had pretty good performance in 2021—in fact, very good performance—our TRIR was 0.35, but our goal is zero injuries for our business, overall. We've set an interim target of world-class—we want to be best-in-class, so we're targeting 0.2 by 2025. I'm happy to report that, so far this year, we're actually tracking a little bit below that level, a little bit better than that level.

In the sustainability area, our goal is to become a leader in the industry. Again, we're going to be—it's going to be a key factor in our investment choices. We're going to maximize clean energy and renewables from day one. We also have a bio-based PVC under development and there's been very strong customer interest for that product.

In the commercial excellence area, we've got a centralized commercial organization in place that provides very responsive, disciplined and efficient global pricing, and it was really instrumental in us increasing our margins quarter-to-quarter-to-quarter in 2021. We're also directing significant volumes to Orbia Wavin—sorry, Orbia Alphagary, to capture higher integrated margins overall for the Company, and of course to help the businesses grow in a supply-constrained environment.

Then finally, in the operations area, we've got a great team in Operations, they ran our plants last year at well over 90% utilization, and they're working on a program to use dynamic modeling in order to improve and increase throughput. We've identified a number of projects that should get us between 3% to 5%—sorry, 5% to 10% improvement in capacity with very little capital investment. We're working on those projects right away.

So, those are some of the things that we're doing to deploy our excellence system that Sameer talked about.

Finally, to wrap things up, the execution of our plan will result in: improved competitiveness and a stronger position on the low end of the industry supply curve; a move in global capacity share from number six to number four for us; consolidation of our number one position in specialty resins globally; and at maturity, the projects will allow us to significantly grow EBITDA and provide an increasingly stable source of cash flow for Orbia; and we'll be recognized as a clear industry leader in sustainability.

Thank you very much.

With that, I will turn it over to Gautam.

Gautam Nivarthy

Thank you, Nick.

I'm really excited to be here and continue from where Nick left off and talk a little bit more about the Polymer Solutions business at Orbia, and, in particular. about the Alphagary, or the compounding business.

My name is Gautam Nivarthy and I'm the President of Alphagary at the Polymer Solutions Group in Orbia. I've been in the chemical industry now for over 20 years, the last five of which have been at Orbia. In the

past, I've worked at companies like Unilever, DuPont, Honeywell, in global roles expanding across Europe, Asia and North America. Very excited to be here.

Nick has laid out about our position as Orbia in the PVC value chain and why we see some of our investments here really building on our competitive advantages here. Now, PVC is a versatile polymer. In fact, I often think of it as the lowest-cost engineering polymer money can buy, but there are several applications where the application requires very complex material properties that PVC alone cannot satisfy. This is where you need to combine the PVC with additives of different kinds and create a unique set of properties for that application, and that is where the compounding business, or Alphagary, comes in.

The question for the Alphagary business is how do we take some of those advantages in manufacturing PVC and use material science to create a new set of properties that solve or address very challenging material applications and deliver value downstream? So, what we do at Alphagary is we start with a polymer, we then blend it with a wide range of additives—in some cases as many as 10 to 15 different additives—in proprietary recipes that enable our customers to solve material challenges in unique applications. In doing this, we must think of the material properties the customers requires, the processing conditions that they operate with, and, of course, the economics of their applications. Many of these applications I'm talking about are in highly regulated spaces with high switching costs, so once our material solution is qualified by the customer, it is difficult for the customer to switch out of it, which creates a high barrier to entry.

We are also lucky to be working in a number of these market spaces that are large in size and have very high, attractive growth rates, such as data and power transmission, wire and cable products, medical markets, consumer, industrial and automotive businesses.

Our material scientists are listening to customers, understanding what these challenges are and developing unique recipes to solve their needs, and of course while doing this, they have to take into account the economics of the application, and that is where our backward integration into PVC resin stands out in good stead, but we also make our own additives, like specialty plasticizers and stabilizers that are an important component of the material solutions we develop.

Now, customers don't just want a product that works, they also want us to deliver the product to them when they need it and where they need it, and that is where our geographical footprint becomes an important part of our value proposition. Just last year, we expanded this geographical footprint by investing in a new location in Asia that gives us the opportunity to serve customers in that market, as well.

Now, I'd like to talk a little bit about some key material challenges that our solutions address, and talk about how we are satisfying customer needs, while also solving critical challenges in the world.

In the wire and cable market, today's wire and cable constructions address some—involve some very complex designs. I have here an optical fiber cable, but in this optical fiber cable, the material has to satisfy a wide range of different properties. It has to have the mechanical strength, it has to have the right electrical properties, it must be flexible, and it should also be resistant to fires, because these cables are used in buildings that you don't want to have catch fires or propagate fires. Our material solutions, sold under branded product names like MEGOLON and SMOKEGUARD, both based on PVC, but also based on halogen-free solutions, in this case, will enable customers to meet regulatory requirements, allow them to make these products at high throughputs, all while doing it in an economical way.

In the medical market, you probably have seen equipment or accessories like this in hospital environments. Now, this is a dialysis cube. You'll notice that it has to be transparent, it has to be flexible, it has to be cleanable—in the hospital environment, this sometimes needs to be cleaned—and also it has

to be manufactured in a very regulated and controlled process, so that it's replicable each time it's made. This is how we spend time with customers ensuring that these products meet their requirements to enable them to make these products day-in and day-out. Our product brands, under ALPHAMED, Vythene and our plasticizers, which enable the flexibility in these solutions, become important.

I'd also like to talk briefly about the building and infrastructure space, which is where our downstream business, Wavin, that Maarten will be talking about shortly after me, has a key role to play. Now, in water transportation with PVC pipes, in order to process those pipes, calcium-zinc stabilizers that are made in the Alphagary business are an important ingredient. This allows the pipe to be processed efficiently, but also to be recycled. We also make rigid PVC compounds and thermal plastic elastomers that lead to products like this, which might look very simple, but by carefully formulating the material in this product, we are able to prevent the ingress of roots into the pipes in underground pipe applications, which is an important problem in underground water transportation that support buildings and infrastructure.

Our strategy in Alphagary relies on three pillars.

- First, we will grow organically. We happen to be in a number of market spaces that are supported by global megatrends. In data and power transmission, for example, the increased consumption of data, the rollout of 5G, the use of data across the world, cloud computing, etc., and also the investment by governments in infrastructure, are creating increased demand for sophisticated data and power cables that require the use of materials that we can make. In medical markets, lifestyle diseases that you see in the West, medical innovation that addresses those diseases, innovations in medical science, the increased longevity of populations all create increased demand of regulated materials in hospital environments, which our solutions address. We are also seeing a lot of opportunity created by sustainability. For example, the use of biomaterials, biodegradable ingredients in our formulations, and even increased use of recycled content, all create increased demand for our products.

- The second pillar of our strategy involves geographical expansion. While the initial phase of our business growth came from the Western world, we are now seeing opportunities to expand that growth into emerging markets, particularly in Asia and several parts of Latin America, where evolving regulatory standards are creating demand for our kind of products. We're also seeing opportunities to create fit-for-purpose solutions that are tailored specifically to the regulatory needs of those markets.

- Now, also, as I mentioned before, we don't just compound materials, we are also now getting into making functional additives that support those compounded materials. For example, we make our own specialty plasticizers, we make our own calcium-zinc stabilizers for PVC, and we see attractive growth opportunities with investments in these areas.

With all these strategic pillars, we see an opportunity to grow our top line by 6% to 8% over the next five years and our bottom line by about 8% to 10%, and that does not include some of the opportunities that are very attractive and we can see on the horizon for inorganic bolt-on acquisitions to support the business growth.

In terms of our operating excellence model, I'd first like to talk a little bit about our people. Safety is a priority for us, as other colleagues of mine have mentioned here, but another very important requirement, especially as we grow into emerging markets, is to continue to invest in our innovation engine. This is something that we are investing to build new capabilities for innovation in the emerging markets where we are seeing new opportunities.

Now, our business model relies heavily on working with the customer, and so commercial excellence is really critical for that. We need to find ways to continuously innovate, listen to customers, develop solutions to meet their needs, and so we target having at least 20% of our sales coming from new products or modified versions of existing products. We also focus on having a very high customer retention rate. Our portfolio has customers that have stayed with us for decades, and we intend to keep it that way, and that is an important focus for us in our CRM effort.

In terms of operational excellence, we are focused relentlessly on continuous improvement programs, and that includes both fixed and variable cost productivity, it includes making investments in automation, IoT investments, and also more traditional approaches such as Lean and Six Sigma.

Lastly, as I mentioned, sustainability is an opportunity for our business. This involves not just lowering our own footprint, reducing the amount of waste to landfill, reducing our carbon footprint, our energy consumption, our water consumption, but also, and perhaps more importantly, the opportunities we are seeing with developing new environmentally-friendly solutions, for example, through the use of biomaterials, biodegradable ingredients and recycled content in our formulations.

To summarize—and this is for the portion covered by both Nick and I—we are really excited by the opportunities ahead of us in Polymer Solutions. We have a leading market position that includes both general and specialty PVC resin, and with specialty compounds in the Alphagary business. Our strategy is built on growing our low-cost position and the competitive advantage that comes from our unique geographical asset footprint. We have a best-in-class specialty product portfolio that includes both the specialty resins that Nick talked about and the specialty compounds in the Alphagary business. Finally, based on market dynamics that Nick described, and some of which I talked about, we see an exciting opportunity to increase capacity and build on some of the advantages and advance lives around the world.

Thank you very much.

With that, I'll pass it on to Maarten Roef from the Wavin business.

Maarten Roef

Thank you, Gautam, and good day to all of you.

My name is Maarten Roef, I'm the President of the Building and Infrastructure business of Orbia, with the Company already a long time, over 20 years. I've had previous experiences in the chemical industry and in the packaging industry.

I am really thrilled by the Orbia purpose, not only because of the purpose itself, but especially on how we execute on this. I think we have an important message to share with you today, as you have seen already from quite a few of the presentations, and I'm going to elaborate a little bit on that in the Wavin business.

The world is facing challenging problems, both in energy and in water surroundings. In that space, Wavin is an integrated, leading, customer-centric supplier of pipes, fittings and solutions. We build on services that help our customers perform better in their industries. We are recognized as the industry leader and the thought leader, bringing innovative solutions to the market. We have a centralized R&D capability in the Netherlands, and have local facilities elsewhere. We run, in parallel, every single year about 50 new innovations through our programs, and bring very many new firsts to the market, and we hold about 500 patents. Let me give one example of a recent product that we developed.

If you erect a new building, for example, a hospital, in a hospital, you do all the installations and then you test the water mains in the hospital, their connections through the tap, with water. If you leave that building, and at that moment the occupation is only coming into it for three months later, meaning that you have a high risk of Legionella or Veterans' Disease. What we have developed is a system, and the first in the world, and the only one in the world at the moment, that helps do pressure testing with air rather than with water. If you do it with air in one of these fittings, there's no (inaudible), it's not closed, then you have a big issue, because in a big hospital, it's very difficult to find that leak. You see the air pressure dropping but you don't know where it is. What we have developed is the first whistling fitting in the world. Basically, we did that together with a flute company. You put pressure on it, and you know exactly which fitting is there's no pressure. This is one of our latest developments that is growing very fast.

You have knowledgeable teams that are looking for new innovations, and especially new market opportunities, on a continuous basis. This is becoming truly global, we're expanding around the world. We have a truly multichannel approach, based on the one-stop shopping principle, with the wide program of products that we have.

In the last couple of years, a truly entrepreneurial spirit has delivered us a lot of growth, and we are very much ready to further grow on the strength of the Company. We have capabilities to do it by bolt-on acquisitions, as already mentioned by a few of us, but especially also due to organic growth, both in existing markets where we can still expand our positions, through replicating products that are not sold in certain markets, by new innovations, and also by new services that we're developing. I'll come back to that later on in the presentation, but before going there, let me first move to Wavin as a business.

It's a US$2.9 billion company—business, I should say. We serve in the below grounds and the above-ground applications in the building industry, and we do that for customers that are typically using our products inside of buildings or under the ground. So, let me give a few examples. Installers, HVAC installers, construction companies, water companies, municipalities, all these are customers on our side.

In distribution, we have a multichannel approach to the market. There, we serve via distribution, via merchants, via retail, direct, but also online, and we do that by our Webshop.

Composing solutions are crucial for us, so we look at the water space and the energy space to find new applications.

