

2003 Summary of Achievements

BASED ON NOVA CHEMICALS' FIVE-POINT BUSINESS STRATEGY

FOCUS ON COMMODITY CHEMICALS

- We sold two non-strategic assets. The sale of our entire 37% equity position in Methanex Corporation, for net proceeds of \$441 million, took advantage of a high point in the Methanex share price and a favorable Canadian dollar. We also sold our Fort Saskatchewan Ethylene Storage Facility for net proceeds of \$123 million. The facility is important to our operations, but not strategic for us to own. A long-term contract provides us with necessary access to the facility. The price we received was about 11 times EBITDA, considerably more than the asset was worth to NOVA Chemicals.

BE THE LOW-COST PROVIDER

- We reduced overall fixed costs by 3% in local currencies.
- We ended the year with cash flow cycle time at 28 days, well within our goal of 25 to 30 days.
- We reduced debt by \$114 million in 2003 and have reduced debt by roughly \$500 million since the middle of 2001. We built cash reserves of about \$200 million.

INVEST ONLY FOR HIGH RETURNS

- We maintained capital spending at \$119 million (net of project advances) and continued to fund only those projects that met our Responsible Care needs or were expected to generate in excess of our target of 16% after-tax return on investment.

BUILD UPON AND ADD TO OUR SUSTAINABLE COMPETITIVE ADVANTAGE

- We increased our Advanced SCLAIRTECH resin sales by almost 50% and launched four high-performance polyethylene film grades.
- We had record sales of ARCEL, our high-performance foam packaging material, that were 64% higher than last year. In 2003, we put plans in place to increase ARCEL production capacity five fold.
- We accelerated work on our high-margin Styrenics product portfolio. We had two successful, large-scale trial-production runs of our ZYLAR EX resins — designed for extrusion applications requiring superior clarity. Our new microwavable food-packaging resin, DYLARK FG, had five successful customer trials. And we introduced STYROSUN weather-resistant polymers, from our Breda, the Netherlands facility, into the North American market.

BE AN INDUSTRY CONSOLIDATOR

- We now have agreements in place that ensure we can make styrenic polymers in Europe with styrene monomer at local producer cost levels.
- We announced the shutdown of our highest-cost polyethylene line at St. Clair River Site, Corunna, Ontario, removing 275 million pounds of capacity. High-value product sales will be moved to more competitive polyethylene lines.