

# Avient Sustainability Day 2023

September 20, 2023  
(NYSE: AVNT)



# AGENDA

## WELCOME

Bob Patterson

## INTRODUCTION

Jamie Beggs

## SUSTAINABILITY STRATEGY

Walter Ripple

## SUSTAINABLE SOLUTIONS

Michael Garratt, Chris Pederson, Woon Keat Moh

## SUMMARY

Jamie Beggs

## WRAP UP AND Q+A

Bob Patterson

# DISCLAIMER

## Forward-Looking Statements

Certain statements contained in or incorporated by reference into this presentation constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. You can identify these statements by the fact that they do not relate strictly to historic or current facts. They use words such as “will,” “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe” and other words and terms of similar meaning in connection with any discussion of future operating or financial condition, performance and/or sales. In particular, these include statements relating to future actions; prospective changes in raw material costs, product pricing or product demand; future performance; estimated capital expenditures; results of current and anticipated market conditions and market strategies; sales efforts; expenses; the outcome of contingencies such as legal proceedings and environmental liabilities; and financial results.

Factors that could cause actual results to differ materially from those implied by these forward-looking statements include, but are not limited to:

- Disruptions, uncertainty or volatility in the credit markets that could adversely impact the availability of credit already arranged and the availability and cost of credit in the future;
- The effect on foreign operations of currency fluctuations, tariffs and other political, economic and regulatory risks;
- Changes in laws and regulations regarding plastics in jurisdictions where we conduct business;
- Fluctuations in raw material prices, quality and supply, and in energy prices and supply;
- Production outages or material costs associated with scheduled or unscheduled maintenance programs;
- Unanticipated developments that could occur with respect to contingencies such as litigation and environmental matters;
- Our ability to achieve strategic objectives and successfully integrate acquisitions, including Avient Protective Materials (APM);
- An inability to raise or sustain prices for products or services;
- Our ability to pay regular quarterly cash dividends and the amounts and timing of any future dividends;
- Information systems failures and cyberattacks;
- Amounts for cash and non-cash charges related to restructuring plans that may differ from original estimates, including because of timing changes associated with the underlying actions; and
- Other factors affecting our business beyond our control, including without limitation, changes in the general economy, changes in interest rates, changes in the rate of inflation and any recessionary conditions

## Use of Non-GAAP Measures

This presentation includes the use of both GAAP (generally accepted accounting principles) and non-GAAP financial measures. The non-GAAP financial measures include Free Cash Flow and Adjusted EBITDA Margin.

Avient’s chief operating decision maker uses these financial measures to monitor and evaluate the ongoing performance of Avient and each business segment and to allocate resources.

A reconciliation of each historical non-GAAP financial measure with the most directly comparable GAAP financial measure is attached to this presentation, which is posted on our website at [www.avient.com](http://www.avient.com).

Avient does not provide reconciliations of forward-looking non-GAAP financial measures, such as outlook for Adjusted EBITDA and Free Cash Flow, to the most comparable GAAP financial measures on a forward-looking basis because Avient is unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing and amount of certain items, such as, but not limited to, mark-to-market adjustments associated with benefit plans, environmental remediation costs, acquisition-related costs, and other non-routine costs. Each of such adjustments has not yet occurred, are out of Avient’s control and/or cannot be reasonably predicted. For the same reasons, Avient is unable to address the probable significance of the unavailable information.

## Pro Forma Financial Information

The Company acquired Avient Protective Materials (“Dyneema”) on September 1, 2022 (the “Acquisition Date”) and sold the Distribution segment on November 1, 2022. To provide comparable results, the company references “pro forma” financial metrics, which include the business results of Avient Protective Materials for periods prior to the Acquisition Date, as if the transaction occurred on January 1, 2021 and reflect Distribution as a discontinued operation. Management believes this provides comparability of the performance of the combined businesses.

The Company acquired the Clariant Color business on July 1, 2020. To provide comparable financial results, Avient references “pro forma” financial metrics, which include the business results of Clariant Color for the entirety of 2020. Management believes this provides comparability of the performance of the combined businesses.

Unless otherwise stated, Adjusted EBITDA figures included in this presentation exclude the impact of special items as defined in our quarterly earnings releases.



# Welcome

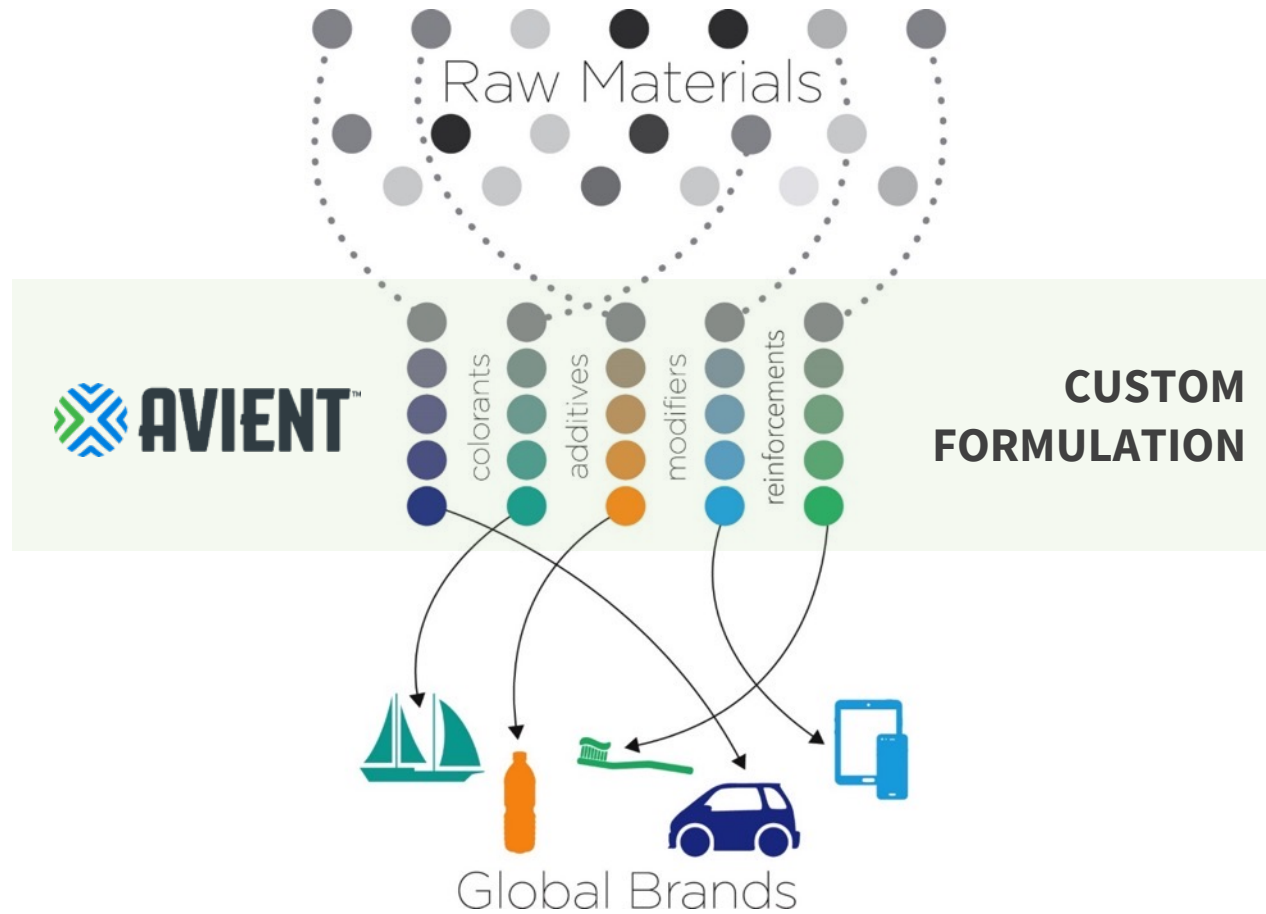
Bob Patterson  
Chairman, President, and Chief Executive Officer