Our legacy is in Europe and in LATAM. We started in 1955 by being the inventor of the plastic water pressure pipe that is currently used all around the world. It stems from Orbia. It's not protected anymore, so everybody can use it now, but this is an Orbia solution of those days in 1955. In Europe, we're absolutely a market leader by innovation and sustainability. In our industry, the European market is leading over many of the other markets in the world, even in the U.S. In LATAM, which is a less mature market, we can make use of all the capabilities that we have from the European market, so we transfer technologies.

We're a clear market leader, with presence in 13 countries. We employ about 13,000 people at 37 locations where we produce.

Our business is driven by four major megatrends, and they relate very strongly to the United Nations Development Goals.

- The first one is about water. Water is scarce in the world, it's called the new gold. It's said that approximately 60% of the water pushed into the water infrastructure is never reaching a tap inside of cities. That is not only a pity of all that fresh water, but also the energy use, and the CO_2 emissions with that, to pump that water around.

- The second megatrend that we follow is the fact that 50% of the people in the developing world are deprived of good sanitation and hygiene.

- The third megatrend is about climate resilience of cities. We see too much water, too little water and heat stress in cities, and the latter one predominantly because of the lack of greenery. We have a lot of solutions that help that solve.

- The fourth megatrend that we look at is the energy consumption in buildings. About 40% of the energy consumption of the world goes inside of buildings.

So, based on these four megatrends, we have composed our mission: building healthy, sustainable environments, which resonates very nicely with advancing life around the world.

We have composed four pillars to support that. It supports our mission and our strategy, and any decision that we take in the Company is based on these four, four selected product lines that we are investing in: safe and efficient water supply, better sanitation and hygiene, climate-resilient cities, and better building performance.

Let me now elaborate on a few of our competitive advantages that we have. We've outpaced, in most of the places, the growth of our competition.

The first one is our very strong brand. We have the legacy in Europe and in LATAM, but we also have been licensing around the world, and with that, our name is very well recognized in the places where we're not present yet. We have by far the widest portfolio of products in our industry, and with that, we can do one-stop shopping for end users.

We're globalizing our services, and the fact that we can scale our best practices through the world in a very efficient way helps with outpacing smaller competitors.

We have investments and capex that we can allocate to a level that most of our competition cannot do, and it helps us bring new technologies on a high level to the market.

We've developed digital, scalable solutions with, amongst others, connected products, whereby we collect data and, in the end, can bring that data to the market in a monetized way.

Another one is our strong innovation power. We have 75 people diligently working on new end applications. Next to that, we're working in collaboration with universities, with tech partners and with suppliers to bring new technologies to life and to advance our proposition through the market.

But, most centric to us, and closest to the heart, are our customers. Some of them have been with us more than 50 years. They have built their businesses with us, based on our brand. Our supply chain and our innovation capabilities have brought them to the forefront of their industry.

We back this all up with a very strong IT backbone, on which we have strong global platforms running for us.

Last but not least, our already mentioned very often, to help, backward and forward integration, is bringing us to the forefront of our industry, both on the cost base, as well as on the availability for raw materials.

Let me now switch gears to the growth. We have multiple engines along which we believe that we can deliver on the target that was shared earlier on already by Sameer, a revenue growth of about 5% to 7% and an EBITDA growth of 7% to 9%. The engines that we look at are, first of all, our existing markets, where we can bring new products, new services and sell our existing products into markets that are not serving these products yet, and I have a nice example of that, as well.

This is a product which connects to copper. It's for hot and cold water. You can just push it on a copper pipe and then you can connect it to the plastic systems. This is extremely successful in the U.K. We're now rolling the same product, a couple of years after its launch in the U.K., out to our LATAM country. Very successful, and very innovative to local markets in LATAM.

The last part for our growth is M&A and bolt-on acquisitions, plus the cooperation with Shai on the ventures and partners.

The second area of growth is in the geographical expansion that we have. I'm very proud that we have just, in the beginning of this year, concluded the majority stake in Vectus, the number six player together with us now in the Indian market. Jointly, we occupy 19 locations from which we serve the market, currently being number six in the market, with the intention to grow to a number three position.

In Indonesia, we're expanding quite rapidly with organic growth, and we want to be there with a greenfield factory within the next couple of years, actually occupying a position of land, at the very moment, to start that build.

Then, the last two ones are segments in which we grow exponentially fast, and they serve a large part of the problems in the world. Stormwater management that helps cities solve their water management problems in their surroundings, it's about bringing rainwater to groundwater, it's about reusing water. Groundwater is a very important part. Water wells are drying up. The depletion of groundwater is a big problem. Soil is compacting, and with that, cities are compacting and infrastructures are hurt. Cities like Mexico City are sinking eight to nine centimeters per year. That's a very massive impact.

We have a lot of portfolios that we currently serve in the European market and now exploring around the world. Recently, we did an acquisition in the green and blue roof company, where greenery on top of roofs is helping us in storing water, and also greenification of the city, bringing a natural air conditioning to the city.

In the indoor climate parts, we're focusing on three, four areas of composition and running systems, fully integrated systems, over a device, one device, one control system that serves, with a dot on the horizon, temperature, ventilation, humidity, air composition and air quality.

We have a lot of products that are currently already in our portfolio, and you can see that via your telephone.

What makes us strong compared to competition? I think, first of all, we have strong teams. We do a lot of programs around the world with commercial excellence, but let me list out two.

The first one is e-marketing. In e-marketing, we have done a campaign last year, end of last year, where we rolled out one campaign into 25 countries in one go. That helped us in reducing our costs and get a very broad experience to our people, over 500 million views and 61 million clicks on videos regarding our products.

The second one is a Webshop and direct route to market. We have recently launched a Webshop in Indonesia and India. Multiply that now into 20 countries, and running that business and exploring that

business growth in a massive way, running that out of 37 countries in the end. Our diversified teams are very strong on the people side. We have, in the Amsterdam office, continuously over 15 nationalities. We truly embrace diversity, and have a lot of growth in the female part of our organization in leadership, and due to the very good spirit of the Company, we have a very low turnover of Management.

Last, but not least, on the sustainability side, we have set strong targets. We started our first recycling factory in 1991, so a long time ago. Ever since, we have been using a lot of post-consumer recycled material in our products. We have the aim to do 25% of post-consumer recycled materials into our products, and recycle up to 90% of our products 100%. So, we have set targets that are reachable, ambitious, and are helping our customers also reducing their footprints.

Before wrapping up, one major example of many that I could share with you, a reference case in France. Our infiltration crate that you see here is produced out of 100% post-consumer recycled materials. It's helping bringing rainwater back to groundwater, so it's installed below ground. This is a project with 10,000 crates involved. The product itself is lightweight, can easily be installed. It is very good on logistics. It helps storing the water from roofs and hardened surface and bring it back to groundwater.

In Europe, every single erection of a new building needs to be disconnected. Sewer systems are under designs and cannot handle the stormwater management anymore with the increase of urbanization that you heard before. This is coming into the European market now, but most likely it will grow exponentially thereafter around the world.

Let me say, just by wrapping up, why we believe the Wavin business is a strong growth engine for the Orbia business. We are an industry leader, a thought leader. We have proven that we can bring new innovations to the market. We've also proven that we can expand on new technologies, acquired technologies and technologies that we develop ourselves. We have also proven that we can scale outside of our existing markets, and with that, we are set up to grow our business very fast in the next years to come. Our teams are ready for it, I'm ready to support that, and I hope that, in due course, you will be excited to see what the Wavin business can contribute to Orbia.

With that, thank you very much. I think we now have a small pause.

Joshua Preneta

Thank you, Maarten.

We now have about a 15-minute break in the program. We will restart at 11:00.

(short break)

Gaby Miodownik

Good morning, everybody, great to be here with you again, and even greater that we are not after a lunch break, only a coffee break.

My name is Gaby Miodownik, I'm heading Netafim, the precision agricultural business of Orbia, and I'm very happy to be here with you and share what we do and what we plan to do in the coming years.

I've been in Netafim for almost 19 years, in different leadership positions, started as a CFO of one of our regions and from there grew to leadership of specific countries and bigger regions, and in the last two-and-a -half years, I'm in this position of President of the company. Before Netafim, I worked a few years as a manager in KPMG Consulting.

So, let's start.

Netafim is the global leader in the irrigation business, specifically, precision irrigation, which is what we do, and we are well positioned to continue this leadership and expand our market in the coming years. We are well equipped to increase our market share in our core markets, as I will explain in the coming moments, but on top of that, we have clear plans how to take this leadership position and use it to enter into new markets, such as extensive crops, greenhouse business, and to offer through our solutions digital farming solutions much more than are existing today in the market.

We are known, and our brand is known, for the innovation part of our business. We were the pioneers of drip irrigation 57 years ago, and from there we continued with the culture of continuous improvement and innovation in our basic products, which are the drippers and drip lines, but much more than that, also in the way we use our systems to enter into new crops and new geographical regions by our agronomic knowledge and technical knowledge, and by that, helping the farmers to use the system in a better way and improve their productivity.

As a leader, we have the most developed footprint and distribution network in all the markets we operate, and as part of that, we are using these strengths in order to be able to grow faster, offering new solutions and new markets into these markets. These solutions are not only products. These solutions are also new applications, new business models, and adding new things that are not part of our current portfolio using this footprint, and I will elaborate in the coming minutes on that.

Let's see what is Netafim today, but before that, let's speak a little bit about the history. Netafim was founded in 1965 in a kibbutz in the desert of Israel. A kibbutz is an agricultural community, that had the idea, together with a local engineer, that using drip irrigation to cultivate makes better life for the plants. Started by that idea, and from there expanded, first in Israel, and a few years after went out to the world, and today, is the largest irrigation company in the world, as I said, focused mainly on drip and precision irrigation.

We're a $1.1 billion company that crossed the $171 million EBITDA last year, with a margin of 15%, which is a little lower than our usual margin because of the challenges last year of raw material costs and transportation. This year, as you could see, we started going back to our margins and expect this to continue in the rest of the year. We estimate our market share in the precision irrigation around 30%, and we have 5,000 employees all around the world, operating with 17 manufacturing plants in all the continents.

Sameer talked with us about the necessity to grow more food in the coming decades to feed our planet. Let's talk a little bit about the water use. Seventy percent of the water today in the world is used for agriculture, but this 70% is irrigating only 24% of the land. The rest are still farmers that are praying for rain, as thousands of years ago we used to do. If we deep dive into this 24% of irrigated land, still 75% of the land which is irrigated is using the most inefficient way of flood irrigation. Only 7% of the irrigated land in the world, which is less than 2% of the total agricultural land in the world, is using micro irrigation or precise irrigation solutions, and this is the potential we are talking about. Just to give you a sense, 1%, moving up from 7% to 8% of micro irrigation in the coming years, represents an addressable market for the precision irrigation industry of approximately US$6 billion.

So, why is that we are so passionate about precision irrigation, what does it do?

First of all, as human beings, we like to eat and drink a few times a day. The plants do the same. When we irrigate them by flood, the plants get water and nutrients once a week, once in 10 days, in one shot, and then they need to live with it through this seven or 10 days until they get it again. With drip irrigation,

we give the roots of the plants the water and healthy lives that they need every day, in the time they need it and the quantity they need it. This results in much higher yields per hectare or per acre, compared to the other irrigation methods, and obviously compared to non-irrigated land. But, together with that, we offer the farmers reduced labor costs in using our systems, reduced use of fertilizers and crop protection, and reduced use of labor and energy. All of that is resulting in much better economics for the farmer that is using our type of technology. In terms of water, as you could imagine, using drip irrigation versus flooding the field is saving a lot of water, and we are talking about average of 50% water savings, compared to flood irrigation solutions.

All of it together means to me one word, sustainability culture, because all of that is basically coming to the fundamental of using less natural resources, like land and water and energy, creating more food in the same area, and on top of that also reducing the carbon footprint of the agriculture. This is, in a nutshell, what is Netafim as part of Orbia: improving sustainability in agriculture, and creating food security for our coming decades, grandchildren and their grandchildren.

Where are we operating? We operate in two very important markets.

One is the precision irrigation market. As I shared, we are approximately 30% of that market, which is estimated today in around $3.5 billion a year, but this market is growing faster. After COVID, we see a lot of growth coming from the necessity of governments and private sector to increase the food security, to make sure they produce more locally and depend less on logistics to bring the food to their countries, and also to produce faster the needs of the coming years. So, this drives faster growth than we saw in the last decade in the precision irrigation market, and with the plans I will share in a moment, we plan to over-pace this growth in the market.

