



Message from our Chairman



As a father of five, I often think about how my own children will view humankind's legacy.

My purpose, together with my wife, is to do everything possible to raise children that can contribute to making the world a better place. But beyond that, my thoughts today turn to those worldwide facing poverty, hunger, lack of education and limited access to life-sustaining resources. To a planet that needs nurturing and care, and protection of its biodiversity. To the ongoing impacts of the COVID-19 pandemic, to which we have tragically lost 30 of our own and from which we carry 30 families and countless loved ones in our hearts. We have all been altered by disruption and compounding challenges and our natural places have been too. The call to action now is urgent. And it must be answered swiftly.

For me, these thoughts are not comfortable ones, but they are motivating. They bring me back to the importance of setting the right example at home and in business. It is not by accident that Orbia has set our purpose to advance life around the world and is embarking on an ambitious transformation journey to move the needle in solving the world's greatest challenges.

I believe—and we believe—that our reason for being is to contribute positively to affecting the change needed for people and nature to thrive for generations to come. As a business, this entails creating value for all our stakeholders through delivering vital solutions, sustainable growth and financial stability.

From a business performance perspective, we can sum up 2020 as the year in which we stayed on course in the face of unprecedented circumstances. A dip in revenues (-8% versus 2019) was balanced by strong growth of EBITDA margins, reaching 20.5% with careful cost control and operational efficiencies realized across our regions and businesses. I believe this is validation of Orbia's business model, grounded in the diversification of our business lines and geographies, our upstream and downstream integration and our ability to capitalize on synergies. We have the basis to build from this foundation and achieve more growth in the coming years, with an expectation of improving our products and services to significantly contribute to advancing the UN's Sustainable Development Goals (SDGs).



2020 has changed us, in that it has taught us so much about what it means to be resilient, agile, empathetic and above all, courageous.

To continue to deliver on our growth goals, we must be resolute as a Board of Directors and provide the best guidance and support for our CEO and his teams. In early 2021, we welcomed long-serving Orbia leader Sameer Bharadwaj as our new Chief Executive Officer. We are confident that Sameer's rigorous approach and integrity will lend itself to leading Orbia successfully in the next phase of unlocking value and driving operational excellence. On behalf of the entire Board of Directors, I also thank our former CEO, Daniel Martínez-Valle, for his accomplishments. In serving from 2018-2021, Daniel was key in Orbia's formative evolution as a purpose-driven organization.

Let me now turn to corporate governance. We were struck and deeply saddened by the loss of our Board member, friend and colleague Jaime Ruiz Sacristán. In his 18 years of service, Jaime was instrumental to Orbia's growth and success and is the perfect example of the kind of person we all aspire to be: hard-working, responsible, brave and warm.

We recognize that the Board itself must continue to evolve to meet the challenges ahead. To strengthen our leadership and broaden our purview, we added two new independent Board members in 2020 as we did in 2019. The first new member is Jackie Goldstein, a seasoned businessman from Colombia who brings deep knowledge in both upstream and downstream business operations to Orbia. The second new member is Anil Menon, who is based in the United States and brings global expertise gained from his time at Cisco, understanding of digital transformation tools and Asia-Pacific market knowledge to our governance team.



Our agenda has also evolved with the COVID-19 pandemic, in requiring our dedicated focus on risk management, business continuity planning, sustainability and new ways of working. Our mandate to the executive team continues to be to put health and safety first, care for the needs of our people and show up for those stakeholders in our hardest-hit regions worldwide. Our philanthropic investment in COVID-19 relief has amounted to \$1 million, which has been crucial in helping support and build back communities to baseline.

2020 has taught us so much about what it means to be resilient, agile, empathetic and above all, courageous. We have shown up in delivering the essential solutions the world needs, made innovation “business as usual” and improved our social and environmental footprints in and for our communities. The market has noticed, and we are honored to be included for the first time in the [2021 S&P Sustainability Yearbook](#), as a member of the FTSE4Good Index with an improved score and as one of 29 Mexican companies selected for the S&P/BMV Total Mexico ESG Index, where we have held a spot since 2012. In the past year, we have also been in close contact with our investors to better understand

their needs and expectations, which has been invaluable in guiding our performance and disclosure practices. The thing about children is that they keep growing, changing and becoming more mature and accountable for making a difference. This is a fitting analogy for Orbia’s sense of accountability to people and planet. The more we continue growing and evolving and the bigger the obstacles, the harder the challenges and the timelier the needs; the greater our tenacity, determination and—yes—optimism to seize opportunities. I am confident that we are building an Orbia that is true to its namesake: a force for the world. And as my children grow, I am optimistic that they will appreciate the power of a legacy grounded in a purpose far bigger than themselves, and one that has defined the world they and their own children will inherit.

Thank you for your interest in our company and in our annual Sustainability Report. I sincerely wish you and yours a healthy and safe 2021.

Juan Pablo del Valle Perochena

Chairman of the Board of Directors