INTRODUCTION

# Sustainability for a Better Tomorrow

Jamie Beggs  
Senior Vice President and Chief Financial Officer

# WE ARE A FORMULATOR



# WE ARE INNOVATORS

**1,100+**

RESEARCH AND  
DEVELOPMENT ASSOCIATES

**140+**

MATERIAL SCIENCE  
PhD ASSOCIATES

**>85%**

Stage-gate technology projects  
enable sustainable solutions

**33%**

2022 VITALITY  
INDEX

**2,500+**

ACTIVE PATENT  
FILINGS WORLDWIDE

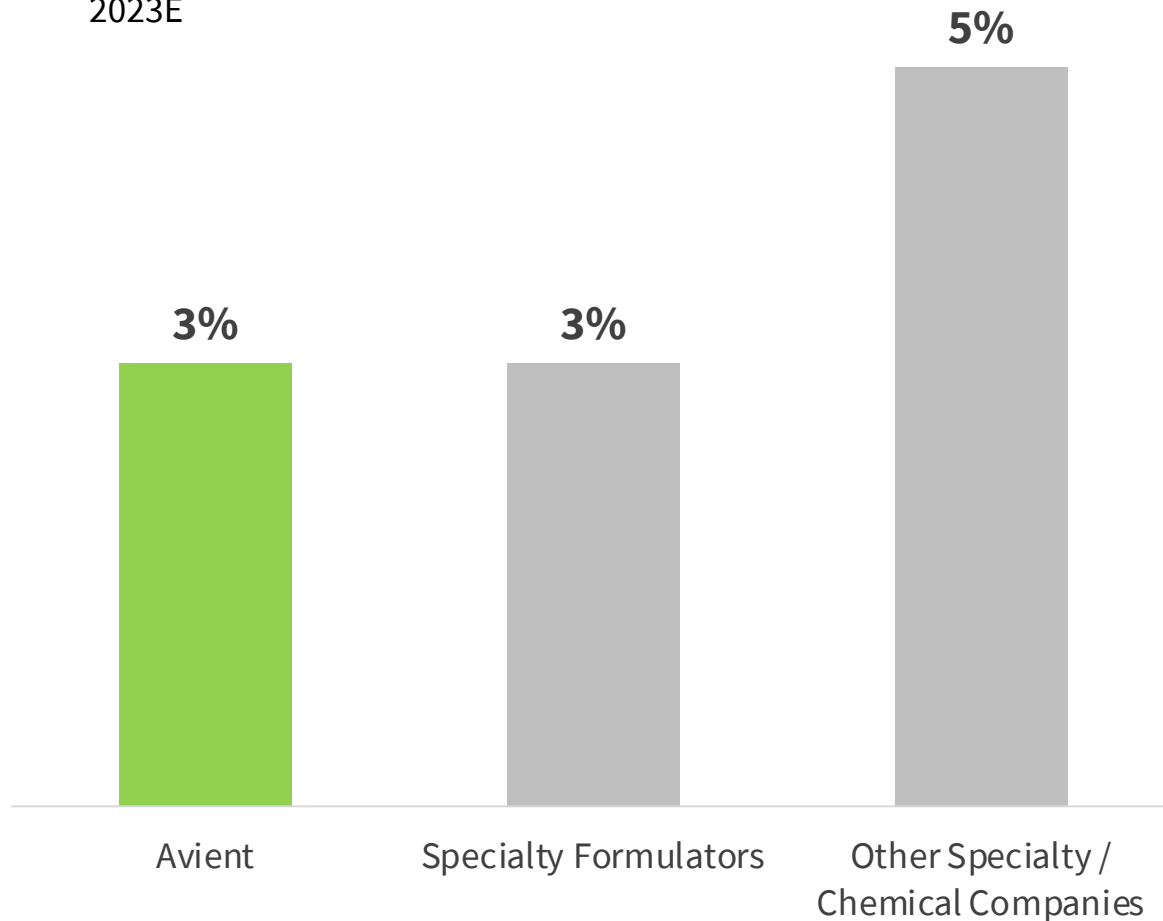
INDIA INNOVATION CENTER



# WE ARE ASSET LIGHT

## CAPEX / Revenue

2023E



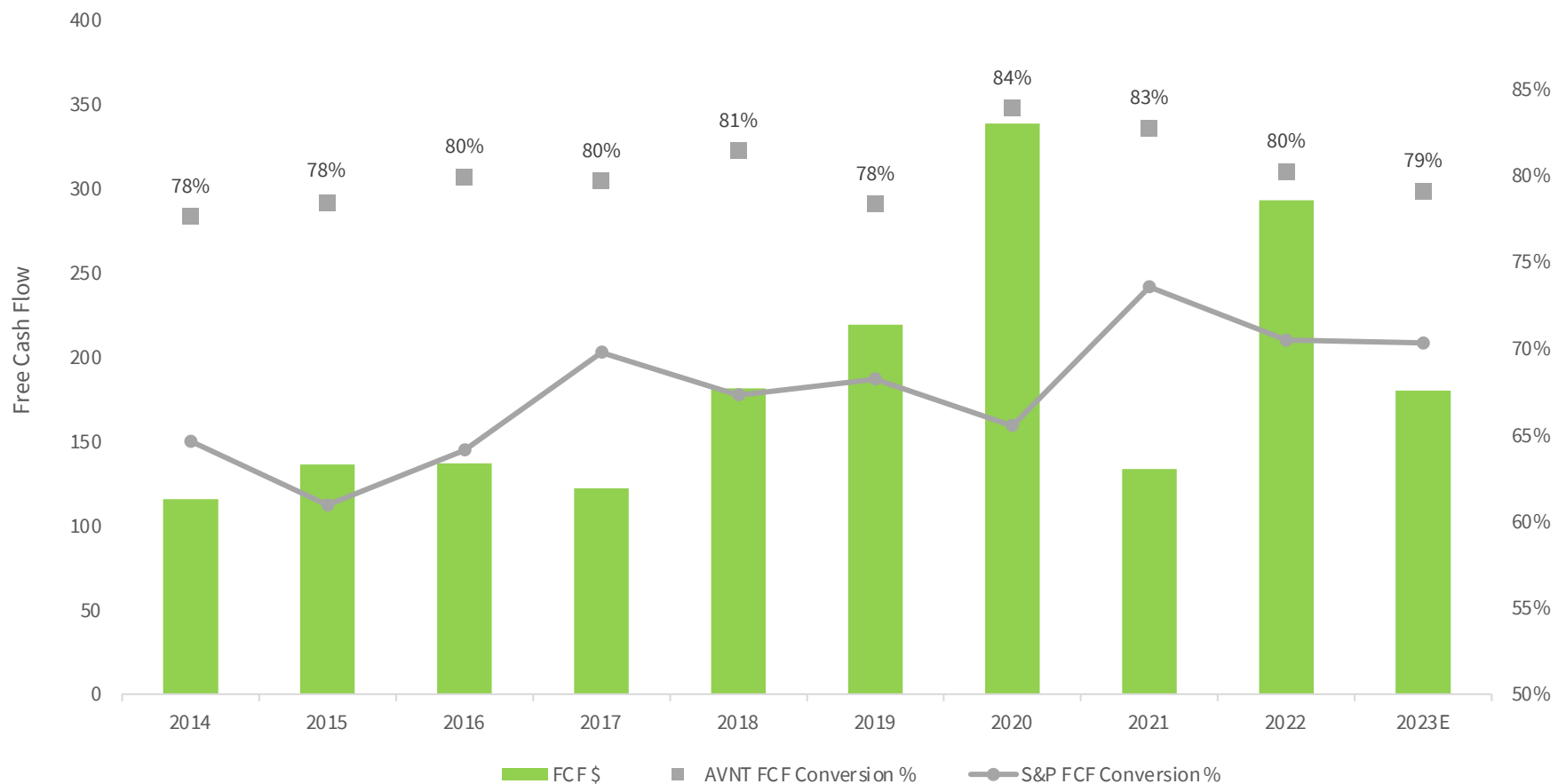
## Manufacturing Locations by Region



Global footprint enables greater flexibility to exceed needs of customers and deliver localized technical and formulation expertise



# PROVEN TRACK RECORD OF HIGH FREE CASH FLOW CONVERSION



Asset-light flexibility enables more nimble manufacturing capabilities and lower overhead

Periods of economic weakness have driven higher levels of cash generation due to working capital improvement

Note: Free cash flow conversion calculated as (Adjusted EBITDA - Capex) / Adjusted EBITDA