The other segment we decided strategically to enter into in the last two years is the greenhouse segment, or protected agriculture, as we would like to call it. This is also a segment that is growing a lot in the last few years and we expect it to continue growing because of the needs of local food production and in a much better controlled environment. This is a market we decided to enter through the acquisition of Gakon, a leading Dutch greenhouse supplier of projects and services for the greenhouse industry, and using our food streams all around the world, our plans are to take the knowledge of Gakon and the capabilities of Gakon and using our footprint to enter into the key markets of greenhouses.

This is a picture of our solutions. I would like to show it walking for you, but you will get muddy and wet, so I prefer just to show you a picture. We offer everything a farmer might need, from the water source, delivering the water to the field itself, and, obviously, everything he needs inside the field to irrigate the crop and to control the system in the best way using digital farming solutions. Our unique capabilities are in the engineering part. We can take a small farmer in India of one acre and also huge governmental projects of thousands of hectares in Rwanda or Ethiopia and tailor-made the solution to the farmer needs.

Part of our unique knowledge is the agronomical knowledge and the technical knowledge, and this is one of the main strengths and competitive advantages we have in the markets. We have hundreds of people on the ground supporting the farmers after they install our system, not only during the installation, to make sure they make the best use of the technology, and by that, improve the productivity and reduce the use of water, energy, fertilizers and labor.

We have hundreds of patents that are not only in the drip irrigation solutions, but also in all the other products that you see here in the picture, and we continue to work on developing the new area of drip irrigation, as I will share in the next slide.

Our plans for growth are growing our revenues in a pace of 10% to 12% annually and—sorry, 8% to 10% annually and growing our EBITDA 10% to 12% in the coming five years, and this is based on a few pillars of strategy.

One is the core business. In the core business, we have the main crops we operated in the last six years which are high-value crops, orchards, vegetables, berries, greenhouse solutions, etc., in which we are a clear market leader. This market is growing due to all the trends that I shared with you already, and we plan to expand our market leadership there by offering new solutions, such as digital farming, and also new innovative solutions that are tailor-made for these type of crops.

But, the other part that Sameer already mentioned is the new horizon, which is the commodity growth or the extensive growth, in which we have a lot of success in the last few years in growing, but our plans are to grow even more. We are working very hard with our R&D teams to invent and tailor-made new solutions for these types of crops, which will be more accessible and will help the farmers to invest faster in this type of technology, and also, together with governments that are understanding the need for this type of technology, we are helping the governments to create programs of local subsidies that will help the farmer invest while he has some help from his government. These are markets that are growing very fast because of the understanding of the governments they need to support the industry.

The other part is new services. We came with a new model, which is called Irrigation-as-a-Service, in which we basically operate the system, the irrigation system for the farmer and invest for him, and we kind of (inaudible) for him during the use of the system, and this is helping us to show proof to farmers that are more hesitant that the system is working and giving them advantages. This is one of our main strategies to deal with the barriers that are today in part of the extensive crops to enter with this type of technology.

Another one is the project and mega-projects capabilities we have. Since we are at the forefront of offering full end-to-end solutions for our customers, we came to know that we can offer projects from the water delivery until the drip irrigation, and by that, partner with governments to create new areas of irrigation in their countries. A great example is the government of Rwanda, in which we partnered in creating a new area of thousands of hectares of irrigation, an area that had nothing before, as part of their growth and food security strategy for the coming years.

The fourth pillar is digital farming. As I mentioned, we are already a leader in the digital farming arena of controlling the irrigation system with solutions that are controller cloud-based, giving recommendations to the farmers, but we are planning and have concrete plans how to take this furthermore, using all the technologies that there are today in the ag space, in the digital farming space, of AI and machine learning, and adding to this platform more solutions that the farmers can benefit from and increase even more their productivity.

Lastly, as already mentioned, the greenhouse market. We did the acquisition of Gakon, and we have concrete markets, which are North America, China, Australia and Italy, on top of the current business of Gakon today, that we are going to take this technology and take significant market share on our route to become the clear leader of the greenhouse business in a few years.

In terms of operational excellence, we have commercial excellence efforts that are all around as part of being better in what we do. One of them, that Sameer already mentioned, and is very important for the future is working together as One Orbia together with business, with the business of Polymer Solutions and Building and Infrastructure in creating new PVC pipes that are fitted for irrigation solutions.

On top of that, we are leading in our operational activities, not only in the product itself, but also in the technology when we produce these products, the speed of production and the innovation, and that gives us a competitive advantage over the market.

In terms of people, we are very proud of our people all around the world, that are passionate day-by-day, and doing every day to help of farmers to grow more with less. We are working a lot on talent programs to make sure we have the correct people in the right positions for our current needs, and also for future needs, and also on partnering with the local communities in which we operate and supporting them with our volunteering activities.

Last, and not least, sustainability. Sustainability is the heart of what we do, as you know. We are supporting by our commercial activities the sustainability of agriculture for the coming decades. So, this is what we wake up every morning for. But, on top of that, we have programs that we are using in order to improve the sustainability in the way we work. For example, the region concept in which we take the drip—the used drip lines from the fields of the farmer, recycle it and bring it—use again the recycled material as part of the new drip lines, and this is helping us to reduce the carbon footprint and the plastic footprint in the world. This is just one example. On top of that, we are obviously focusing on increasing renewable energy use and reducing the waste in our factories.

I would like to share with you before we finish one story of innovation in action and how we can really revolutionize the world of agriculture in the coming years.

Rice is the biggest agricultural crop in the world, which represents the use of about 40% of the water in the world. On top of that, it is because of the anaerobic way of the paddy fields that are irrigated, it produces 10% of the methane gas emissions in the world. This is similar to the airlines all around the world in one year, just to get a reference. Our innovative solutions of our Agricultural Department, after 10 years of work, succeeded to come with the concept in which we can use drip irrigation to cultivate rice instead of the traditional paddy irrigation that we see in the pictures. This is helping the farmers, again, to produce more using less labor, but on top of the increase of yield and using less labor and less water, the great impact of this solution is the sustainability impact of reducing the methane emissions to zero, because instead of growing in an anaerobic situation, the rice is being grown using drip irrigation.

This is just the beginning. We did, until now in the last two years, 3,000 hectares of this type of solutions in a few countries, but just imagine what this market could represent in a few years if we succeed in our efforts to convince governments, to convince farmers to move to this new type of irrigation. These are millions and millions of hectares that represents addressable market of millions and millions of U.S. dollars, and the most important, this is sustainable agriculture in practice.

Just to summarize, we are the largest provider of precision irrigation solutions, but we are in a market that, although it exist already 50 years, it is just in the beginning. The potential for growth is amazing. We have concrete plans in different aspects of our activity to grow our markets and, through that, also to grow our market share and to increase the market—the growth of our activities, and that the theme by me and by the 5,000 employees that work in the (inaudible) part of Orbia are really passionate about advancing life around the world by helping the world grow more with less.

Thank you very much.

Peter Hajdu

Thank you, Gaby.

Good morning, everyone. Welcome. My name is Peter Hajdu and I'm the President of Dura-Line, Orbia's data communications advanced connectivity business.

Now, I'm an economist and I'm also a technologist. I studied and lived in Silicon Valley, and I started my career at McKinsey and Company. Later on, I spent more than a decade working for a technology business, Cisco Systems, but I have been in various leadership positions across the globe also running businesses for them, and then four years ago, I arrived to Orbia, and I'm incredibly excited about Orbia's data com business, Dura-Line.

About Dura-Line. Dura-Line is basically very, very proud to be contributing to the overall purpose of Orbia, advancing life around the world, by supporting the build-out of the next-generation connectivity business in the world. In the next 15 minutes, I will be talking about our business, the performance of our business, the potential of our business, and also, I hope that by the end of my presentation you will be just as excited as I am about the future ahead of us.

Orbia and Orbia's Dura-Line business is the world leader when it comes to designing and manufacturing conduit solutions. Conduits are an essential building block for any type of network. This is essentially one of the ground-to-home solutions that Juan Pablo was talking about. This product is actually the physical pathway to any type of fiber connectivity under the ground, and as you probably know, fiber connectivity is essential for all digital services and, therefore, the entire digital economy.

Our material scientists have actually combined plastic resin with silicone oil and, as a result of that, a new material was born called Silicore, which is inside these tubes. Now, Silicore enables the coefficient of friction to be incredibly low. What it means is that any network operator who would actually deploy this product into the ground would be able to manage the cable and to jet the cable from much, much longer distances than before. That is, for example, one of the advantages of these products, besides what Sameer was talking about, that any network operator who would deploy this product would actually create an opportunity for the future to manage the cable options to deploy further cable without having to dig on the street and, therefore, causing disruption to our everyday life. We are the world leader in this. We have the largest market share in the entire globe when it comes to physical conduit solutions.

Now, we are also incredibly proud to serve some of the most advanced, largest technology companies and telecom companies in the world. We work with mobile network operators, with Internet service providers, with data companies, with streaming companies, with cloud companies, and also with public utilities who decide to invest and build government-owned networks, and many of those customers, we have been serving for a long, long time, and we are very proud of those relationships. Because of our proximity to these customers and because of the footprint that we have globally, the extensive footprint, we actually believe that we are really well positioned to capture the investment—the upcoming investment in fiber network deployment, and that opportunity creates an incredible business outcome for us in the future.

Now, our future growth is predominantly going to be driven by expanding our core business, by building upon our manufacturing footprint and sales coverage, as well as bringing new products to the market with higher value-added and different form factors and more advanced features, and we will also invest in digital solutions and in design capabilities, so we could actually help our customers to improve the efficiency of their design, their deployment, and for them to be able to optimize the network management capabilities.

A short snapshot about Dura-Line. Dura-Line is a $1 billion business. We actually manufacturer 500 million—so 0.5 billion meters of conduit every single year. We have 2,000 people spread across 17 locations in the globe, and while last year we had a decline in our EBITDA margin, our historic performance is between 18% and 20% of EBITDA margin, and as you have probably seen in the Q1

earnings announcement, our business is back on track to deliver similar results. The disruption last year was mainly caused by COVID-related—by supply chain disruptions, as well as various COVID-related disruptions.

As a business, we have long seen the need for fiber deployment and network development, and we also have seen that COVID and the disruption that it has caused in our life has actually accelerated that need in a great deal. I think all of you remember that two years ago in the spring of 2020, more than one billion students across the globe have found themselves outside of a classroom and in front of a digital screen. That has not been unnoticed by private investors or by public investors and governments. The most recent $1 trillion Infrastructure Bill by the current administration in the United States earmarks $65 billion for broadband investment, and there are very similar plans across the European Union, and even in emerging markets, and that public investment and government activity will be coupled with private investment, as well. The largest technology companies, the largest telecom network operators, and really large infrastructure funds, are all ramping up their investment in digital infrastructure, including fiber, including data center infrastructure, and all the related technologies, and we believe that we can very strongly participate in this expansion of the digital infrastructure.

Now, there are three market forces and technology transitions which are really driving the demand for connectivity.

- The very first one is what I have talked about, investment in broadband. In the last few years, in North America and in Western Europe, around 60 million households have been connected to fiber. In the next few years, another 100 million households will get similar connections.

- Second, 5G technologies, investment in 5G. 5G is a wireless technology and there will be nearly $1 trillion in the next year—in the next few years invested in building 5G connections, and despite the fact that this is a wireless technology, the antennas which are providing the wireless access, they actually need to be extensively connected by fiber if people want to enjoy the bandwidth requirements and the latency requirements of proper 5G connection.

- Thirdly, and also very importantly, investment in data centers and cloud technologies. I am sure that all of you are familiar with the multiple enterprise cloud solutions that we are all using every day. Also, the consumer solutions, the streaming services. All of these services require extensive data center infrastructure investment, and behind those data center investments requirements, there will be fiber connectivity expansions, as well.

So, all of these efforts and all of these programs are actually feeding into the expansion of our total addressable market. Urban and rural broadband, as I have actually described to you, and the other factors, are all causing basically the addressable market for passive network infrastructure, and within that, the addressable market for fiber conduit to grow rapidly. According to our analysis, we estimate that on our core markets, in North America especially, this market is likely to grow double-digit, and conduit alone could be a market worth $5 billion or more by 2027.

Now, we are incredibly proud of our achievements over the last decade, and we believe that some of those achievements are really a strong foundation to a competitive advantage, a sustainable competitive advantage that we can have in the next coming years. Dura-Line has, by far, the largest global footprint in terms of conduit manufacturing capability, we have 17 manufacturing locations on several continents, and this actually gives us an ability to be very, very close to our customers.

Furthermore, we have one of the largest and most sophisticated Commercial Team and Sales Team in the globe. What I mean by that, these are people who are account managers, they're product specialists, they're solution architects, they're customer service representatives. Every single day, they wake up with

one thought, how to partner with our customers, and those customers tend to be some of the most sophisticated, most advanced telecom companies in the world. Some of them, we have been serving for decades, and the reason why this is so important is because they are the most demanding ones, and if you have partnership with the most demanding customer, then you will learn something that your competitors will not learn, and that will be a source of knowledge which then later can be applied in product development, in solution architecting and design capabilities, and all of those things are things that we are building upon when we actually build the business ahead of us.

Now, our growth is predominantly built on three pillars.

- The first one, which actually is going to be the source of majority of our financial performance in the next couple of years, in the short- to mid-run, is actually expanding our core business, expanding our sales coverage and up-skilling our people, as well as upgrading our capacity both in North America and in Europe.

- The second one is that we will actually bring to market more advanced products. Our teams are really working very closely to customer-centric innovation that we do every single day. We work very closely with our customers to advance the product portfolio that we have, as well as to increase the value-added as a result of that.

- Thirdly, we will be investing in digital solutions, because we believe that as our customers go through a lifecycle of designing networks, deploying networks and then optimizing the operations of their networks, we have the ability to participate in that lifecycle, and with our deep knowledge of installing physical networks, basically, we can help them optimize their own performance and really run their businesses in a more efficient manner.

Now, I just want to very briefly talk about the operating system that we have in place, and many of my colleagues have talked about this, as well. Over the years, we have become a safer company, a company which is more diverse. In the Leadership Team of Dura-Line today, we have eight nationalities. We have also become a company which is more sustainable. During the last year, we actually have managed to reduce our Scope 1 and Scope 2 emissions by 11% by being a company—by being an organization and a business which basically has the ability to reduce the intensity of our water usage, our energy usage, and also the greenhouse gas emissions.

Now, Sameer also talked about the example, that we actually have found very, very strong synergy with one of our businesses, which is led by Maarten, the Building and Infrastructure business, Wavin. Over the years, we actually have exchanged assets amongst us. We have gained two manufacturing plants in Europe, and we have also given up two manufacturing units in India, and as a result of that, both companies have become stronger in their respective territories. We are very proud of that.

We are also developing and deploying Dura-Line Academy, which is a global educational platform targeting the engineers, the architects, the network specialists, so they can learn the latest conduit—they can learn about the latest conduit technologies.

Now, last but not least, I would like to bring all of this together through an example with a real customer.

Over the last two years, one-and-a-half, two years, we actually have partnered with one of the largest cloud companies in the world, a multibillion-dollar business, which has reached out to us because they were planning to improve their connectivity between their data centers, and our team has actually worked with them in defining the right design, the right products that need to go into the dot bank, and they have managed to optimize the entire solution. Our solution architects have extensively been involved. We have actually worked through the entire operation's value chain to actually rapidly scale up the production of

those products, and we have also offered the help of Dura-Line Academy, which actually helped their installers to become more efficient in installing these solutions. As a result of that, basically, we have managed to increase the business volume by tenfold in just one-and-a-half years, and today, this account is around—it represents—actually, it is a $20 million per year business for us.

Now, last but not least, just to provide the key takeaways to you. We are the global leader when it comes to designing and manufacturing fiber cable conduit solutions. We have partnered with some of the largest, most advanced, most sophisticated strategic telecom and cloud companies in the world. As a result of that, we believe that we are really well positioned to capture the ever increasing opportunities in terms of fiber network deployment, and I'm also absolutely sure, in fact, that as some of our colleagues are watching this presentation online, that there is actually a Dura-Line conduit supporting the delivery of this content to their screens.

Thank you very much.

With that, I would like to welcome Gregg.

Gregg Smith

Good morning, good afternoon to anyone who's watching in other continents, or good evening if it's in Asia.

My name is Gregg Smith. I'm the President of Koura, which is Orbia's Fluorinated Solutions business. I'm here today to talk about fluorine and our mine-to-market approach for fluorine.

Let me tell you a bit about myself. I'm a chemical engineer by training. I lost that a while ago by moving into management over the years, but I have worked extensively in the chemicals and materials industry for about 35 years. I have started a couple of new businesses at some of the other companies that I worked for, one of which is in the energy materials space, which I think is highly relevant to what I'm going to be talking about today and our strong interest in battery materials.

Today, we operate and work the world's largest fluorspar mine, and fluorspar is what you saw a little bit earlier here today. Sameer held up this rock. This is another rock, and we have a few that we can take to the tables outside during lunch. You can actually hold it in your hand and see how heavy it is. But, this is where fluorine comes from, and I'm going to tell you why fluorine is so important in our day-to-day lives. But, we're unique, our mineral body is unique. The concentration, 65% to 80% fluorspar is unique. That gives us and incredibly advantaged cost position with our fluorspar, so please keep that in mind as we go through today.

We take an owner's mindset, particularly when we think about our fluorspar and how we operate our mine, and particularly how we operate our chemical plants to convert the fluorspar into the useful products that are used downstream.

We're very focused on the impact of refrigerants on Scope 3 emissions. We recognize we have a responsibility to drive to as low a carbon footprint as possible that's required by the regulators and the markets and our customers.

Then, lastly, sustainable energy, lithium-ion batteries. So, your cell phones, your laptops, some of you have electric vehicles, those are powered by lithium-ion batteries, and I want to talk about that and why we should really call it a lithium-fluoridine (phon) battery.

So, a quick snapshot of where we are today as Koura. We are a mine-to-market. So, we take, as Juan Pablo talked earlier, rocks, we convert those rocks into chemical intermediates, and then those chemical intermediates are turned into finished products. Those finished products, those rocks, today, we generate about $743 million of revenue, we generated about $244 million of earnings, roughly about 33% EBITDA margins, but what I really want you to take away from this is our position in the fluorspar market.

Fluorine, as Sameer talked about earlier, will rapidly increase in the quantity that's needed to advance life around the world. Where is it going to come from? Today, China produces about 65% to 70% of the world's fluorspar. Outside of China, our mine produces a significant quantity, we deliver about 18% of the world's fluorspar and fluorine use today. When you look at outside of China, that's way larger number. So, for the Americas and Europe, our mine is an incredibly important source of fluorine. We then talk about being vertically integrated. So, we take that fluorine in the form of fluorspar and we convert it and we make downstream products.

Today, we have a number one global position in fluorspar, a number one position in fluorine intermediates. Some of you will recognize this. It's an inhaler. For those of you who have a family member or yourself suffer from respiratory issues, these are an incredibly important life-saving device, and we're number one position in the gas propellant that delivers the pharmaceutical to your lungs.

Okay, fluorine, why is it important? Well, it's an incredibly reactive material, element. When it forms compounds with other elements, those compounds have very special properties, and it's those special properties that give it ubiquitous use in our everyday lives, special water repellency, oil repellency, unique electrical properties. Peter talked about connectivity and 5G. 5G would not exist without the fluoropolymer and fluorocoatings that are used to enable those systems to work. So, it touches everything we've already talked about today.

The primary source of fluorine is these rocks, the fluorspar, and we'll have these out a little later today. The fluorine is then used in many applications, and this is why I want you to take away this slide. If I spend a couple of minutes here, I think it's very, very important. You cannot make aluminum, cement, high-quality steels without the use of fluorspar. So, from an infrastructure perspective, our fluorspar is incredibly important. It's also one of the largest consumers of fluorine today.

The next is what I represent here is comfortable—or cooling and refrigeration. This is our refrigerants, refrigerants used to keep our schools and our buildings and our homes, our cars comfortable and workable and liveable. Refrigerants also are used to keep—for ultra-low temperature with vaccines. You've read about COVID and the need to keep vaccines at ultra-low temperatures. This is done through fluorinated molecules, and it's one of the unique things about fluorine, because it has those unique properties, that it will do this in that kind of a system.

We talked about medical propellants. The reason why they use it is because it doesn't interact with the body in this form, so it's able to deliver the medicine and then be released from the body. A number of our key drugs that you may be on or some of—a loved one might be on, there's fluorine in that molecule. The fluorine acts in a unique way. It allows the active pharmaceutical ingredient to actually do its job in the body, and if it weren't there, you wouldn't have the same kind of efficacy or result, and so it's very important in our day-to-day lives.

When we think about the future, we talked earlier with Peter on telecommunications, fluorine, fluoropolymer, fluorocoatings is key. You need it. You need it in the data centers. You need it to make semiconductors. Again, the phones, your iPads, you cannot make a semiconductor without fluorine. You cannot build a semiconductor without the fluorinated gases that are used to deposit the unique properties to make that chip work. As semiconductors grow, you need more and more fluorine, and the tinier the features, typically, the more fluorine that's used.

Renewables. We also have solar panels. You need to keep them protected. Then, lastly, I'll spend a bit of time talking about energy storage or renewable energy. Lithium-ion batteries are 10%, by mass, fluorine.

So, today, the construct I'd like you to think about: we have minerals from the ground, we convert the minerals into chemical intermediates, we then take those chemical intermediates and we further react it into downstream products. Our whole business has been around rocks, and a concentrated form of this rock is called acidspar. So, we affectionately say rocks and sand, we turn into—from our mine-to-market—to lithium-ion batteries, refrigerants and medical propellants.

One thing to keep in mind, minerals, typically, say, hundreds of dollars per kilogram on a price basis, chemical intermediates in the order of, say, thousands of dollars per ton—sorry, thousands of dollars per ton on a price basis, and on the finished products, particularly some of the new battery materials and some of the high-end refrigerants, typically, like ten thousands dollars per ton. So, the value in use goes up significantly, typically, in order of magnitude as you go through these stepwise, and while we've been very focused on rocks and sand as part of our legacy and history, going forward, we want to push way further down into the downstream products.

This is a bit about our strategy. We have to continue to invest and make sure that the rocks and sand are available, particularly in a constrained world where fluorine will be in greater and greater demand. We need to make sure that we have the access and availability to those critical materials. As Sameer pointed out in the value chain slide, you need the rocks and sand converted to chemical intermediates, the mine-to-market, in order to get to the finished products.

We are focused on low carbon footprint refrigerants. We have launched two materials, R473A, which is a very low carbon footprint alternative to R23 that's used in ultra-low cold temperature refrigeration. We've also launched R456A, which is another for the automotive aftermarket, which has half the global footprint of our current R134A material.

In healthcare, we've launched Zephex 152a. About a month-and-a-half ago, I opened the new facility with Chiesi Pharmaceutical, one of our key customers, to help us get started in this space. We cut the ribbon. This has a 90% reduction in the carbon footprint of the predecessor material, and this is really critical for all of our customers in the pharmaceutical space to reduce their emissions.

Lastly, let me move to the next slide on sustainable energy, because this is really a key takeaway. Roughly, say, 30 kilograms of this material, acidspar, is required to make a typical battery pack in, say, a 75 kilowatt hour battery pack. Those batteries are about 10% fluorine by mass. That's a combination of the salt and the glue that holds the battery together. It's growing super fast, 20% a year, and we believe that that growth rate will continue as you see the rapid conversion of ICE, or internal combustion engines, to electric mobility, and we have a number of areas that we see that we can focus on.

The salts that are used, the salt is basically the lifeblood of the battery. It enables the lithium-ion to go from one side to the other side. That's a critical component.

The additives, the additives help the battery perform in cold temperatures or have more cycle life or greater energy density, and you have to redesign the system for whatever the particular application is.

PVDFm, that's the polymer or the glue that holds the cathode material together. That's a very similar molecule to what we do today in vestilate, and so as we go forward with our efforts in PVDF, we will be leveraging a lot of the people that know polymer systems in our sister business.

Recycled materials, Shai will talk a bit about what we've done with Ascend Elements, but you have to have a closed loop. There's a huge amount of lithium, but there's also a huge amount of fluorine left in these batteries that has to be recycled, and we are developing the technology to make that happen.

Lastly, this is not a static space. We can't expect energy storage to remain the same. Fluorine, because of what I talked about earlier, has unique properties and, as a result, it will be designed in future systems for energy storage, and we want to be out in front to do that.

Quickly, I'll focus on this. Safety is a key operating principle for everything that we do, from our mine to how we talk about our products and how we work with our customers. It is first and foremost in our mind. In moving into a new space, energy storage, you need to develop and have the right kinds of people and capabilities. We have gone out and built a great team of knowledge experts, material scientists in energy storage space, so that we're able to do the kinds of work that's required in order to get our products adopted and supplied.