# PORTFOLIO EVOLUTION

Combined \$3.6B Investment in Acquisitions Since 2016

 Gordon  
Composites

 IQAP  
masterbatch

 FIBERLINE

 MAGNACOLOURS®  
IMAGINATION INK™

 polystrand

 Rutland

 PlastiComp®  
Long Fiber Reinforced Composites

 CLARIANT  
Color Business

 Dyneema®

2016

2022

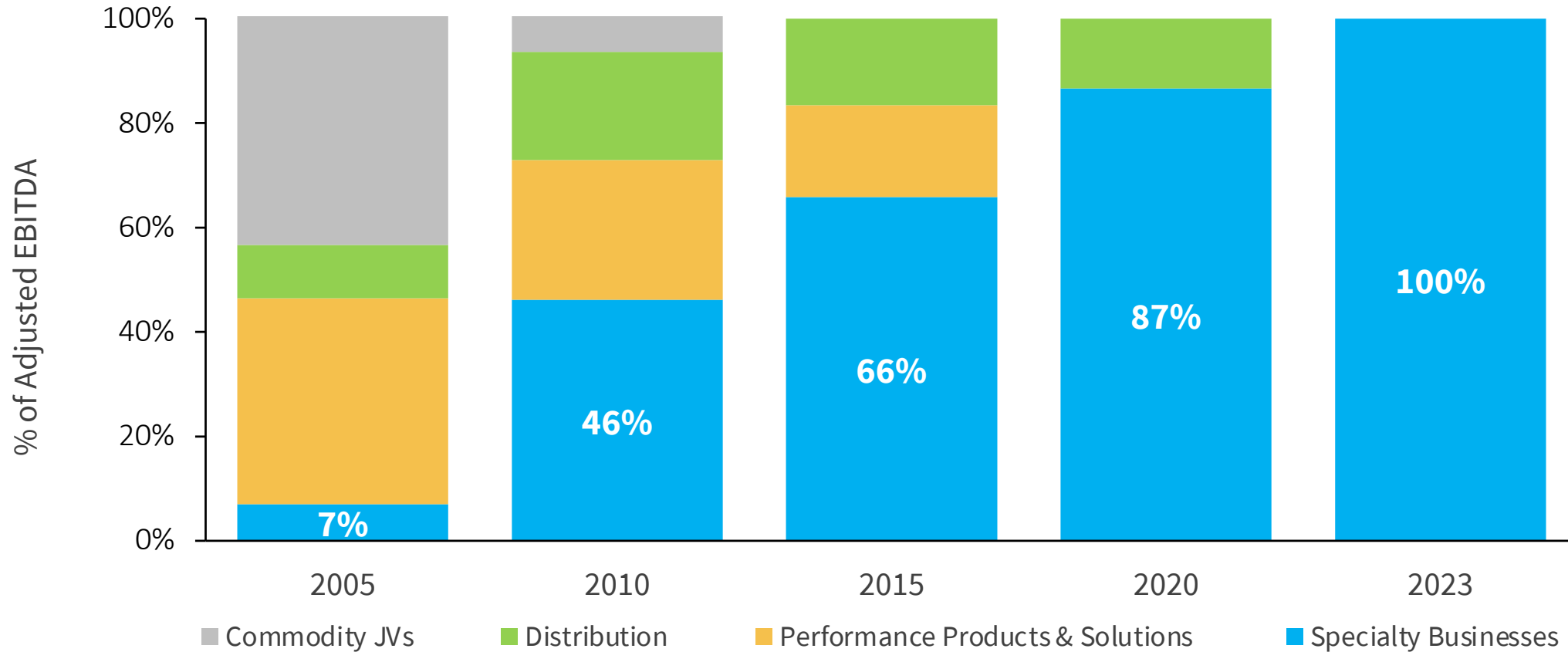
 Geon

Distribution

2 Recent Divestitures - Combined \$1.7B in Proceeds

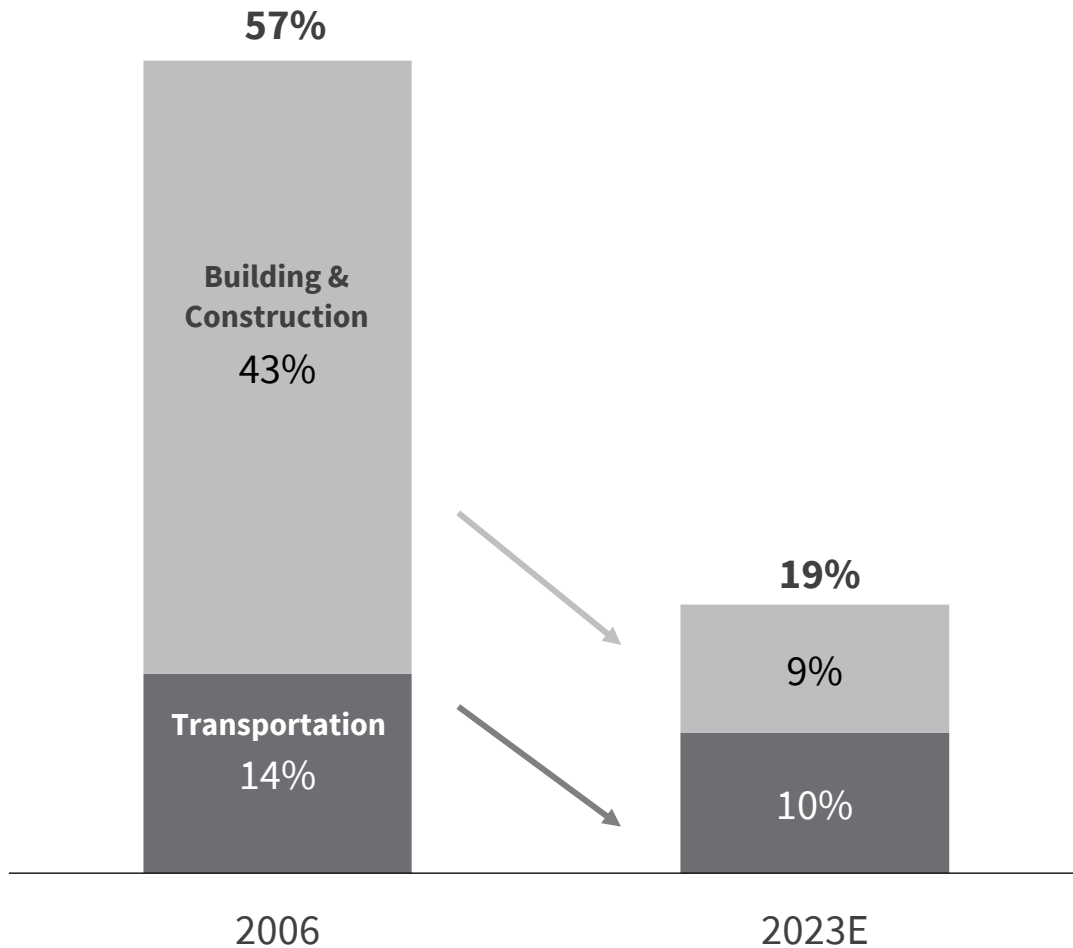
# PORTFOLIO TRANSFORMATION

## Adjusted EBITDA from Specialty Applications

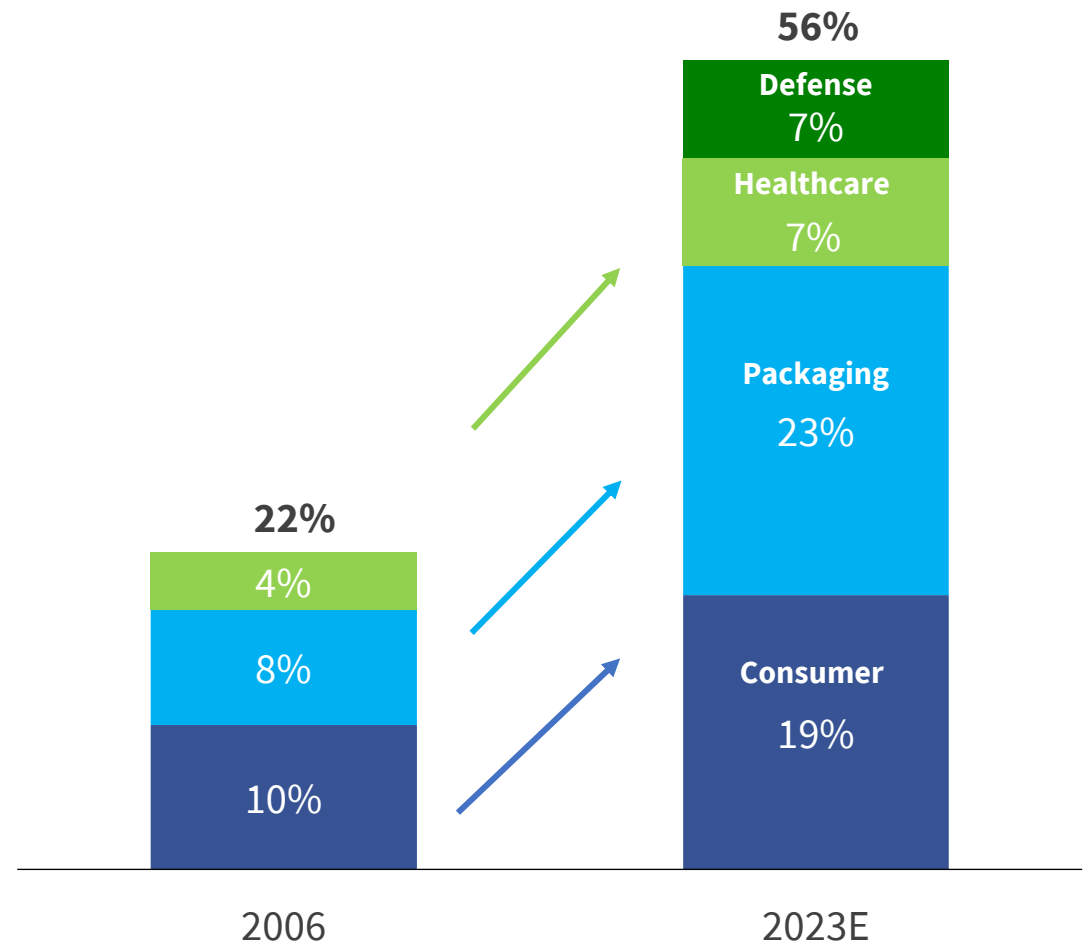


# END MARKET TRANSFORMATION

## Reduced Exposure to Cyclical End Markets

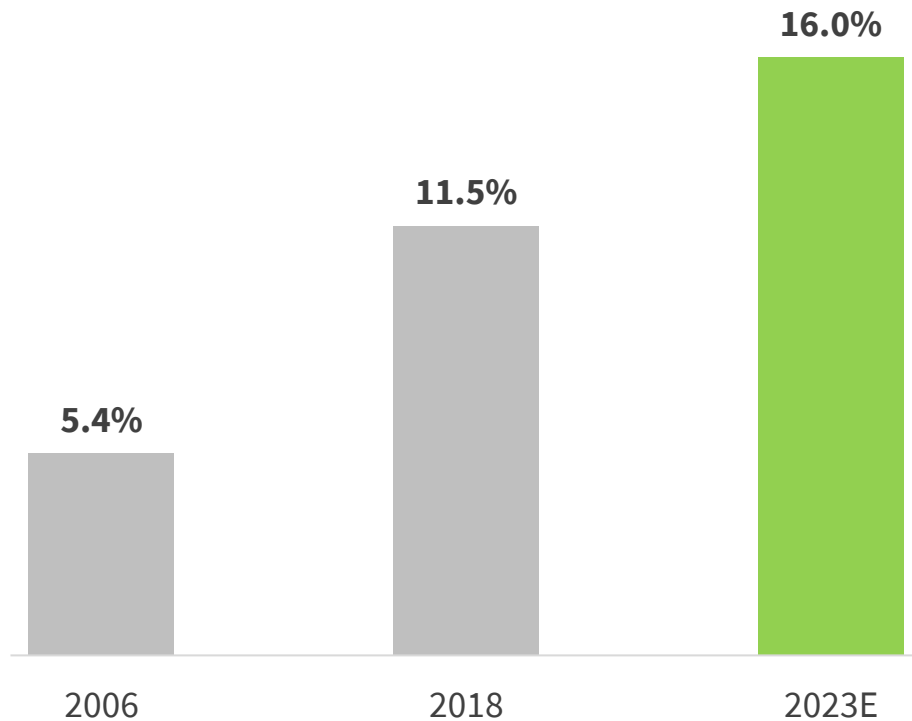


## End Market Diversification



# IMPROVING PROFITABILITY AND EXPANDING MARGINS

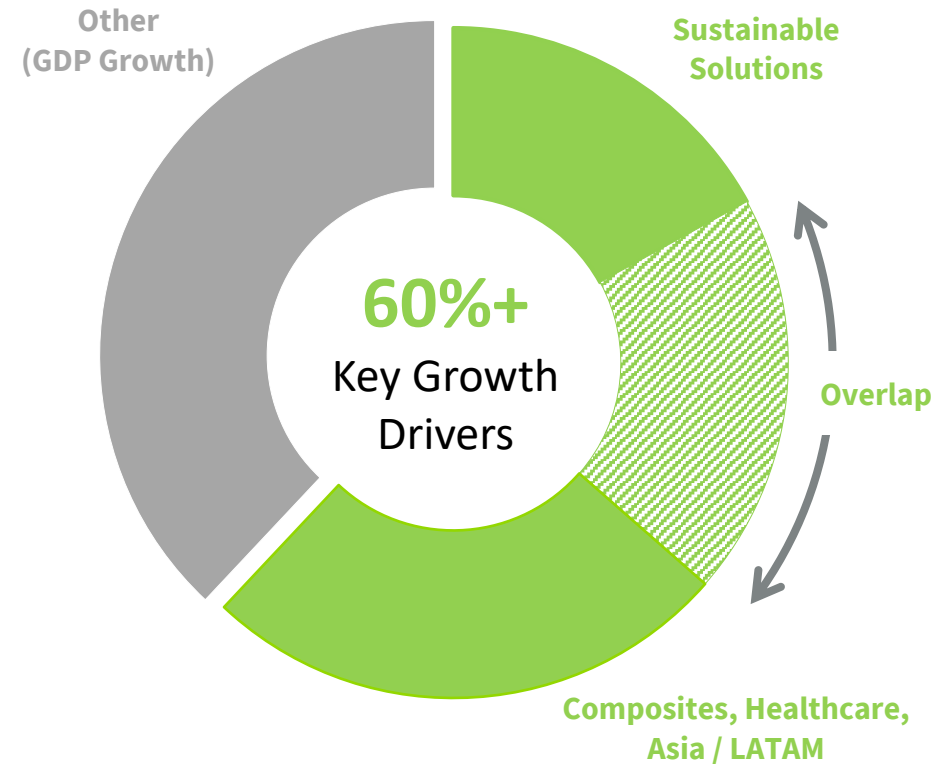
## Adj. EBITDA Margins



- Delivered on organic growth combined with transformative and bolt-on acquisitions
- Divested commodity businesses tied to more cyclical end markets
- Expanded presence in high growth areas of sustainable solutions, composites, healthcare applications and emerging regions

# LONG-TERM REVENUE GROWTH DRIVERS

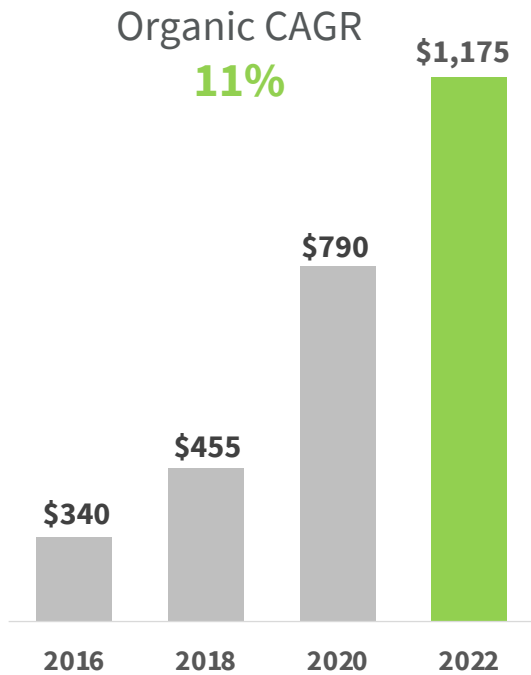
Growth Drivers	Long-Term Growth Rate
Sustainable Solutions	8–12%
Composites	8–10%
Healthcare	8–10%
Asia / LATAM	5%
Other (GDP growth)	0–2%
<b>Avient</b>	<b>6%</b>



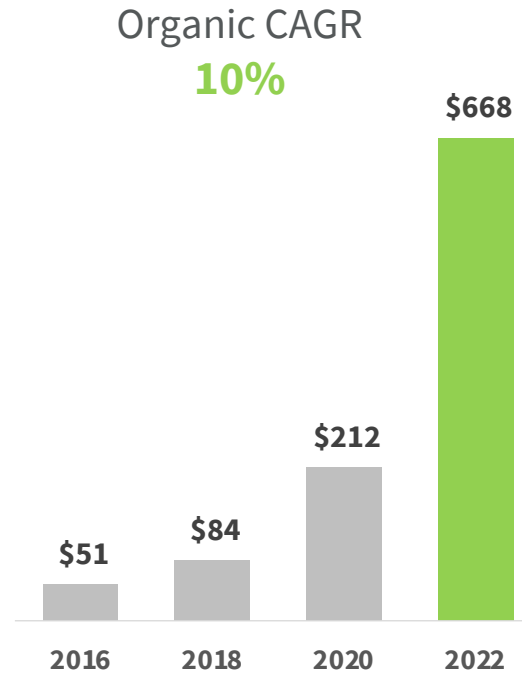
# HISTORICAL GROWTH DRIVER PERFORMANCE

(Sales \$ in millions)

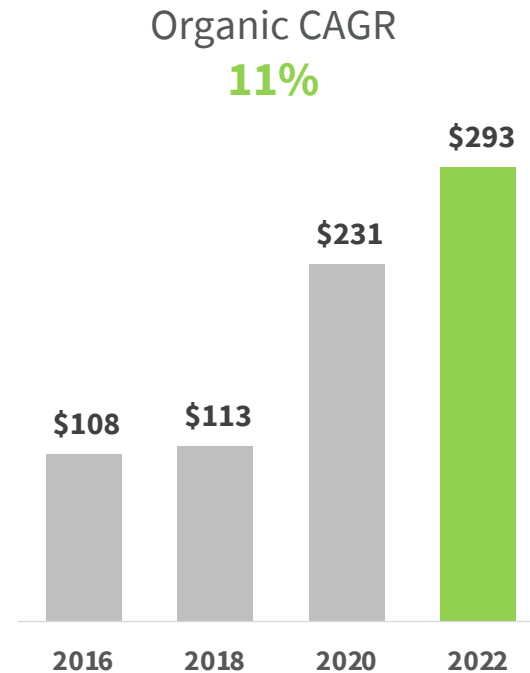
## Sustainable Solutions



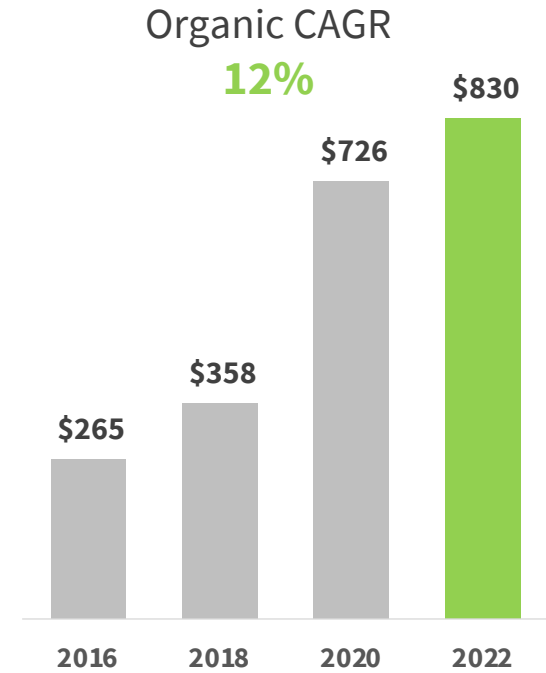
## Composites



## Healthcare



## Asia/Emerging Regions

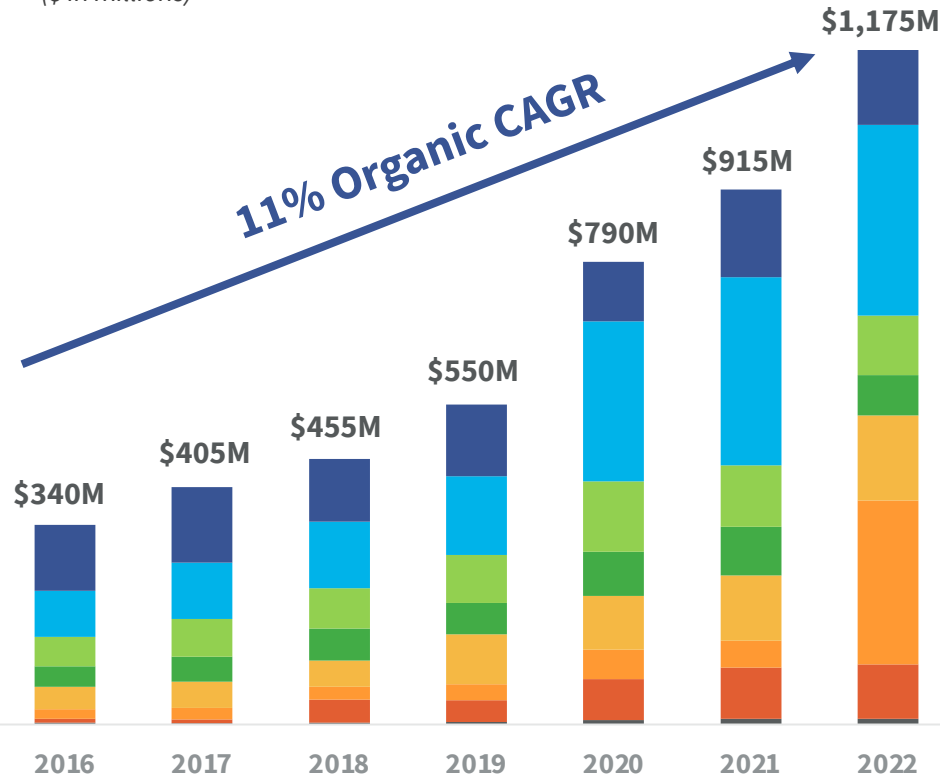


# SUSTAINABILITY: FOCUS TODAY

## Revenue From Sustainable Solutions 2016-2022

(\$ in millions)

- Lightweighting
- Eco-Conscious
- Recycle Solutions
- VOC Reduction
- Sustainable Infrastructure
- Human Health & Safety
- Reduced Energy Use
- Bio-polymers



Solutions to increase recycled content and minimize plastic waste



Solutions to reduce weight and energy consumption



Solutions to preserve and protect natural resources & human life





# Sustainability Strategy

Walter Ripple  
Vice President, Sustainability



## **OUR SUSTAINABILITY COMMITMENT**

As the world's premier provider of specialized and sustainable materials, services, and solutions, Avient is committed to meeting the needs of the present without compromising future generations' ability to meet their needs.

# OUR SUSTAINABILITY PILLARS

## PEOPLE



People are essential to Avient's sustainability strategy, and we invest accordingly in our associates and within our communities.

## PRODUCTS



Our ability to enable our customers' sustainability goals through material science and design expertise is a key differentiator for our company.

## PLANET



Climate change continues to be one of the defining issues of our time, and at Avient, we are dedicated to do our part.

## PERFORMANCE



Ultimately, our performance must drive growth as a truly world-class, sustainable organization, achieving the right results, the right way.

# DEEPLY EMBEDDED IN OUR CULTURE

Sustainability is integral to achieving our vision, mission, and performance that:

- **creates a safe and accepting environment** that empowers associates to perform to their fullest potential
- **gives back to the communities** where we work and live
- **enables customers** to innovate solutions that help make the planet more sustainable
- **protects the environment** by addressing climate change, conserving natural resources and preventing pollution
- **actively manages risk** for investors & yields financial performance

## EXTERNAL ALIGNMENT



# MEGATRENDS OFFER OPPORTUNITIES FOR SUSTAINABLE SOLUTIONS



**Advancements in  
Technology**



**Lifestyle  
Refresh**



**Transformation of  
Municipalities**



**Rethinking  
Globalization**



**Evolution of  
Healthcare**

# SUSTAINABILITY TRENDS DRIVING AVIENT'S GROWTH



Changes in **consumer behavior** driven by climate change & desire to reduce plastics waste



Consumers seeking to buy more **sustainable products** from more sustainable companies



**Brand owner and retailer demand** to meet sustainability targets & needs



Rising emphasis on **preserving and protecting natural resources & human life**



Increased current and pending **government** legislation and regulations



# CONSUMERS WANT SUSTAINABLE PRODUCTS



**85%**

Consider sustainability  
when they purchase



**60%**

Rate sustainability as a key  
criterion in  
purchasing decisions



**34%**

Are willing to pay more for  
sustainable products



**25%**

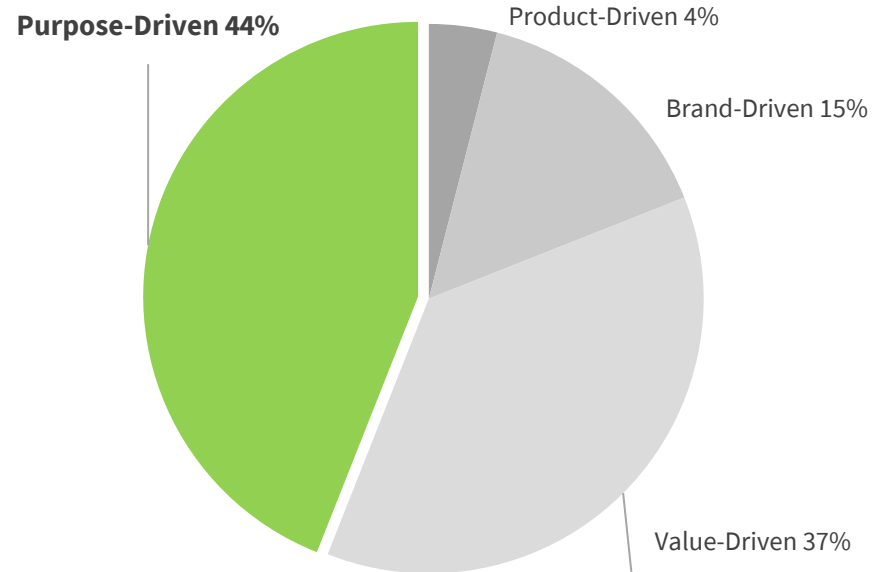
Average premium  
consumers are willing to pay  
for sustainable products

Source: Simon Kucher 2022

# PURPOSE-DRIVEN CONSUMERS NOW LARGEST SEGMENT

## Drivers of Purchasing Decisions

“**Purpose-driven consumers** seek products and brands that **align with their values** and provide health and wellness benefits. They’re willing to **change their shopping habits to reduce environmental impact** and they care about sustainability and recycling.”



# 44%

Of consumers are purpose-driven, an all-time high

# 66%

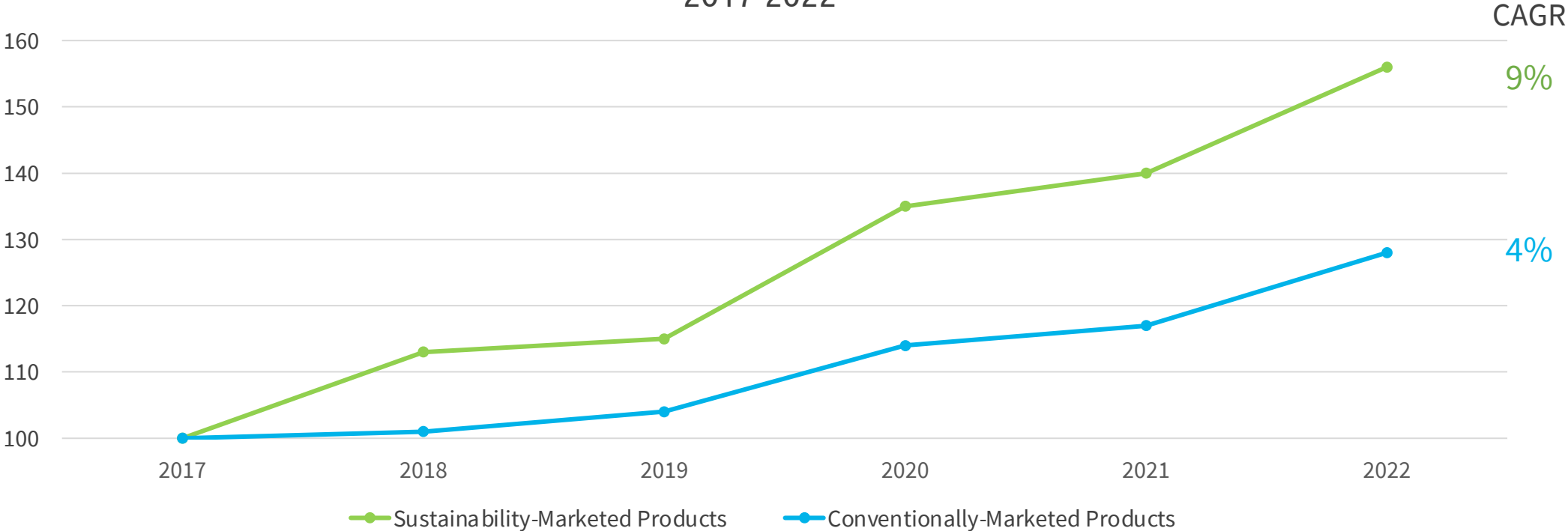
Prefer to buy sustainable products

Source: IBM / National Retail Federation 2022



# SUSTAINABLY-MARKETED PRODUCTS GROW 2X FASTER

Sustainably-Marketed Products vs. Conventionally-Marketed Products Growth  
2017-2022



**Sustainably-marketed products account for 1/5 of the market share ... yet deliver 1/3 of growth**

Source: NY Stern School of Business 2023

# MAKING RECYCLABILITY COMMITMENTS

L'ORÉAL

100% recyclable, compostable or reusable packaging by 2025



35% recycled content for all plastic packaging by 2025



30% recycled content by 2030



To source 100% recycled or renewable resources



25% recycled content by 2025



100% recyclable, compostable or reusable packaging by 2025

KraftHeinz

100% recyclable, compostable or reusable packaging by 2025



100% recyclable, compostable or reusable packaging by 2025



20% renewable and recycled plastics by 2025



25% recycled content by 2025



80% of waste recycled back into Nike products and other goods by 2025

# BRAND-SPECIFIC RECYCLED CONTENT ANNOUNCEMENTS

L'ORÉAL

...L'Oréal redesigned all Redken hair care bottles to be made with at least 93% recycled plastic.

L'Oréal, February 2021



... rolled out a 100% post-consumer recycled (PCR) plastic bottle for its Palmolive Ultra dish soap range.

Colgate-Palmolive, March 2021



Coca-Cola

...the entire DASANI product lineup will be made from recycled plastic.

The Coca-Cola Company, July 2022



KraftHeinz

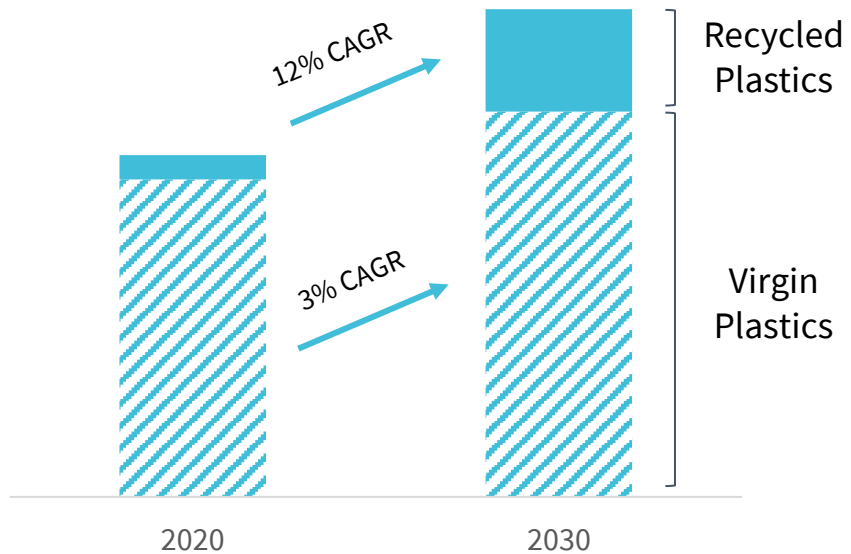
...Kraft Heinz plans to transition its Kraft Real Mayo and Miracle Whip products sold in the U.S. to packaging made with 100% recycled content.