I'll focus in on sustainability. We have a suite of products, refrigerants, refrigerant blends, that will address our Scope 3 emissions. This is not a one-year effort, this is a decade-long effort. It takes time to convince customers to move to different types of systems. We have some of the basic steps in place. We're working with the end market on that today, but ultimately, in order to meet the regulatory requirements, you'll need even more bold moves. We have one suite of materials called our LFR3 materials, I'm not going to go into the details, but that product alone could meet the future requirements, and we are working with customers on these materials and we will bring it to the marketplace and we will do our part to address the Scope 3 emissions.

I also want to point out we will address also the SOx emissions. We have a project in place at our plant in Matamoros that comes online in the fall of this year that will help enable Orbia to meet its overall target on SOx reduction.

Lastly, at our mine, we have developed a new technology that will enable us to move to a significant reduction in the amount of water that's required in order to process the rocks into acidspar in a water-constrained environment, and so we're doing our part for the world and for our local communities to be very good stewards of our environment.

In closing, we have the world's largest, highest concentration, low-cost position of fluorspar. We are going to invest in the rocks and sand and in the chemical intermediates and in the finished products, we will continue to work our efforts on low carbon footprint refrigerants, and lastly, we're making a significant push to providing a number of materials in the battery space. Most recently, last week, as Sameer mentioned, I was in Poland to sign our joint venture with Foosung, creating the Foosung/Orbia Technologies joint venture to be the first European producer of LiPF6, which is essentially the lifeblood of lithium-ion batteries.

With that, thank you very much. I appreciate your time.

Shai Albaranes

Thank you, Gregg, and good morning, everybody. It's only me and our CFO, so hang in there, okay?

My name is Shai Albaranes. I'm leading the Innovation and Ventures at Orbia. A few words about myself. I live in Tel Aviv, Islam. I'm married, I have two beautiful kids. Of course, my wife is also beautiful, but they are also. In my past 25 years before Orbia, I was a tank commander in the Israeli Army. I launched my own start-up and sold it a few years after. Then I moved to McKinsey, worked there for a few years, and before joining Orbia, I was leading the product portfolio of Netafim for a few years.

I'm very, very excited to be here today and share with you the journey that we've taken in the past few years. I think it's really remarkable, and on a personal note, I'm very proud and I feel very privileged to work in this organization and to work with an amazing group of people, Juan Pablo, Sameer, and the rest of the business leadership.

Four key messages for today:

- First one, and you've heard it throughout the whole morning, innovation is really at the heart of everything that we do. Our Leadership team, from Sameer and the rest of the team, is fully committed to innovation and realizes that this is what will deliver the future growth and profitability of Orbia.

- Message number two, innovation is not a single activity, it's not a single project. It's actually a complex portfolio of many, many different activities, and we think very consciously how exactly we manage them and how we allocate resources to manage those innovation activities.

- Number three, we're not only relying on our own capabilities, we partner with universities, we partner with start-ups in order to leverage their innovation and our core assets in order to benefit both the start-up and Orbia.

- Number four, you've heard it also throughout the whole presentation, decarbonizing our planet is really our core focus.

Let's jump in.

So, I mentioned that innovation is a portfolio of activities and we need to decide very carefully how we allocate the resources. Across Orbia, we can categorize our innovation efforts into four main efforts.

- Starting from the left, our business group innovation activities. You heard from our businesses, you know the innovation effort that they are leading. Our businesses interact with our customers on a daily basis. They know the competition. They know the industry trends. They know where growth will come from. They are best positioned to manage core R&D activities.

- Moving to the right, LaunchPad. This is our internal innovation program. While core R&D efforts are at the hands of a select group of people across our organization, we believe that every employee has the capacity to innovate, and, therefore, LaunchPad allows every employee in the organization to participate in innovation.

- Start-up partnerships. We collaborate with start-ups. We find them, we screen them, we find the right collaborations, and we go together to the market, leveraging our footprint, leveraging our scale.

- Lastly, Orbia Ventures. We were fortunate by the Board of Orbia that allowed us to invest in early-stage start-ups that are strategic to Orbia.

Let's look at these in a little bit more detail.

You heard the stories from each one of our businesses, but it's also very nice to look at our core R&D effort across the businesses. We have more than 280 professionals working in R&D, and they've built in the last few years a very, very healthy portfolio of over 2,000 patents and 4,600 trademarks.

New products and services account for 30% of our revenue, what is known as the vitality index, and this number will continue to grow, because this is a very, very important KPI that Management has a strong focus on.

LaunchPad. As I said, every employee can participate in innovation. A few numbers to back it up. In 2021, we had thousands of people participating in innovation, not R&D scientists or engineers, every employee in the organization. They generated over 850 ideas, and then we invest in numerous resources to train, mentor and coach those winning teams and help them take their ideas all the way from initial concept through piloting and full implementation. The engagement levels are amazing, the cultural impact is amazing. We already see the financial results in 2021 and 2022, and this will continue to grow as more and more ideas and projects are being implemented.

Now, we think very highly about ourselves, but it's always nice to get some external feedback, so this is a quote from Brightidea. Brightidea is one of the two leading innovation management platforms in the world, digital innovation platform, and we use them as part of our LaunchPad efforts, and they told us that compared to every company that they serve, Orbia is one of the top performers.

Start-up engagement. So, two ways that we engage with start-up, either we invest in them and/or we partner with them. Orbia Ventures, $130 million fund that invests in early-stage start-ups. I've put here on the screen on the left a select example of our portfolio, ranging from agriculture technologies, green hydrogen production, lithium-ion battery materials and stormwater management. Each one of these companies are leading in their space, and each one of our investments need to satisfy two criteria: one, it has to be a good financial investment; and two, it has to be aligned with our strategy.

Now, as most of you know, venture capital investments have a longer time horizon and, therefore, in order to create a faster time to impact, we also have a partnership program with leading start-ups. There are many, many use cases, successful use cases across our businesses. I want to highlight two here just to bring to life the way that we work with those start-ups.

The first one is Ascend Elements, which is also a good example of how the different innovation activities across Orbia are benefiting one another. We came to know Ascend Elements through Orbia Ventures, we invested in Ascend, but we soon realized, together with Koura, that the value between Koura and Ascend is huge, and in the past couple of years we've partnered with Ascend to develop joint IT to recycle fluorine, to recycle lithium, to recycle graphite, and this IT is now being deployed not only in our own operations, but also in the joint ventures that Ascend is about to announce with the leading car and battery manufacturers around the world. So, this is one example.

Second example with Wavin, our Building and Infrastructure business, TaKaDu is an Israeli-based start-up that developed advanced algorithms to detect water leaks in large urban networks. They have deployed their systems throughout the world. But, they came to us, and understood that in Latin America, the footprint of Wavin, the salesforce, the customer intimacy, nobody has a better position, and we signed an exclusive agreement with TaKaDu and we're now commercializing those technologies in Brazil, Mexico, Colombia, and, hopefully, this will be successful also in other countries in Latin America.

That's it in a nutshell. Let me emphasize the two messages that I started with.

We've done an amazing journey in the past few years. We're still in the middle of the journey, we have many more things that we want to achieve. Innovation is really at the heart of everything that we do, and I'm very proud to be part of this journey.

Thank you very much, and Jim.

Jim Kelly

Thank you, Shai. Good afternoon, everyone. It's a pleasure to be here with you.

I'm Jim Kelly. I'm Orbia's CFO. I've been with the Company now for just under a year, and it's really great to be here with you.

I'd like to share a number of things with you today. First of all, I'll start with my background. Before joining Orbia, I spent about 30 years in a variety of industrial manufacturing companies, everything from chemicals to manufacture of flight glass and things like that, in the finance organization, essentially, building high-performing financial teams, focusing on productivity improvements and working with businesses to create shareholder value.

There are three main things that I'd like to discuss in my time with you today, the first being sharing our financial strategy, the second being our capital allocation plan, and the third being our long-term financial targets and where we intend to be by 2027.

- Starting with our financial strategy, in line with Orbia's purpose to advance life around the world, our strategy is designed to create value for all of our stakeholders. As that relates to financial targets, you'll see over time here, as I go through the discussion, we intend to increase revenues between 8% and 11% annually between now and 2027. When it comes to EBITDA, we intend to grow at an even faster rate, between 11% and 14% over that same period of time, thus inferring an increase in our EBITDA margins.

- We'll be also executing a disciplined capital allocation plan to ensure that we invest in profitable growth, while maintaining a strong and flexible balance sheet over time.

- Thirdly, we'll be using our strong cash flow not only to invest in growth, but also to return cash to shareholders through stable and growing dividend over time. We'll also be engaging in ongoing share repurchases periodically after prioritizing our investments in growth and paying our dividends.

I'd like to turn briefly to the short-term view of our numbers and go back to our Q1 earnings release, where we affirmed our guidance for 2022. I'd like to reaffirm that today. At the time, we said that we intended moderate growth in revenue for the period. We continue to believe that, and that for the year our revenue will range between $8.9 billion and $9.3 billion. At the time, we also increased our EBITDA guidance for the year, and we continue to support that today, and that will be in the range of $1.75 billion to $1.9 billion for the year. That infers an EBITDA margin for the year of roughly 20% to 21%, and takes into account what we're seeing today in terms of economic uncertainties in the world, as well as inflation impacts in areas such as labor, logistics and energy costs.

Turning to the longer-term view, what really excites me in terms of Orbia's longer-term view is the opportunity to grow all of our businesses over the future period of time. As you've heard from all of the business Presidents today, there are significant growth opportunities, whether they be organic, inorganic, in businesses that we know very well and feel that we have a great opportunity to succeed in with very high returns. All of the businesses have incredible opportunities. You've heard the individual stories through the course of the morning.

What that will lead to from an individual basis by business, you can see along the bottom of this chart. We expect EBITDA margins to grow from the range of high-single-digit levels in Building and Infrastructure to levels of greater than 15% or higher in both Data Communications and Fluorinated Solutions over time.

What that will translate to in terms of net revenue and EBITDA growth over this period of time is by 2027, we expect net revenues to reach the range of between $13 billion and $15 billion and EBITDA to reach a range between $3.1 billion and $3.5 billion. That infers growth from today's EBITDA margin of 20% to 21% to between 22% and 24% by the time we get to 2027. This will be achieved through various growth initiatives that have been discussed over the course of the morning, leveraging significant megatrends that underlie our businesses, as well as strong execution from all of the business teams.

Not only will we grow our revenue and EBITDA, but we also anticipate growing significant amounts of operating cash flow. In 2021, we generated just under $1 billion of operating cash. By 2027, we intend to more than double that amount and achieve $1.9 billion to $2.1 billion of operating cash flow. That infers greater than a 60% conversion of EBITDA to operating cash, and we intend to maintain that level of conversion throughout the investment period between now and 2027. This will be driven by tight working capital management, benefits from digitalization and active supply chain integration activities.

Not only will we have strong cash flow generation, but we also have a very strong and flexible balance sheet. At the end of 2021, you may have seen we had net debt to EBITDA of 1.34 times, and that number has continued to decline as we progress through 2022. Our long-term target for leverage is to maintain a level below 2.5x. We also have significant liquidity available to us of over $1.5 billion to help to fund our growth in future years. We have no short-term debt maturities. We also have a strong investment-grade rating for our debt and a stable outlook.

I wanted to talk very briefly about the resilience of the Company. You've heard it mentioned several times over the course of the day, but I want to try to put some numbers to it.

As you can see on this slide, over the past 12 years, despite the fact that we've gone through a period of an oil shock in the mid-teens, COVID crisis in the last few years, and a period of investment with a number of acquisitions over the course of the years, we have succeeded in consistently growing our EBITDA, which you can see along the top, while, along the bottom, you can see we also maintained a very reasonable leverage ratio, never exceeding our 2.5 times target.

As to how we'll deploy our cash flow and available liquidity as we go forward, we'll have a disciplined capital allocation model that will involve elements of both investing in growth and returning cash to shareholders.

If we look at the investing in growth, as you've heard Sameer mention earlier in the day, approximately 70% to 80% of the growth that we've been talking about over the course of the day will come from organic growth. In this case, we'll be investing in activities that we know, markets and products that we know, and therefore we believe that we have a very high probability of success. These will also not be expensive investments. You heard Sameer say earlier that we'll be investing at two to four times EBITDA, so we expect very high returns from these projects.

We'll also then only selectively engage in disciplined bolt-on M&A. These will be small to medium-sized acquisitions. Again, as you heard Sameer say earlier, the primary activities that we'll look at for them will be growth and synergies and accretive ROIC in the short to medium term.