Kraft Heinz, August 2023



# RECYCLED PLASTICS DEMAND GROWING DOUBLE DIGITS

## Growing Demand for Recycled Content



- Recycled plastics demand is expected to grow at a **12% CAGR** through **2030**
- Demand is constrained by availability of recycled content and will need investments in both mechanical and chemical processes
- As recycled content becomes more available, it is expected to make up **30%** of all plastics demand by **2040**

Sources: McKinsey, Standard & Poor's 2022

# MAKING CARBON EMISSIONS COMMITMENTS

L'ORÉAL

100% renewable energy consumption by 2025



50% reduction in product carbon footprint by 2030



Reduce absolute emissions by 25% before 2030, net zero by 2025



Reduce carbon emissions by 75% by 2030



Reach net zero greenhouse gas emissions by 2040



Achieve zero emissions across global operations by 2040

KraftHeinz

Net zero carbon emissions by 2050



Achieve net zero greenhouse gas emissions across enterprise



Achieve carbon neutrality globally by 2050



pepsi

Achieve net zero emissions by 2040



Reduce greenhouse gas emissions by 0.5M tons by 2025; net zero by 2050

# STAKEHOLDERS' GROWING INFLUENCE

## Percent of Companies Feeling Pressure From...



Regulators  
& government

**77%**

Board members  
& management

**75%**



Consumers & clients

**75%**

NGOs

**72%**



Shareholders  
& investors

**71%**

Competitors  
& peers

**66%**

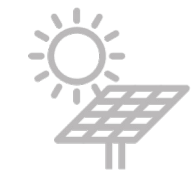


Employees

**65%**

Lenders

**55%**



Source: Deloitte 2022

# GOVERNMENT INFLUENCE CREATES OPPORTUNITIES

**25X**

Increase in offshore wind energy capacity in the E.U. by 2030



**INFRASTRUCTURE SOLUTIONS**

**65%**

Reduction in carbon emissions per unit of GDP from China by 2030



**LOW CARBON FOOTPRINT MATERIALS**

**10%**

Fuel efficiency increase in 2026 model year vehicles to achieve 49 MPG



**LIGHTWEIGHTING SOLUTIONS**

**\$42B**

Investment in U.S. infrastructure requiring **100%** of fiber optic cable to be U.S.-sourced (BEAD)



**FIBER OPTIC SOLUTIONS**

**90%**

Replacement of fossil-based plastics with bio-based polymers (Biden Administration)



**BIOPOLYMERS**

Sources: European Commission: Energy; People's Republic of China National Development and Reform Commission; U.S. Department of Transportation; U.S. White House Administration

# GOVERNMENT INFLUENCE CREATES OPPORTUNITIES

**175** Countries support the UN Plastics Treaty to help manage plastics pollution

**£210**

U.K. tax per tonne on products containing less than 30% recycle content (U.K. Plastic Tax)



**RECYCLE SOLUTIONS**

**145**

Global regulatory measures addressing collection sorting, extended producer responsibility (EPR), waste recycling, and reuse



**RECYCLE SOLUTIONS**

**100%**

Recyclable or reusable packaging in the E.U. by 2030 (E.U. Packaging and Packaging Waste Directive)



**RECYCLE SOLUTIONS**

Sources: UN Environment Programme; Deloitte; McKinsey & Company; European Commission: Environment



# SOLVING CHALLENGES IN KEY END MARKETS



## Packaging

Recycle solutions  
Lightweighting  
Food waste reduction



## Consumer

Recycle solutions  
Lightweighting  
Carbon footprint



## Healthcare

Carbon footprint  
Bio-based content  
Eco-conscious



## Transportation

Lightweighting  
Recycle solutions  
VOC reduction



## Sustainable Infrastructure

Eco-conscious  
Carbon footprint  
Resource conservation

# HOW AVIENT INNOVATION ENABLES SUSTAINABILITY



## RENEW

Solutions to increase recycled content and minimize plastic waste



## REDUCE

Solutions to reduce weight and energy consumption



## PRESERVE

Solutions to preserve and protect natural resources & human life

HOW WE ENABLE SUSTAINABILITY

# Renew

Michael Garratt  
Senior Vice President, President of Color, Additives and Inks – EMEA



# RENEW

## KEY CUSTOMER CHALLENGES:

- **Meet Aggressive Sustainability Goals** - While brand owners have made strong, public sustainability commitments – many are currently trailing far behind goals
- **Develop Strategies to Minimize Plastic Waste** - Plastic waste remains a global priority with consumers and legislatures – forcing brand owners to implement tangible mitigation strategies
- **Increase Post Consumer Recycle (PCR) Utilization & Post Consumer Recycle Availability** - Increasing the use of PCR is far more challenging than many companies had anticipated
- **Meet Legislation Requirements** - Legislatures are drafting financial penalties for companies unable or unwilling to meet post-consumer recycled content targets

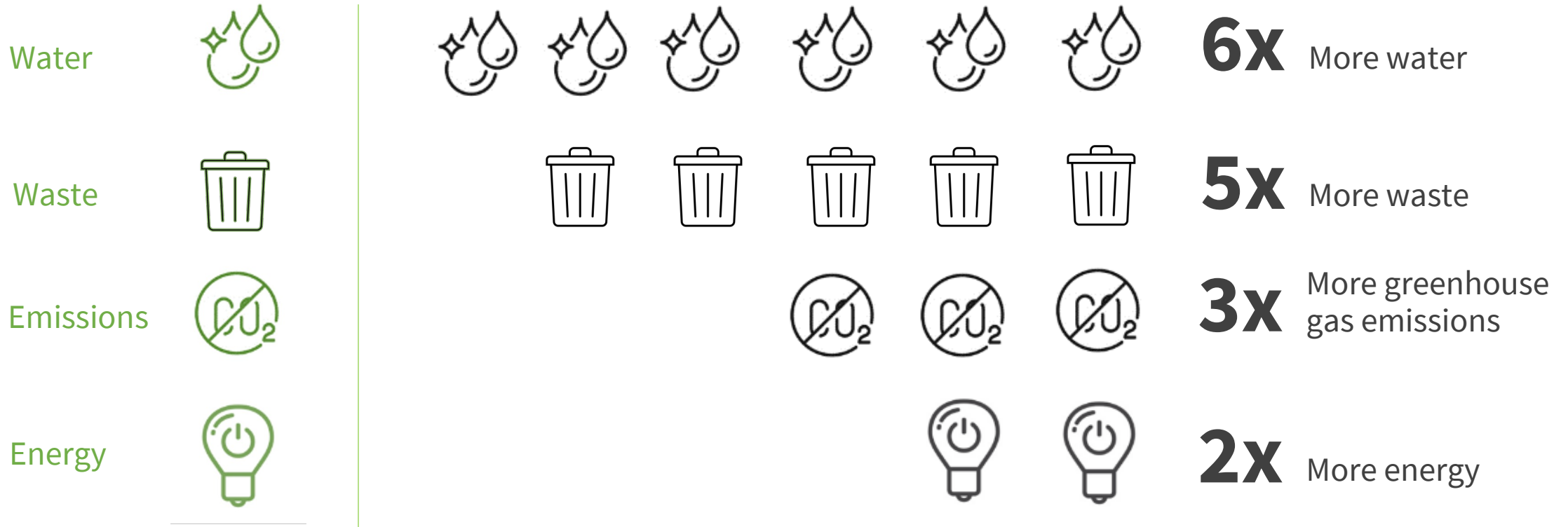


Solutions to increase recycled content and minimize plastic waste

# PLASTICS ARE PART OF THE SOLUTION

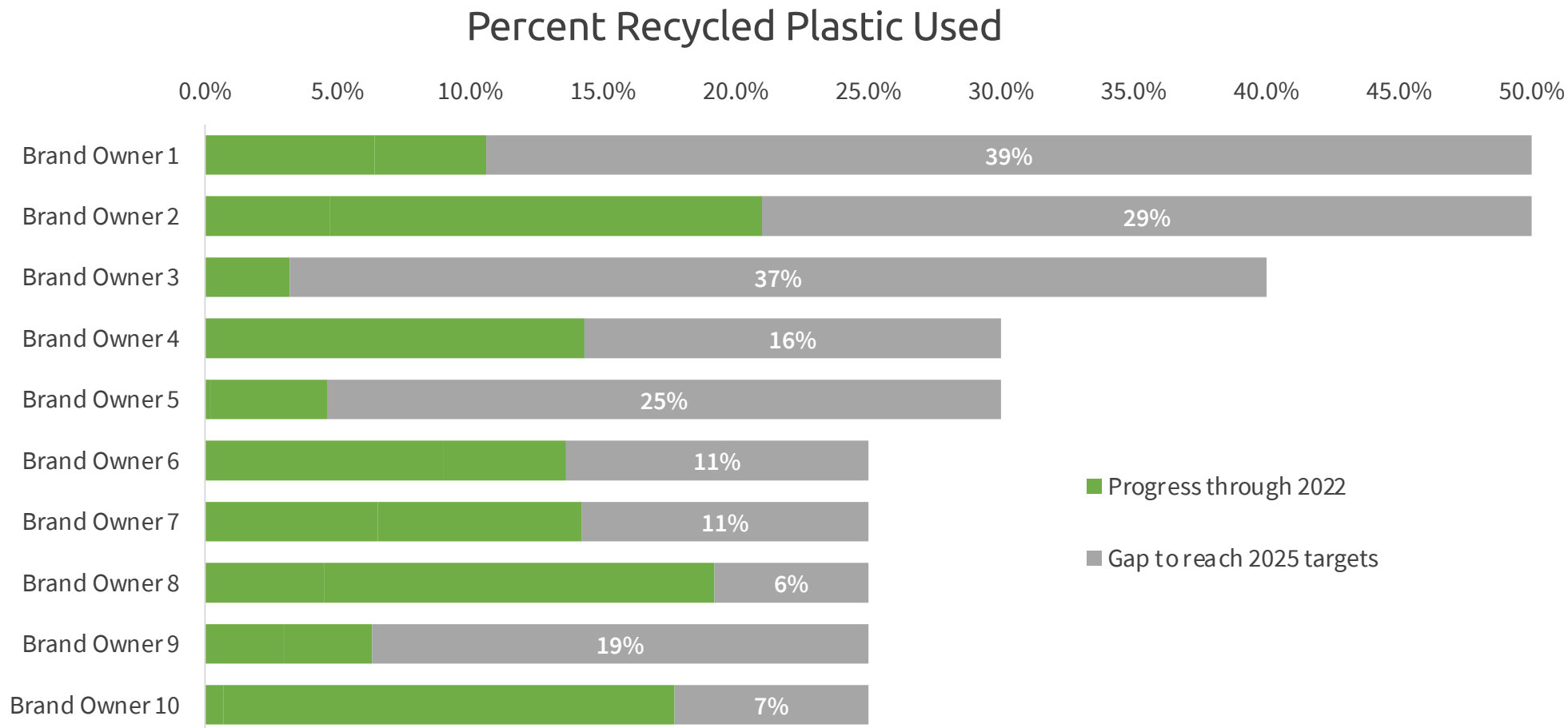
## PLASTIC

## ALTERNATIVE PACKAGING (GLASS + ALUMINUM + PAPER)



Source: Franklin Associates / American Chemistry Council

# BRAND OWNER PROGRESS AGAINST COMMITMENTS



Source: Ellen MacArthur Foundation 2022

# TOP 5 GAPS TO RECYCLE CONTENT UTILIZATION



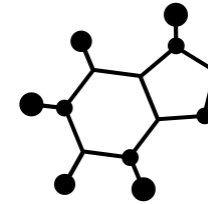
**Color  
Management**



**Decontamination**



**Maintaining  
Mechanical  
Properties**



**Mono-Material  
Construction**



**Consistent Quality**



75%

## ACETALDEHYDE REDUCTION

### Taste and Odor Management

ColorMatrix™ AAnchor Scavenger

- Improves recyclability
- Reduces regulatory risk from migration issues

**Food & Beverage Packaging**  
2022 Revenue: \$43M

## rPET UTILIZATION

### Recyclable Oxygen Barrier

ColorMatrix™ Capture™ Oxygen Scavenger

- Protects recycle - maintains clarity with no discoloration
- Enables higher rPET content utilization





## THINNER WALLS

### Reduced Wall Thickness Packaging

ColorMatrix™ Ultimate™ UV Light Barrier Stabilizer  
Cesa™ Light Additives

- Protects ingredients from UV degradation
- Enables reduced wall thicknesses
- No negative effect on recycling

## ENHANCES RECYCLING

### Increased Recycle Content

ColorMatrix™ Process Aid and Toner for Recycled PET (rPET)

- Improves ability to recycle PET
- Enables higher percentages of recycled content
- Provides superior aesthetics
- Prevents degradation of physical properties

**Food & Beverage Packaging**  
2022 Revenue: \$88M

**35%**

## LOWER CARBON EMISSIONS

### PCR Performance Additives

ColorMatrix™ SmartHeat™

- Lowers energy use - CO<sub>2</sub> Emissions
- Reduces yellowing and thermal instability
- Enables increased use of rPET
- Minimal impact on part color



CONSUMERS:

85%

CHOOSE BASED ON COLOR

PCR Color Prediction Service

- Enables use of lower-quality PCR
- Predicts achievable colors
- Increases PCR utilization rates
- Helps brands to achieve PCR usage goals

**Additives for Recycling**  
2022 Revenue: \$50M

EXPANDS **PCR USAGE**

**Design for Recycling**

CycleWorks™ Center for Mechanical Recycling

- Recycling trials and field testing
- Solutions evaluation and screening
- Customer collaboration

**CycleWorks™ Center**  
Milan, Italy





RENEW

## Personal Care Packaging New Product



ENABLES

# 100%

PCR UTILIZATION

### Stabilization During Recycling

Cesa™ A4R Additives for Recycling

- Enables multi-loop recycling
- Stabilizes recycle during processing
- Reduces discoloration, gels, and black spots



62%

## RECYCLE CONTENT

### High PCR Content Razor

reSound™ Recycled Thermoplastic Elastomers

- Excellent processability
- Easily colorable

Consumer  
2022 Revenue: \$1M

40%

## BIO-BASED CONTENT

### Bio-Based Phone Case

reSound™ OM BIO-based Thermoplastic Elastomers

- Derived from non-fossil-based raw materials
- Good property retention and UV resistance
- Easily colorable



# 60%

## RECYCLE CONTENT

### Portable Power Station

Nymax™ Recycled Nylon

- Recycle content up to 60%
- Excellent weathering performance
- Reduces weight



**Consumer**  
**2022 Revenue: \$1M**

## ENABLES CARBON AWARENESS

### Carbon Footprint Analysis

Carbon Footprint Mapping Service

- Provides input metrics for independent brand carbon footprint calculations
- Aligns with a defined ISO standard, certified by TUV Rhineland





RENEW

35 - 70%

BIO-RENEWABLE CONTENT

### Swim Goggles

reSound™ BIO Thermoplastic Elastomers

- Easily colorable
- Performs like traditional TPE

Consumer  
2022 Revenue: \$3M

## INCORPORATES RECYCLE CONTENT

### Off Road Vehicle Structural Components

Nymax™ REC Reinforced Nylon

- Replaces steel/aluminum
- Excellent fatigue resistance



# CUSTOMER TESTIMONIALS



*“Avient’s bio-circular materials for our Biofuse 2.0 goggles are a real game changer that will set Speedo apart from the competition - and will support our aim of reducing environmental impact.”*

**Tylin Liu, VP Global Product Development & Assurance**



*“It is critical to show our customers that our portable battery packs are made as sustainably as possible. Avient has brought multiple solutions to that help us achieve this aim.”*

**André Schuhmacher, Chief Quality Manager**



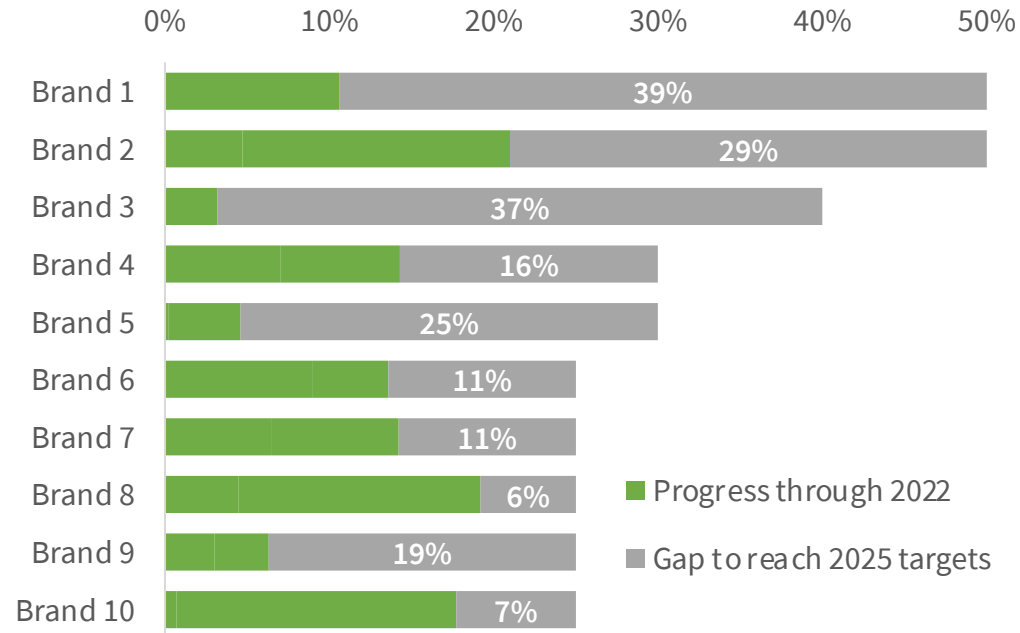
*“At L’Oréal, my job is to guarantee color consistency. Avient’s PCR Color Prediction Service helps me achieve this objective... The Redken launch would not have been possible without this service.”*

**Chantal Nestor-Saury, Product Development Manager**

# RENEW – TAKEAWAY

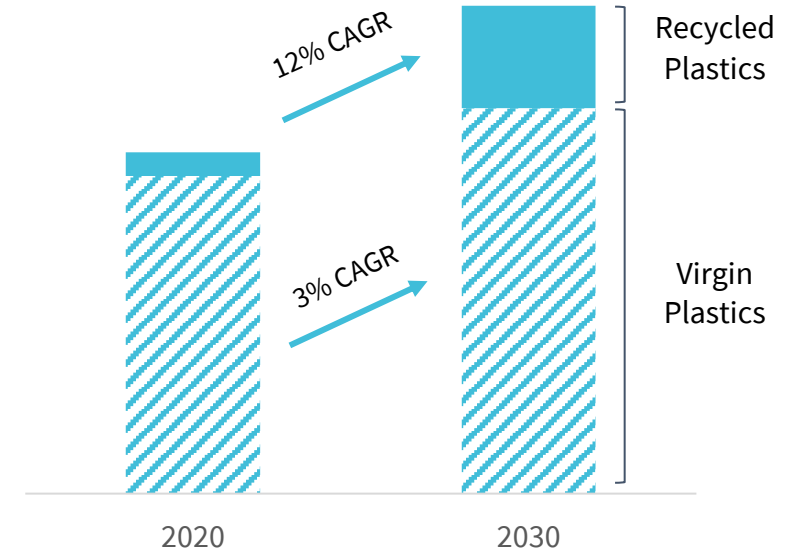
Demand for Recycled Content Drives Growth Projections

## Brand Commitment: Percent Recycled Plastic Used



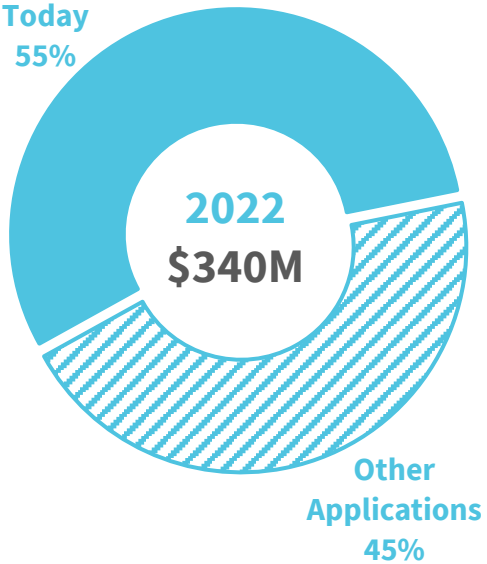
Source: Ellen MacArthur Foundation 2022

## Demand by Feedstock Type



Source: McKinsey

Examples Covered Today  
55%





HOW WE ENABLE SUSTAINABILITY

# Reduce

Chris Pederson  
Senior Vice President, President of Specialty Engineered Materials



# REDUCE

## KEY CUSTOMER CHALLENGES:

- **Improving Fuel Economy** - Incorporating innovative lighter-weight alternative materials as a cost-effective way to reduce fuel consumption
- **Reducing Energy Consumption and Dependence on Fossil Fuels** - Negative public perceptions of fossil fuels are challenging companies to utilize alternative energy sources and also to reduce overall demand (consumption)
- **Reducing Carbon Footprint** - Companies are seeking assistance from their suppliers to address the ever-increasing pressure to reduce their carbon footprint
- **Lessening Environmental Impact** - Manufacturers are looking to reduce dependence on processes with high environmental impact such as the release of Volatile Organic Compounds (VOCs) during painting



Solutions to reduce weight  
and energy consumption



REDUCE

20%  
LESS MATERIAL

**Lightweight Dashboards**

Hydrocerol™ Chemical Foaming Agents

- Reduces part weight
- No impact on performance
- Highly cost effective

**Automotive / EVs**  
2022 Revenue: \$46M

REDUCES **VOCs**

**Body + Trim**

SmartBatch™ Paint Replacement

- Reduces emission of volatile organic compounds (VOCs)

**Protective Film**

Versaflex™ Protective Film

- Protects new cars from damage during shipping
- High-tack eliminates solvent containing adhesives



## REDUCES **FUEL** **CONSUMPTION**

### **Running Boards, Side Steps**

Complēt™ Long Fiber Reinforced Structural Thermoplastics

- High strength-to-weight
- Replaces steel/aluminum
- Excellent load carrying and fatigue resistance

**Automotive / EVs**  
**2022 Revenue: \$3M**

# 40%

**LIGHTER THAN ALUMINUM**

### **LED Lighting Components**

ThermaTech™ Thermally Conductive Formulations

- Reduces weight vs. aluminum
- Removes heat – extends LED life
- Will not corrode



REDUCE

## SUSTAINABLE DESIGN

### Design for Lightweighting

Avient Design Services

- Comprehensive design for sustainability capabilities
- Materials agnostic
- 10% reduction in weight increases range by 14%

60%

LIGHTER THAN ALUMINUM

### Battery Frame

Maxxam™ Polyolefin Formulations

- Critical stiffness and rigidity
- Chemical and thermal performance
- Replaces a heavier, aluminum frame

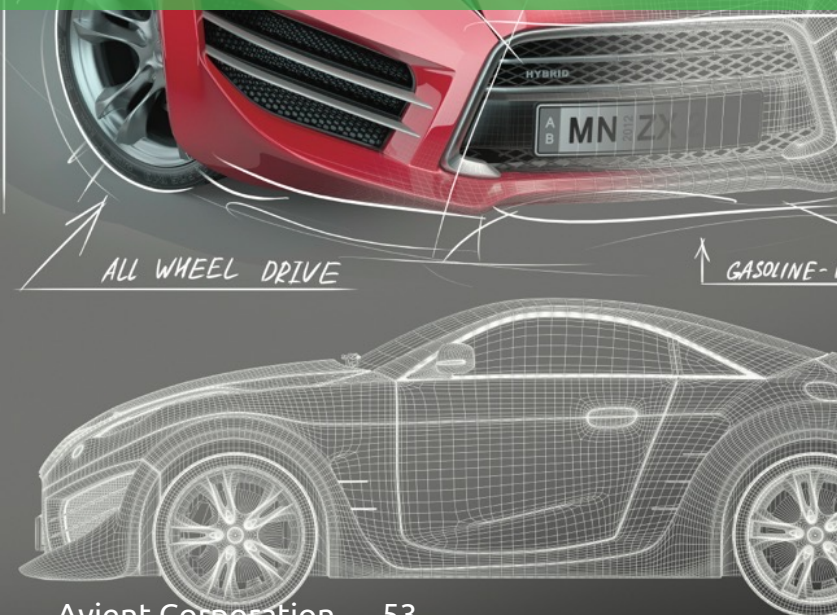
Automotive / EVs  
2022 Revenue: \$4M

EXTENDS BATTERY LIFE

### EV Battery Cooling System

Versaflex™ Thermoplastic Elastomers

- Thermal management
- Chemically resistant
- More efficient and longer life battery