On returning cash to shareholders, you heard me say just a minute ago we are committed to a base dividend that will be stable and growing. You may have seen already this year that we've increased our base dividend from a historical level of about $200 million to $240 million. Again, we intend to continue to grow that over time with growth in our earnings.

Then lastly, we continue, we believe, to repurchase shares, but that will be prioritized after making growth investments and ensuring that we maintain our dividend to shareholders.

The execution of this plan will lead to long-term growth in our ROIC. By 2027, we intend to achieve a level of ROIC between 13% and 15%, and to continue to grow that over time. Importantly, in the investment period between now and 2027, we also will maintain an ROIC in excess of 10%, which is well above our weighted average cost of capital.

Going back to returning cash to shareholders, I just wanted to share the historical view of our return to cash by dividends. Again, you can see here in recent history we've consistently maintained a $200 million dividend, and in 2022, we've increased that base dividend from $200 million to $240 million, and on top of that, declared a special dividend of $60 million, that's reflective of the extraordinary results that we achieved in 2021. Again, we intend to maintain and grow this dividend over time, in line with the growth of our earnings.

In terms of our cash inflows and outflows, for the six-year period 2022 to 2027, inclusively, you can see here that operating cash flows are expected to fund over 75% of our cash needs for the period. We anticipate generating approximately $8 billion in operating cash over this period. In terms of the outflows of this cash, we intend to spend approximately $2 billion on maintenance capital, which will increase on an annual basis as we go through the period as we grow the business, we anticipate spending approximately $6.5 billion in growth capital, and lastly about $2.5 billion in return of cash to shareholders. On net, this will mean that we'll be taking on approximately $3 billion in debt over this period, which will still allow us to maintain a level within our 2.5x target for leverage.

Summarizing our goals for 2027, we intend: to increase revenues to between $13 billion and $15 billion; to achieve an EBITDA level between $3.1 billion and $3.5 billion, inferring an EBITDA margin of between 22% and 24%; maintaining operating cash flow of greater than 60% through the period to 2027, and thereafter; achieving 13% to 15% ROIC, growing from there in the mid-teens; maintaining a level below 2.5 times for our leverage index; and maintaining and growing a stable dividend over time.

In conclusion, supporting the purpose of advancing life around the world that Orbia aspires to, we will create value for stakeholders, growing both top and bottom line, while increasing margins, we'll be disciplined in our capital allocation, leading to profitable growth and a strong and flexible balance sheet, and we'll use our strong cash flow generation to provide stable and growing returns to shareholders over time.

Thank you for your attention. Let's turn it back to Sameer.

Sameer Bharadwaj

Thank you, Jim.

You know, when I began the presentation today, I said our primary objective is to help everyone here, everyone online and the world have a better understanding of who Orbia is today and where are we headed going forward. You heard me talk about how we create value in customer applications. You heard me and the business group leaders talk about our plans to invest in profitable growth. You heard Tania and Shai talk about how sustainability and innovation are truly embedded in everything we do. Finally, you heard about the excellence operating system we are deploying to massively scale the Company. In the end, as Jim talked about it, we are aspiring to deliver outstanding returns, earnings growth, cash conversion, as well as steady, consistent and growing returns to our shareholders.

I want to end with what we began, and this is really personifying who Orbia is. I would like everybody to leave with this image and this memory: Driven by purpose and unified by values, we choose to work on the toughest challenges. From mine to market, ground to home, field to table, and lab to everyday life, we

rely on the collective ingenuity and integration of our value chains to transform materials into smarter, greener, and more efficient solutions.

I thank you very much for your attention, and with this, I would like to hand it over to our Chairman, Juan Pablo del Valle, for closing remarks.

Juan Pablo del Valle Perochena

Okay, I will be very brief, because we want to really favor a Q&A, and now I will rely on the basics, because sometimes technology doesn't work.

Just remember, as this Company has evolved into a larger company, more sustainable, more global, more professional, I think this phase will resonate more after you heard our leaders explaining our business. Think of Orbia as stewards of capital. We have owner's mentality, a purpose to advance life around the world, and clear future opportunities.

Think about us in terms of four attributes. We sell rocks. and we are much more than that today, but we have something similar to a rock, which is we are super-solid, and we have something very similar to a molecule and to a fluorine atom, which is versatility, the versatility that molecule and that atom provides. We are obsessed to find the right solutions for our clients, our customers, our community and our planet, and most importantly, as you have seen with Sameer and all our leaders, we have a great group of people that will execute on our plan.

Thank you very much.

Josh Preneta

Thank you, Juan Pablo.

We are going to set up for Q&A, so if you give us one minute for that. We need to get chairs on stage. The logistics of it will be—we have some questions online, which I will ask Gerard and—Gerardo is going to be looking for folks in the room with their hand raised, and we have—Casey (phon) and Diana will bring mics around, and the Leadership Team will be on stage. So, just give us one sec and we'll get started.

Gerardo Lozoya Latapi

We should get started. We're going to have questions from the audience, also from the webcast. If you have any questions, please raise your hand and we will go from there. Nik, will you stand up, say your name. I think (inaudible) the mic.

Nikolaj Lippmann

(Inaudible). Thank you very much (inaudible). The disconnect, so looking at (inaudible) versus (inaudible) and then thinking forward, over the past to M&A and organic growth, can you perhaps and this, I guess, is a question for Dominique (phon) (inaudible). Can you talk about what the accretive returns of (inaudible) vis à vis the 13% to 12% that you have today (inaudible) goodwill, different by division? You have some very cyclical businesses. You have some not so cyclical businesses.

The second question is again, just very overall question. Is to what degree do you have alignment in terms of the team that I'm looking at here with share (inaudible) as a widespread method of—as a meaningful part of your (inaudible) of all of you guys. Thank you very much.

Sameer Bharadwaj

Thank you, Nick. Happy to take that question. It's a very good question. As we had indicated earlier, a good part of our growth comes from investing in organic growth in our core markets. Our investment plan over the next several years, we are looking at we are realizing growth at a cost of less than four times EBITDA. That will result in very attractive ROIC for those investments and projects and eventually grow the ROIC of the Company over time.

Your second question, Nick, it wasn't clear to me what you …

Nikolaj Lippmann

Basically, are you all getting compensated in a very meaningful way with the value of the equity of the Company?

Sameer Bharadwaj

Sure. Very good question, Nick. As I started off early in my presentation, people are our most valuable asset, and as you have seen over the last several years, we have significantly grown around the world and added a number of talented people. You cannot attract the best people, one, in today's times if you are not a purpose-driven company that's helping address world challenges, is highly focused on sustainability, and at the same time has a compensation system that is aligned with world standards and competitive with world standards.

I have our Chief People Officer here in the room, Deb Butters, and you may meet Deb over lunch, and she can talk to you about how we have spent a significant amount of time and energy over the last couple of years bringing Orbia on par or ahead of best-in-class companies in terms of compensation practices.

Gerardo Lozoya Latapi

Yes, any follow up, Nick?

Nikolaj Lippmann

I'm not sure if I actually—does that include a material part of equity …

Sameer Bharadwaj

Absolutely.

Nikolaj Lippmann

… the stock price and the compensation of—it does, okay.

Sameer Bharadwaj

Absolutely. Most companies typically have several components to compensation, which include a base salary, short-term incentives and long-term incentives. Orbia has a long-term incentive plan that is aligned with the interests of all stakeholders and that's a significant component of our team members' compensation.

Gerardo Lozoya Latapi

Okay, I think Matt from (inaudible) Sales.

Matt

Thank you. I have a question for Jim. The $3 billion in debt you were talking about adding, I was wondering if we could get more detail on that, the timing, the triggers, and does it depend on EBITDA growth or just pure opportunities?

Jim Kelly

It will be opportunistic as we work through the investment period over the next six years. As I indicated in the slide, we maintain strong commitment to generating strong operating cash flow over time. The $6.5 billion may not be spent in terms of the growth capital spent fully equally over time, so it will depend a bit on the timing of the expenditure, growth in EBITDA and conversion of that to operating cash.

Matt

What will the composition be (inaudible) combinations?

Jim Kelly

I would expect that we're going to want to retain some flexibility and take advantage of the best markets or consensus we can at the time. We'll see as time goes on, but probably some combination thereof, I would think.

Matt

Okay.

Gerardo Lozoya Latapi

Thank you, Matt. Are there any other questions from the audience? Pedro Zevallos from Dalton Investments.

Pedro Zevallos

Thank you. This question is for David on Netafim. I wanted to understand the guidance you are giving us. The guidance that you made on Slide 77 is total revenue growth of 8% to 10% and EBITDA growth of 10% to 12%. When Mexichem acquired Netafim, the last annual 2017 Netafim had EBITDA of $140 million, revenue of around $1 billion. If I annualize the first quarter, I mean, I get a sales of at least $1.250 billion and EBITDA which should be in excess of $200 million. That's a 6% five-year CAGR growth in revenue and a 9% EBITDA CAGR growth.

When the deal was sold to investors, I mean, there were a few aspects that were really interesting about Netafim being acquired by Mexichem, which was, first of all, the main input for Netafim were PVC pipes, so there was going to be a significant cost reduction because of the vertical integration. The second was that Netafim was not present in Latin America in a significant way and levering the Wavin distribution was going to be pretty attractive for growing growth. Then, which was not part of the deal, is you guys have recently entered India, which should be a pretty significant market.

So, my question to you is, is that guidance that you are providing just an extremely conservative guidance, because I was expecting something significantly higher than that?

Sameer Bharadwaj

Go on, Gaby, and then I'll jump in

Gaby Miodownik

Okay. So, first of all, when we look into the markets that we have seen the last two years, post COVID I would say mainly, we see that the trends of food security, government and private sector, (inaudible) the benefits of our type of technology to increase food security, stronger than what they were in the last five, six, seven years before COVID. This is part of the reason we are optimistic about our ability to grow faster than what we did in the last few years.

Whether it's pessimistic guidance, always—we are 50 years in this business. There are (inaudible) of faster growth when we have the good fundamentals of the market with us, but we are in agriculture, so there might be cycles also of going down in agriculture. We are now in a good cycle. It might be, probably two, three years from now, it might go down.

If you look in the long term, I think that our guidance is not a conservative one. I think it's a realistic one, taking into account the last 10 or 15 years. We are in a market that is much more positive today than what it was two, three years ago. But. I wouldn't consider it as a conservative guidance.

Sameer, if you want to add.

Sameer Bharadwaj

I think you covered it very well, Gaby. What I would point you towards is the levers of growth for Netafim. There is still significant room for growth in high-value crops and through innovation. We didn't dive into this in this session, but our R&D teams are working incredibly hard to lower system costs for irrigation, which then enables faster penetration for extensive crops. So, that will be a significant driver of growth. We already participate in extensive crops today, but if you can lower the cost of the system, that will make it even faster.

We are now working closely together. So, Nick and Maarten and Gaby are working closely to develop fit-for-purpose PVC solutions based on materials technology innovations that will give Netafim a competitive edge in the marketplace, once again realizing the value of integration.

Then, finally, you've got the new products and services: our service business model, which we have piloted and run successfully, and we are now in the process of scaling across the world; and, second, our greenhouse technology solutions, which is a substantial market. We acquired the technology and now we can leverage Netafim's footprint and scale to roll out these solutions around the world. These things take time, and as Gaby said, the guidance provided is not exactly conservative, but could we potentially exceed it? Yes, if all conditions fall in place, possibly.

Pedro Zevallos

Thank you. I just think that the Netafim story, given the current environment, is such a compelling story. It can really be a home run for this company—I mean, it should be a home run. I mean, you're in the right place at the right time. Good luck.

Sameer Bharadwaj

Couldn't agree more, Pedro.

Pedro Zevallos

Thank you.

Gerardo Lozoya Latapi

Thank you, Pedro. Now, Pablo, from Barclays. Please, Pablo.

Pablo Monsivais

Hi, good morning. Thanks for hosting this event. I'm Pablo Monsivais from Barclays. I just have a quick question. This is my perception, that your portfolio of products has been viewed more as a cyclical nature, more industrial-driven, but today I've learned that it's not, and perhaps in five years from now you have much more resilient products from day-to-day. So, do you have a number that you can share with us for a view on how the cyclicality of your portfolio will evolve over the next five years? Thank you.

Sameer Bharadwaj

It's a very good question, Pablo, and this comes up again and again, so let me directly address it. There's this notion of cyclicality, the notion of being in commodity products. It's very important to understand what drives the cycle. A cycle is driven when—you have economic cycles, you have demand, and demand can go up and down with global expansions and recessions. Then, you have cyclicality driven by the supply side, when people deploy large amounts of capacity and capital at the same time and the market cannot absorb it.