## ZERO HALOGEN

### Charging Cable Infrastructure

ECCOH™ Wire and Cable Formulations

- Low smoke, zero halogen
- Flame resistance exceeds EVM1/EVL2 requirements

**Automotive / EVs**  
**2022 Revenue: \$2M**

# 66%

**LESS CO<sub>2</sub> THAN NYLON**

### EV Connectors

Edgetek™ PKE Non-halogen flame retardant Formulations

- Provides reduced carbon footprint alternative to traditional materials (Nylon)



**Sustainability Lives Here.**  
Plastics for a brighter tomorrow—[avient.com](http://avient.com)

**95%**

**RECYCLED PET**

**Trailer Flooring**

- Polystrand™ R Recycled PET Composite Tapes
- Minimum 95% post-consumer recycle content
  - Improved carbon footprint without sacrificing performance

**60%**

**LIGHTER**

**Aerodynamic Side Shield**

Polystrand™ Thermoplastic Composite Laminates

- Can be post-formed
- Reduces fuel consumption
- High impact and fatigue resistance

**Commercial Transportation,  
Aerospace**  
2022 Revenue: \$8M



**LIGHT & DURABLE**

**Rail Car Doors**

Glasforms™ Composite Panels

- Replaces steel
- Will not corrode
- Reduces weight





**Commercial Transportation,  
Aerospace**  
2022 Revenue: \$8M

**95%**

**RECYCLE CONTENT**

**Air Cargo Containers**

Polystrand™ Composite Sandwich Panels

- Lighter and stronger than aluminum
- Reduces fuel consumption

**59%**

**LESS WEIGHT**

**Air Cargo Nets**

Bio-based Dyneema® Fiber

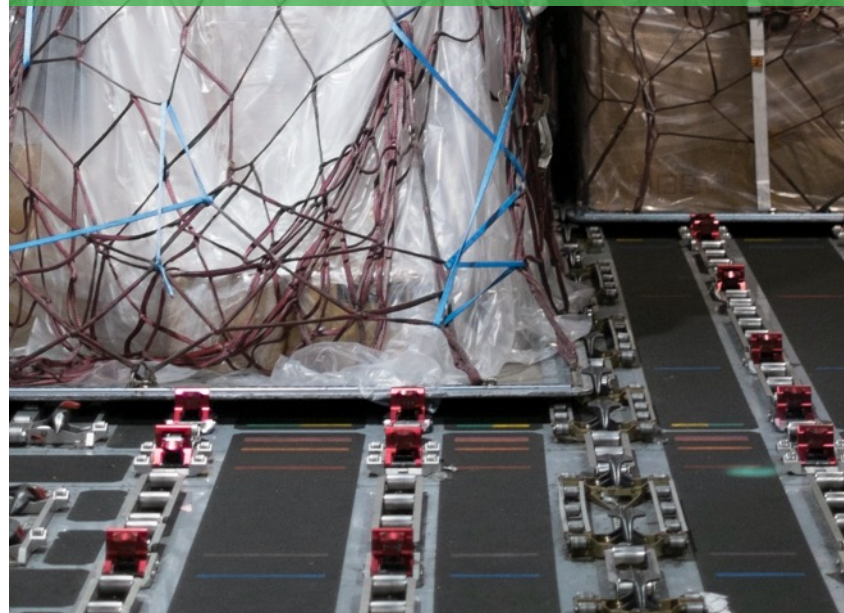
- Reduces fuel consumption
- Extends product life from 3 to 5 years

**LIGHT & STRONG**

**Arm Rests & Seat Frames**

Complēt™ Long Fiber Composites

- Replaces steel
- High strength-to-weight ratio







**REDUCE**

**60%**

**LIGHTER THAN NYLON/ POLYESTER**

**Aquaculture/ Fishing Nets**

Dyneema® Fishing Net Fibers

- High bite resistance – lowers maintenance costs and fish loss
- Lighter weight reduces fuel consumption – allows for larger net sizes

**70%**

**LIGHTER THAN STEEL**

**Lifting Slings**

Dyneema® Fiber

- Facilitates heavy lift in harsh environments
- Accredited by DNV GL, ABS, Bureau Veritas

**Marine Infrastructure**  
**2022 Revenue: \$41M**

**2x**

**SERVICE LIFE**

**Mooring Lines**

Dyneema® Mooring Rope Fibers

- Able to handle heavy loads common to modern shipping
- Improves handling
- Reduces dock worker injuries



# 10%

## ENERGY SAVINGS (VS. LAND-BASED)

### Solar Power Station UV Solutions

Smartbatch™ Combination Colorants

- Protects solar power panels from UV weathering and outdoor exposure
- Meets critical performance standards

## EXTENDS PRODUCT LIFE

### Solar Power Wire and Cable

Syncure™ and ECCOH™ Photovoltaic Polymers

- Supports installation of sustainable infrastructure for renewable energy
- Reduces energy consumption vs. radiation cross-linking process
- Extends useful life for cables

**Alternative Energy**  
2022 Revenue: \$26M

## ENABLES WIND ENERGY

### Wind Blade Root Stiffener

Glasforms™ Composites

- Provides enabling technology that supports adoption of alternative energy
- Withstands fatigue for extended product life

# 15x

## STRONGER THAN STEEL

### Wind Turbine Towing Lines

Dyneema® Rope

- Weightless when submerged
- Smaller diameter for equal strength = larger winch capacities
- Reduces drag for improved towing



# CUSTOMER TESTIMONIALS



*“We believe that sustainability and innovation go hand-in-hand and the team at Harley-Davidson is excited about Avient’s recently launched Bio-Based TPE for our handlebar grips.”*

**John S. Cullen - Materials Innovation and Sustainability Lead**



*“With Dyneema you are able to make a very lightweight lifting product, and therefore save a lot of energy.”*

**Patrick van der Veen, Operations Manager**



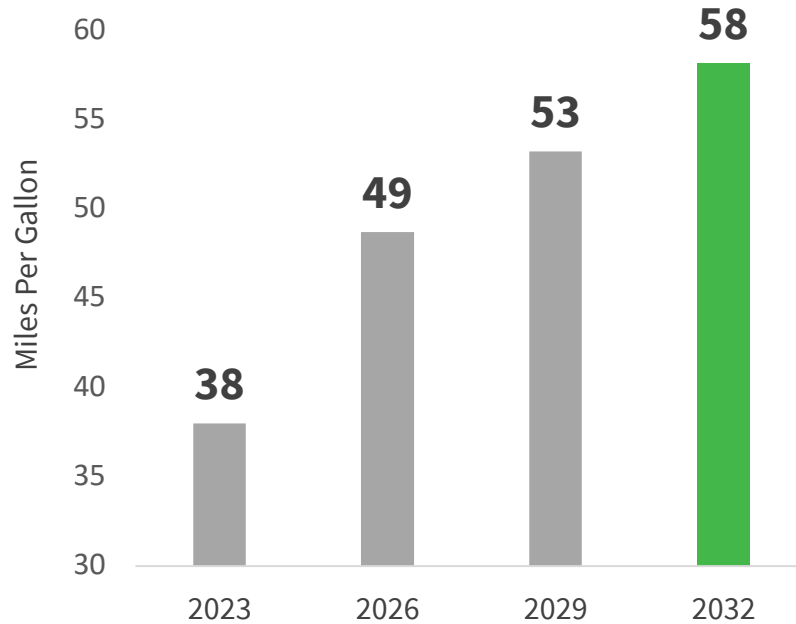
*“When we buy new materials at KLM Cargo, we always look at total cost of ownership... Nets made of Dyneema are very strong and very light... Less weight means less fuel burn, very interesting for us.”*

**Manager Equipment Control - KLM-Martinair**

# REDUCE – TAKEAWAY

Reducing Energy Consumption and Dependence on Fossil Fuels Drives Growth Projections

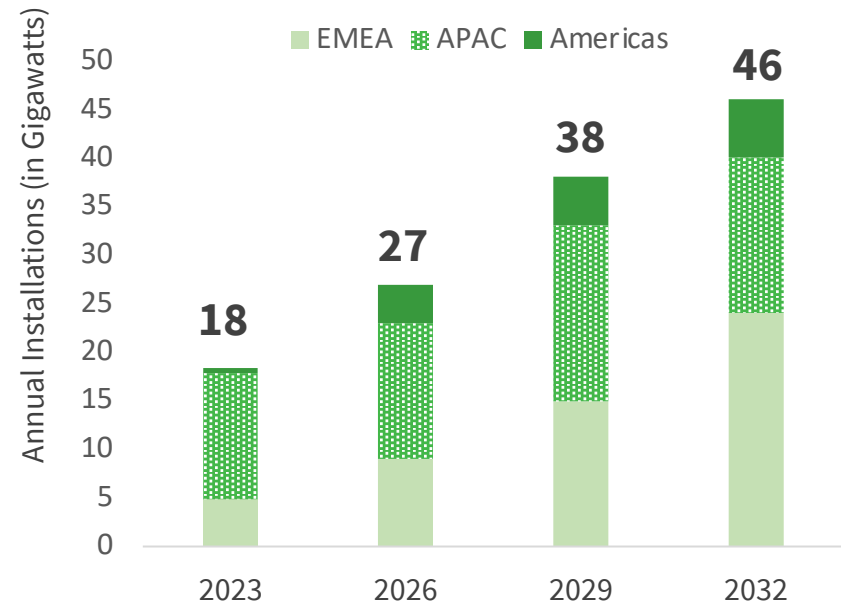
## CAFE<sup>1</sup> Miles Per Gallon Proposed Requirements



**>50%** Improvement

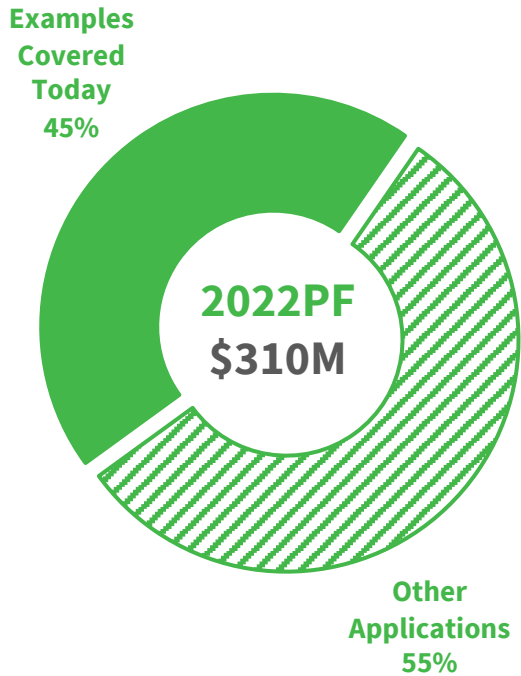
Source: NHTSA, Reuters

## Global Offshore Wind Installations



**11%** CAGR

Source: BloombergNEF



1. CAFE: Corporate Average Fuel Economy

HOW WE ENABLE SUSTAINABILITY

# Preserve

Woon Keat Moh  
Senior Vice President, President of Color, Additives and Inks –  
Americas and Asia



# PRESERVE

## KEY CUSTOMER CHALLENGES:

- **Preserving Key Natural Resources** - Companies are being challenged to mitigate high environmental impact processes such as water-intensive textile dyeing or food spoilage
- **Incorporating Renewable Materials** - Adoption of bio-based raw materials requires design and formulation expertise to overcome performance shortcomings of neat resins
- **Increasing Healthcare Regulations** - Utilizing sustainable materials in healthcare applications requires considerable support in navigating complex regulatory requirements
- **Increasing Regulatory Compliance** - Non-Intentionally Added Substances (NIAS) need to be controlled in sensitive applications
- **Enabling Faster and More Reliable Connectivity** – Substantial investments in 5G infrastructure are required to unlock the potential of the Internet of Things