In the businesses we operate in, the fluoro-vinyl chain, the PVC chain, and the fluorine chain, today, that is not the case. As Nick showed, demand for PVC has grown monotonically over the last two decades, and will continue to do so in the foreseeable future, and the capacity additions are small, they are not big enough to cause any cycles, okay? So, I am less concerned about cyclicality.

Now, there are others who believe we are in commodity businesses and what I'd like to say is today, more than ever, people are realizing the value of secure supply chains, and it's these businesses, if you look at the margins, they're well above 30%. If you are at the bottom left of the supply curve, it gives you a lasting competitive advantage, the barriers to entry are high, and simultaneously, we are absolutely excited about growing in downstream high-value products and applications that you heard about.

Our strategy is, of course, to grow massively in downstream value-added applications, whether it's in the fluoro-vinyl chain, building an infrastructure, (inaudible) agriculture, Koura fluorinated solutions, and backstop that with our tight vertical integration, which gives us a very lasting competitive advantage.

Hopefully, that answers your question.

Gerardo Lozoya Latapi

Thank you, Pablo. Now, Stefan from Bank of America.

Stefan Styk

Hi, this is Stefan Styk with Bank of America. Thanks for hosting the Investor Day today. I have two questions. The first one is your on million ton capacity expansion in PVC, was capex associated with this expansion and is this already in your 2022 capex guidance? The second question is your plans on the revolving credit facility, if you're planning on drawing this down or leaving it undrawn in the mid-term. Thank you.

Sameer Bharadwaj

Stefan, let me take this initially and then Nick can supplement that question. The million ton expansion, you know, don't think of it as a one-and-done. It's a mix of smart debottlenecking of existing capacity, brownfield investments and some new greenfield investments, and these will be spaced over time. So, you will see this playing through '23, '24, '25, over a period of time. In terms of specific numbers, we're not ready to give that out right now, other than I can tell you that it's within the guidance of less than 4 times EBITDA, okay, and we are pretty conservative in our planning and assumptions. But, that's what I can share with you at this point.

Nick, do you want to answer that?

Nick Ballas

No, I think you covered it well, Sameer. I think that's fine.

Jim Kelly

When it comes to the revolving facility, as I had mentioned a minute ago, we would, I'm sure, retain flexibility in terms of our financing and our balance sheet. We have drawn down a bit on the revolver just very recently, we may continue to do that a bit over time, but I think we'll also want to retain some of that as being available in the longer term. So, I would expect that future debt financing would be through a combination of that and other sources of funds.

Gerardo Lozoya Latapi

Thank you so much. Now, we'll take a question from the audience through the webcast. This is from Frank McGann, Bank of America. "Based on your estimates, your base Polymer Solutions and Building and Infrastructure segments are expected to see growth somewhere below your other businesses, yet these businesses are important contributors to results. Is there still any thoughts to reduce your exposure to these more commodity-based segments or is that still a possibility over time?" That I think, is for you, Sameer.

Sameer Bharadwaj

Thank you, Gerardo, and, Frank, thank you very much for joining the webcast and hopefully—you know, wish you were here in person, and we'll see you soon. But, I think what I just answered about the perception of commodity products, that addresses part of your question. In terms of growth rates, that's purely a function of scale. Our Polymer Solutions business and our Building and Infrastructure business today are very large businesses, they are about $3 billion each, and it's harder to scale those businesses at the same rates at which we are scaling some of our lower businesses.

Hopefully, that answers your question.

In terms of reducing our exposure to commodity businesses, once again, I'd rather not label these as commodity businesses. These are businesses that provide essential materials, these are businesses that

have high barriers to entry, extremely strong margins and sustainable competitive advantage, and so we plan to be in these businesses because it provides tremendous integration value, as we have seen last year, for our downstream businesses.

Gerardo Lozoya Lapati

Thank you, Sameer. I think we have a question from Abram (phon) from BlackRock Mexico. Please, Abram.

Abram

Thank you. You mentioned that you are improving your free cash flow generation and compression rate, and one of the drivers is the working capital. So, can you tell us (inaudible) about the efforts that you are doing in this regard, please?

Jim Kelly

Sure. So, we're always attentive to our working capital management and generation. We have been working significantly, actually, this year, on developing some plans to reduce our number of days really across all elements, receivables, inventory, and payables, everything from working with customers on terms of sales to internally managing our inventories and working through our supply chains, to make sure that those are efficient, as well as then working with suppliers on payable days. So, it really is across the gamut and we are committed to continuing to make progress in this area over time.

Gerardo Lozoya Latapi

Thank you, Jim. I think there is Lily (phon) from JDM.

Lily

Thank you. I have two questions, both for Polymer Solutions. The first one. PVC prices were too high, I think record levels on November, so I think that my question is, your guidance considered that inventory, we can expect acceleration in terms of revenue or EBITDA, as you think that demand is expected to grow only 3%, 4%.

Sameer Bharadwaj

Nick, why don't you take this question and I'll jump in, as necessary.

Nick Ballas

Yes, I'm happy to do that. Margins are more important in our business than actual overall price levels, and so that's really what we look at. Our margins today are probably close to what they were at the reference period that you just mentioned. I don't know if we can say anything more in terms of guidance, Sameer.

Sameer Bharadwaj

Yes. I think that, you know, it's hard to talk about specific margins. I think what I would point you to is more than prices, the spreads are more important, and your position on the cost curve and the underlying raw materials that effect your position on the cost curve are very important. We are based on U.S. shale gas and have very competitive economics. If you think about players on the right side of the supply curve,

they are based on oil, which is close to $100 a barrel, based on NAFTA. So, from that standpoint, the spreads that we experience in North America are favorable. If you look at external publications, they'll all predict that PVC prices will eventually come down to some extent, but settle well above pre-pandemic levels, okay? We don't have a crystal ball and so we follow what everybody else follows. But, once again, I would point you to the fundamentals. The fundamental supply demand situation is very tight, okay, and that will play itself out in the marketplace.

In terms of our planning for long-term capital projects and if you look at our expansions, we think in 10-year, 20-year terms, and so when we model these scenarios, we don't go by what's happening in the marketplace in one year or two years, we take a very long view on what we think it will be like, and we are very conservative in our model.

Lily

Perfect, thank you. This question is also about Polymer Solutions. I mean, I get the point that being integrated is important and makes sense, but my question is about sustainability. I mean, this business, I think it's the most CO_2 emission or the most intense in terms of water or waste, so I don't know if you could give us more like a strategical view here.

Sameer Bharadwaj

It's a great question. Let me give you some numbers. Our Scope 1 emissions are roughly 0.5 million tons, and our Scope 2 emissions across all of Orbia, this is for all of Orbia, are 1.5 million tons. From a sustainability standpoint, we have clear line of sight to lowering our impact over a decade.

Now, having said that, there's a few things important to note. On a weight basis, PVC has half the carbon footprint of other polymers at end of life; second, it's immensely recyclable; third, much of the expansion that we are planning will be based on clean or green energy. The biggest contributor to the carbon footprint of PVC production is the electrolysis of salt, where you split the chlorine from the sodium, and if that is based on clean and renewable energy, it massively lowers the carbon footprint. Likewise, the production of ethylene is energy-intensive and requires natural gas, which is again one of the long-term strategic reasons why we are investing in a green hydrogen company, and in the long term, we view green hydrogen as a way to decarbonize an ethylene cracker.

Again, we have been very strategic about our view on having a very clean and sustainable PVC value chain. Some of the further solutions that Nick talked about are bio-based PVC options, these are still in our research and development phase, and we have some strong interest from customers and initial applications, but I would say they are much further out.

Gerardo Lozoya Latapi

Thank you. We have another question from Nik Lippmann from Morgan Stanley.

Nikolaj Lippmann

Thank you, again. Sorry for coming back. Two questions. First, to you Shai, you mentioned R&D being $1.3 billion. Can you talk a little bit about how that is evolving over time? Is it 13% of revenue? It seems very high if your total SG&A is $1.4 billion. I was just thinking if you have some of that in capex or where I would find it. Also, to what degree—when you think about growth capex, is that the $6.5 billion, normal $7 billion, do you take investment into R&D into that number?

Then the second question, quite different question, sorry, is on the Scope 3, and thanks for addressing it. I understand the replacement market for--I think this is for Tania and Gregg. I understand the replacement market for refrigerant gases, which is basically what we're talking about there, but you didn't mention HFO. There is a technology available, there's certain patents that will basically go off patent over the next couple of years. When you think about the whole purpose and the decarbonization, why not have more of a focus on HFOs? Thanks.

Sameer Bharadwaj

Shai, why don't you address the first question? Why don't you clarify Nick's question on the vitality index? I think it's helpful to define that, clearly, so that there's no confusion. Then, Nik, I know Gregg's been waiting to answer your question on refrigerants and scope. He'd be happy to answer that, as well.

Shai Albaranes

Nick, just to make sure I understood, you're referring to the 13% …

Nikolaj Lippmann

If I understood you right, you said first our R&D investment is about—on an annual basis is close to 13%.

Shai Albaranes

No, no, no, no. The 13% is our vitality index, which is a percentage of new product that were introduced in the last five years.

Nikolaj Lippmann

Brilliant, I just got it wrong. When we think about R&D investments, I think that will be a great thing for you guys to publish on a quarterly or annual basis, just for us to follow the investments. Also, still the question to what degree is there any R&D investment baked into the growth capex numbers?

Shai Albaranes

Yes, okay.

Sameer Bharadwaj

Yes. So, I think the growth capex—so, Nik, R&D investments typically are expensed in the year they are incurred, and so, to the extent they will show up in the growth capex, they'll show up as investments for scaling and commercializing the technology in terms of the new capacity for those new materials. Hopefully that—so you'll see the cost of R&D in the day-to-day expenses that we have, but the capital that we deploy to produce those products, solutions and services will be part of the capex.

Shai Albaranes

Maybe to add to that, I think, if you look at our financial results, you can collect the total R&D investments from the financial reporting point of view, but I think that, from an innovation point of view, the investments that we make are much larger than only the R&D expenses, as we see on the financial results. This does not include application development, our investment in digital transformation, our start-up investment, so none of these are included in the total number of R&D. If you look at our total innovation investment, it's

much, much larger than core R&D, as a pure financial KPI, okay, and we think of it as a much larger investment than just what is reported in our P&L.

Sameer Bharadwaj

Yes, and to answer your second question, Nik, you know, I'll just gave a brief background, but Gregg will be happy to share with you our efforts on HFOs and other solutions.

If you go back and look at history, Koura was instrumental in the development of hydrofluorocarbons, which helps solve the world's ozone layer problem. Remember the Montreal Protocol and when ozone was creating a hole in the ozone layer and the industry rallied, and Koura was one of the pioneers in HFCs. But HFCs have a high global warming potential, we fully understand that, and we fully support the controlled phase-down and replacement of HFCs with alternate solutions with far lower global warming potential. Today, those HFCs contribute significantly to our Scope 3 emissions.

Our view is, rather than move away from that problem, we want to take that problem hands-on and address it, and develop new solutions and new products and bring them to market, and massively reduce the carbon footprint of our customers. That is something we are really excited about and committed to.

Gregg, you know, please share with everyone here all of the new things we are doing in the next generation refrigerants, including HFOs.

Gregg Smith

I think Nik's question was around HFOs, specifically, and HFOs are a part of the solution going forward, for sure. Two of the new products that we have brought forward, R473A and R456A, which are in the marketplace today, do contain HFO. HFO is a broad term, it refers to what they call hydrofluoroolefin, and the reason why they say that is because it breaks down quickly, so it doesn't stay in the atmosphere and contribute to global warming.

We do see it as a part of our solution going forward, both in the short term, the mid-term, and the long term. In the short term, we have a number of blends, a number of—it's specific intellectual property that's been developed by Koura, Mexichem. These are useful, and we can clearly show through our own internal testing that you can get the same kind of cooling and heating at far lower global warming potential. However, it takes time. Customers need to understand the features and the benefits, and we are working day in and day out with our customers to show why this set of solutions has advantage and performance features.

Secondly, the mid-term and long term. We have another set of solutions that we believe will address the cap and phase-down requirements. If you take today's HFO solutions, and I want to make this very clear for the group, it's not a pure HFO. Most of the solutions in place for the larger parts of the market require a blend. Fluorine is a unique material, but it doesn't do all the job by itself, and you need to have blends of materials to get the right inlet temperature, outlet temperature and the amount of heat. So, going forward, the future systems, the future molecule or blends are going to have to be different than what is being adopted and used today.

We're focused on that mid- and long-term piece, as well, and we believe that the solutions that we have and going to bring forward in the form of what we call, and you can see on our webpage, the LFR3 materials, have that kind of unique feature because they have exceptionally low global warming potential, and they also have excellent energy efficiency, because it's not just about the global warming potential of the gas, it's about the overall lifecycle of the CO_2 emissions from the gas itself and the energy required to make and move that heat. We have those sets of solutions. We're working on it. We believe that we have

a very good set of alternatives for the marketplace and HFOs will be part—they are a part of our portfolio today with those products that I mentioned, and they will be an increasingly larger part of our portfolio as we go forward.

Gerardo Lozoya Latapi

Thank you, Gregg. Our next question will come from Rodrigo (phon) from IM Advisors (phon).

Rodrigo

Hi. So, very exciting story, but it's a broad story, too, so I don't know if you have a plan for shareholders to keep track of all the exciting things that are happening in each business, there are a lot of them, so how can we keep track of the whole story and, I don't know, see the progress in each thing you mentioned?

Sameer Bharadwaj

Rodrigo, that's a great question and, again, today's Investor Day is step one of us doing a better job of communicating to the world who Orbia is, how we create value in applications and how we will evolve going forward. We plan to do this not once in 10 years, we'll probably do this quite frequently, and as the Company evolves, and through our periodic disclosures, engage with the investment community to keep them apprised of the developments. So, absolutely, that's great feedback, and we will do much more going forward to address that.

Rodrigo

Just one more question. Thank you. On the capex investments you mentioned, they seem a bit high for the next five years if you're only like implying bolt-on investments and quick annex expansions, so I don't know if you can go further into that, on what the investments are there, or if it implies some M&A bigger than bolt-on investments, or what's the strategy behind those capex numbers you presented. Thank you.

Sameer Bharadwaj

We've implied in the numbers around $5.5 billion, $6 billion of investments over the next five or six years, and a large proportion of those will be to support organic growth. Some of those investments will be directed and getting into adjacent products, adjacent services and may involve bolt-on acquisitions. Now, those numbers do not have significant bolt-on acquisitions in them, some of them are in there, but we're looking at acquisitions in the range of anywhere from $50 million to $500 million, okay? The $500 million one will be rare. The $50 million to $100 million, $200 million acquisition could play an important role in strengthening our position in some of the key markets or adding some technologies to our portfolio.

Hopefully, that gives you a sense for that, but all of that cumulatively included will lead to an earnings growth from $1.9 billion to $3.5 billion, $1.8 billion, $1.9 billion to $3.1 billion to $3.5 billion.

Gerardo Lozoya Latapi

Thank you, Sameer. Before we continue, we're going to extend the time for Q&A for 15 minutes. We have a lot of questions going through the webcast and we might have some others in person.

I think, Pedro, you have a follow-up question.

Pedro Zevallos

Thank you. Sameer, I wanted to follow up on—just to confirm the answer you gave to Frank McGann. Is the strategic review of the Polymers business, is that off the table?

Sameer Bharadwaj

Yes, it is off the table.

Pedro Zevallos

Okay, perfect. Then, my question then is—and I'm really excited, I'm glad to hear as a target the reduction of carbon emissions. My question is how strategic is it for Orbia to be an equity holder in a cracker with (inaudible)? I mean, you could buy VCM. You mentioned you're the sixth larger PVC producer, the largest specialty PVC producer. You could procure that VCM and ethylene, you could get that in the market. So, especially with this in mind, of a target of reducing carbon emissions, all the bad press that major oils are getting, where shareholders are really voting to not put capex into to return capital to shareholders as opposed to investing, do you mean to be invested in a cracker?

Sameer Bharadwaj

Let me answer that question going to the fundamentals, right? Whether we are invested in a cracker or not, the world's still going to need PVC. We can technically buy ethylene and not have that footprint on our books. That would be disingenuous. We would rather participate in a cracker and make that cracker green, right?

I'm happy to share our thinking on the decarbonization of the planet. You are looking at multiple sectors when you think about decarbonization.

The biggest one is power, okay, which has to go renewable, you know, the clean sources of power. The next one is industrial applications, and these include steel, cement, aluminum and the petrochemical industry. This is best suited for green hydrogen applications, okay, and we've been looking at the space very hard. Whether it's green hydrogen or blue hydrogen, both are good solutions. If you take a long view and see many years out in the future, when there is substantial amount of renewable energy on the grid, the cost of producing green hydrogen will become very competitive and will allow you to decarbonize all of these industries, okay? So, that's how we are looking at that.

The next big sector is transportation, the electrification of transportation, and you heard about how we are participating in the electrification of transportation.

Then, finally, this is a sector we don't participate in today, it's marine and aviation, and to decarbonize marine and aviation, you would have to take captured carbon dioxide. You have to capture the carbon dioxide, combine it with green hydrogen, and then you can make a slew of marine and aviation fuels. That's the CO_2 refinery concept.

We are developing a very good understanding of all of these spaces and, depending on the very hard look at the business case and whether it makes sense to participate in these areas, we do believe the decarbonization of this planet, as Tania said, is one of the single largest opportunities of our lifetime, and one of the single largest responsibilities.

So, in that context, the world needs clean water and sanitation. We deliver those solutions through resin manufacture, through the Building and Infrastructure business, and we have a responsibility to decarbonize that value chain and we will take that challenge head on, which is the reason why few people choose to enter this industry because they do not want to commit to having clean solutions or renewable

solutions from day one. If we look at any expansions, we want to strive for maximum clean and green. Infrastructure doesn't exist today, we may not get 100% on day one, but over time, we absolutely want to go there.

Pedro Zevallos

Thank you.

Sameer Bharadwaj

Okay.

Gerardo Lozoya Latapi

Okay, now we'll take a question from the webcast. This is (inaudible), a UBS analyst. "Going back to Orbia's expected growth, could you comment further on what is driving the growth above market average? Is it more aggressive pricing, expansion into higher growth regions, and also the market share, if you can comment on current and expected market share for each of your businesses?"

Sameer Bharadwaj

I think the last part of the question is a very detailed one and we can address that separately and make it available to everybody. The first part of your question, aspiring for growth above market, if you go through each of the segments we participate in, in Polymer Solutions, it's driven by being at the bottom left of the supply curve. If we are able to produce the lowest cost PVC in the world, we'll be the first to sell out. It's driven by growth in high-value products and applications, and specialty compounds, geographic growth, particularly for Alphagary.

In Building and Infrastructure, Maarten talked about going into value-added products and solutions. To us, our fastest growing business is our strong water management and indoor climate solutions.

In Precision Agriculture, I mentioned this before, it's about growing our high-value crops, our extensive crops, services and digital, and greenhouses.

In Data and Telecom, it's driven by the massive deployment of fiber around the world, and we are in thee right place at the right time, with the best possible solutions ready to address customer needs.

So, when you combine all of the above, it allows us to have the aspiration of growing faster than market.

Hopefully, that addresses your question.

Gerardo Lozoya Latapi

Thanks, Sameer. We will take another one from the webcast. This is from Alejandro (inaudible) and Frank McGann. They had a very similar question. This is related to lithium-ion batteries, Gregg. They are asking is there any potential plans for lithium-ion batteries, what is the production stage, problems, potential opportunities for Orbia to materialize? Also, it's for an ion battery, sorry. In terms of revenues and EBITDA, how important this is. Today, the automotive refrigerant applications currently as a percentage of revenue and EBITDA, if you could share any color, it would be great. Thank you.

Gregg Smith

Sure. So, let me be clear to start. We're talking about lithium hexafluorophosphate is the current technology that's used by lithium-ion batteries. There is future-state lithium-fluoride ion battery. I only use those words to describe because we talk about the lithium-ion battery without understanding the fact that there's 10% by mass fluorine. So, I wanted to just emphasize that.

With respect to the current battery technology, which we believe will be in place for the next decade or more, it will use lithium hexafluorophosphate. This is a product that we have signed a joint venture with Foosung of Korea to establish the first in Europe lithium hexafluorophosphate supply for the localization of the supply chain in Europe. This is a significant opportunity for us to grow and participate in this value chain that is growing at 20% per year, and will likely do so for the next decade as electric vehicles become more ubiquitous and are driven everywhere. That was the first part of the question.

I think the second question was focused on refrigerants?

Gerardo Lozoya Latapi

No, automotive refrigerants.

Gregg Smith

Okay. Yes, with automotive refrigerants, this is a sector of a larger refrigerants space. Automotive, typically, by volume, is somewhere between, on the total market, 10% to 15% of refrigerants used today. We serve the entire market. We don't disclose specifically our refrigerant sales, but we look at the automotive, both the OEM and aftermarket, as important sectors in the larger refrigerant space, and we are focused on solutions. The one I spoke about was R456A. That is specifically designed for the automotive aftermarket.

Gerardo Lozoya Latapi

Okay, thank you, Gregg. One more, this is from Andres Cardona from Citi. "Business plan has a clear message about developments for organic growth, but (inaudible) investors community about it. It has been already four years since the Netafim acquisition and the market still show concerns about Orbia's M&A DNA. Can you comment on that?"

Sameer Bharadwaj

It's a very good question, and I'll point to the track record of success over the last 20 years in terms of doing M&A and integrating these companies and making them successful, so from that standpoint, it takes time, successful M&A takes time. Wavin has been part of the group for over 10 years now and is today getting tremendous momentum. Dura-Line earnings are more than three times when we acquired Dura-Line. This was mentioned earlier in the conversation today. Precision Agriculture, the earnings power of the business is much higher than what it was when we acquired them. So, in terms of M&A, Orbia has had a fairly successful track record of integrating the companies and positioning Orbia for where it is headed in the future.

Having said that, where do we see the biggest opportunities today? They are on the organic side, okay, where we can deliver earnings growth at four times EBITDA versus buying companies for 10 or 12 times EBITDA, and that's very compelling.

Having said that, we do not rule out M&A. If a very compelling opportunity comes along and there's a very strong fit with the business and there is tremendous growth and synergies, we take a hard look at it, right? Typically, like I said, these will be bolt-ons in the $50 million to $500 million range, with the $500

million one being rare and the $50 million one being more frequent, but we will absolutely look at that going forward, we don't rule that out.

Hopefully, that addresses the question.

Gerardo Lozoya Latapi

Thanks Sameer. Is there any additional question from the audience here? Okay, Manuel from Barclays? Sorry, this is the last question we will take for the Q&A session and after this we will have lunch. Thank you.

Manuel

Thank you. I have a question for the Dura-Line business. You talk mostly about developed markets, like North America, Europe. What about Latin America or other emerging regions, what's the plan there?

Peter Hajdu

Basically, today, the technology that we supply to the market is the dominant technology in developed markets, right, so this is where there is a big demand for such solutions. Emerging markets are just discovering the opportunities around deploying fiber through conduits, and we actually do have presence, commercial presence in many of these markets, including Latin America. We also have manufacturing presence in Asia, in the Middle East, as well as India, and we work very actively, together with many of those service providers. Today, I would say this is more of a specialty application in some of those markets, but as time evolves, we actually expect some of those markets to open up in a bigger way, but it may actually take time.

Manuel

Will these be included in the period until 2027 that you mentioned or …

Peter Hajdu

To some degree, yes, to some degree, yes, but right now most of the investments that I have described in my presentation—and if you go—the industry agreement around this, including 5G and datacenters, most of the investments are happening in the developed markets. So, in this timeframe, the predominant outcome will be derived out of developed markets.

Manuel

Thank you.

Josh Preneta

Thank you, everyone.

I'm going to hand to Sameer for last remarks in just a moment, but just logistics, lunch is in the St. George Room, right next door. Everybody has a number written on the back of your nametag, that's your table number for lunch.

I think that's it from me, so, Sameer, why don't I hand it over to you.

Sameer Bharadwaj

Great. Thank you very much, everyone, and really appreciate for those who made the effort to come here, we are very grateful that you are here to listen to Orbia's story. For those who have stayed online for over four hours, many thanks.

As I talk to the team members here, for us, this is a very important day, where we introduce Orbia to the world. Not many fully appreciate who Orbia is and where it's headed in the future, and this is the beginning of a long journey. I don't call this Investor Day, this is Investor Year, so we'll be out on the road and would love to engage with the investment community over the next several months, addressing your questions and concerns, and setting the stage for a vibrant Orbia going forward.

I want to close by thanking members of Orbia's Investor Relations team, the Strategy team and the Communications Team for the outstanding work they've done to pull this event together. Once again, thank you very much, and I thank our chairman for joining us today.