Solutions to preserve and protect natural resources & human life



PRESERVE

75%

LESS WATER

### Spin Dyed Precolor Textile Yarn

Renol™ Spin Dyeing Colorants

- Replaces water-based dye processes to reduce waste creation
- Conserves water and energy

## Clothing & Textiles

2022 Revenue: \$49M

600%

IMPROVED ABRASION RESISTANCE

### PROTECTIVE DENIM

Dyneema® Workwear Solutions

- Improves tear resistance 50-100%
- More protective than competitive alternatives
- Enables the amount of protective fiber to be reduced without sacrificing performance



PRESERVE

## SAVES ENERGY

### Low Cure Textile Inks

Avient Specialty Inks™ Low Cure Inks

- Decreases energy consumption
- Reduces scrap due to heat-related defects

Clothing & Textiles  
2022 Revenue: \$40M

## BIO-BASED FORMULATIONS

### Water Based Textile Inks

Zodiac™ Aquarius™ Specialty Inks

- Incorporates bio-based materials
- Non-formaldehyde solutions available
- Reduces waste by enabling high open screen time





PRESERVE

## REDUCES MICROBES

### Antimicrobial Protection

Cesa™ WithStand™ Antimicrobial Additives

- Reduces microbial / mold growth
- Helps reduce odor, staining, discoloration
- Excellent comfort and wearability
- Chemical resistance - will not discolor or degrade

## Human Health & Safety

2022 Revenue: \$5M

# 200 Million

## ANNUAL NEW MALARIA CASES

### Mosquito Netting

Cesa™ Fiber Anti-Mosquito Additives

- Helps control malaria
- Protects consistently using a controlled release of insecticide
- Expands access to healthcare breakthroughs to global communities



PRESERVE

## REDUCES WORK INJURIES

### Cut-Resistant Gloves

Dyneema® Solutions

- Incorporates bio-based materials
- Reduces carbon emissions
- Excellent wearability / comfort

# 35% LIGHTER THAN ARAMID FIBER

### Body Armor

Dyneema® Protective Solutions

- Exceptional trauma protection
- Excellent wearability

## Human Health & Safety

2022 Revenue: \$106M

## SAVES LIVES

### Rescue Rope

Dyneema® Solutions

- Superior strength-to-weight ratio
- High break load
- Extraordinary reliability



PRESERVE

40%

BIO-DERIVED

**Pharmaceutical Tubing**

Versaflex™ Healthcare Pharma Tubing Formulations  
NEU™ Specialty Engineered Materials

- Facilitates incorporation of sustainable materials with healthcare device manufacturers
- Eliminates vulcanization processes

Medical  
2022 Revenue: \$40M

**NON-PHTHALATE**

**Respiratory Conduit**

Versaflex™ Healthcare Corrugated Tubing Formulations

- Non-Phthalate
- ISO 10993 & USP Class VI compliant



PRESERVE



## ENABLES HOME CARE

Continuous Glucose Monitoring  
and Auto Injectors

Trilliant™ Healthcare Polymer Solutions

- Impact performance
- Chemical resistance

Medical  
2022 Revenue: \$16M

UP TO  
**100%**

BIO-BASED CARRIER  
Medical Devices

Mevopur™ Bio-Based Colorants

- Minimizes risk through pre-testing
- Provides vital regulatory compliance
- Minimizes global supply chain risk with validated backup supply





PRESERVE

## EXTENDS **PRODUCT LIFE**

### Base Station Components

Edgetek™ Low-Density Formulations

- Low density – lighter weight
- Low warpage & thermal conductivity

## SUPPORTS SUSTAINABLE **INFRASTRUCTURE**

### Cable Micromodules

ECCOH™ Low Smoke Formulations

- Non-halogen
- Low smoke and toxicity

## ENABLES **CONNECTIVITY**

### Fiber Optic Cable and Jacketing

Fiber-Line™ Optical Fiber Cable Components

- Reduction in weight & energy usage
- Thermal and abrasion resistant
- Extends product life

**5G Infrastructure**  
2022 Revenue: \$39M

## ENHANCES **PERFORMANCE**

### Antenna Components

PREPERM™ Low Loss

Dielectric Formulations

- Replaces costly ceramics
- Consistent and efficient antenna performance

Corporation





# CUSTOMER TESTIMONIALS



*“Nike has partnered with Avient extensively over the years because of their leadership in eco-friendly screen printing inks.”*

**Louie LaBonte – Print Specialist, Standards & Capabilities**



*“Avient has been a tremendous long-term partner with IVCC in the development of insecticide treated mosquito nets in the global fight against Malaria.”*

**Global NGO fighting Malaria**



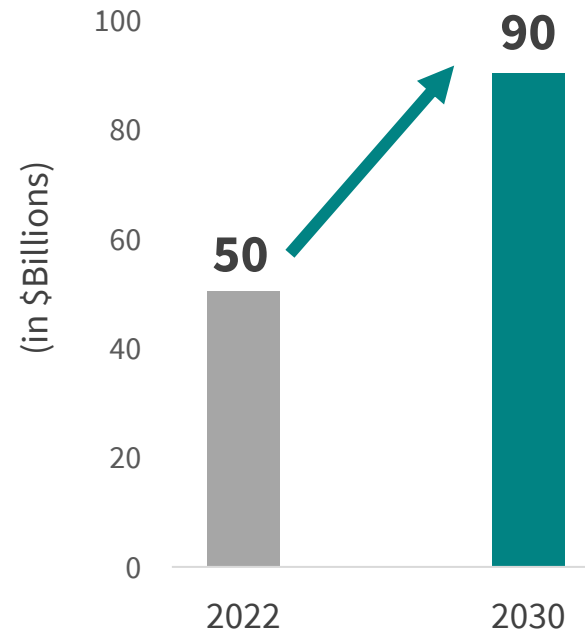
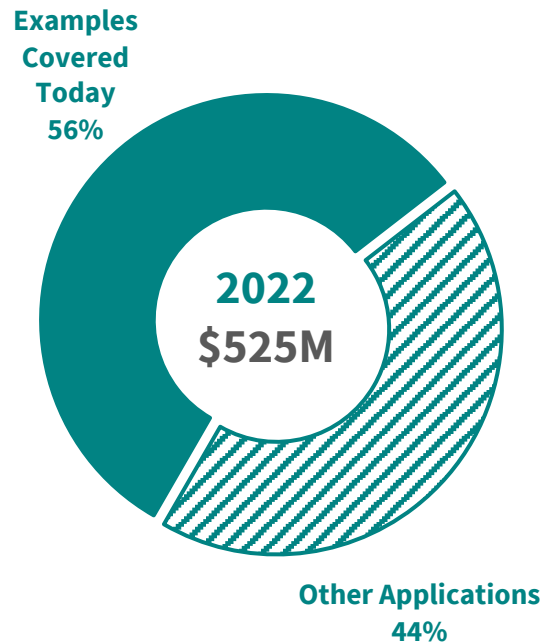
*“Avient’s PREPERM® technology helps make our antennas more efficient.”*

**Per Carlsson, Manufacturing and Operations**

# PRESERVE – TAKEAWAY

Protecting Human Life and Enabling Connectivity Drives Growth Projections

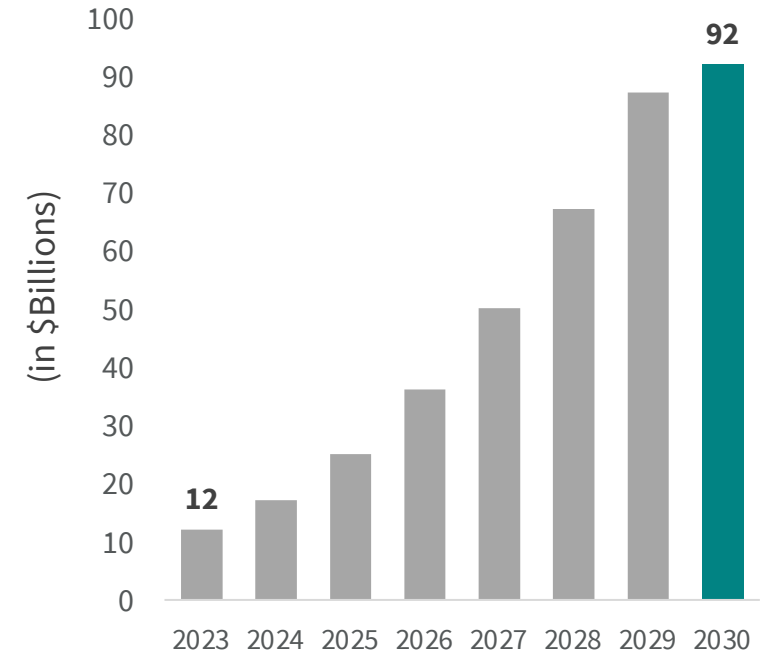
## Medical Plastics Market Size



**8% CAGR**

Source: Grand View Research

## 5G Infrastructure Market Size



**34% CAGR**

Source: Global Data

# Summary

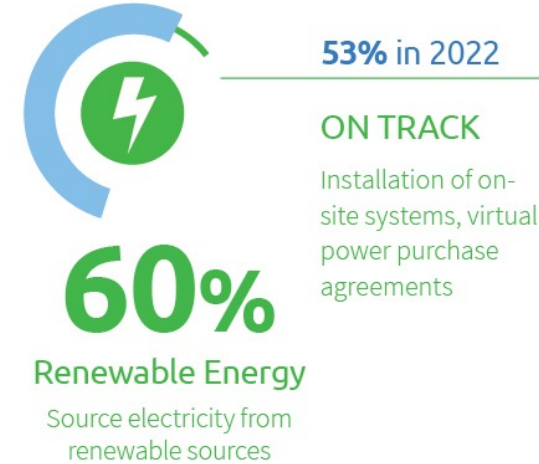
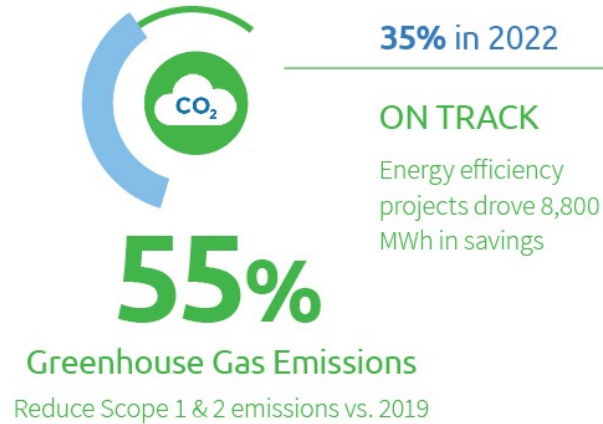
Jamie Beggs  
Senior Vice President and Chief Financial Officer



# OUR SUSTAINABILITY REPORT



# 2030 SUSTAINABILITY GOALS



# PERFORMANCE AND RECOGNITION

## ESG Ratings Performance



top **13%**



<b>ISS ESG</b>	Quality Score
ENVIRONMENTAL	1
SOCIAL	2
GOVERNANCE	5



## ESG Awards and Certifications



# SUSTAINABILITY INNOVATION AWARDS

Service Innovation  
Enables Quality Recycle

## Post-Consumer Recycle (PCR) Color Predictive Tool

Innovation Award, Winner:  
Plastics Industry Association

Product Technology Innovation, Winner:  
Plastics Recycling Awards Europe 2023



Product Innovation  
Enables PCR Claims + Low CO<sub>2</sub>

## Ultra-Low Carbon Footprint TPE

Innovation Award, Finalist:  
Plastics Industry Association

## PCR Colorants + Additives

Sustainable Packaging Innovation,  
Finalist: U.S. Plastics Pact



Product Innovation  
Protects Quality Recycle

## Additive for Enhanced Recycling

Innovation Award, Finalist:  
Plastics Industry Association

Product Technology Innovation, Finalist:  
Plastics Recycling Awards Europe 2023



# STAKEHOLDER INFLUENCE DRIVES DEMAND

For Sustainable Products **From** Sustainable Companies

Sustainably-Branded Products...

...are Growing at Twice the Rate as Conventional Products



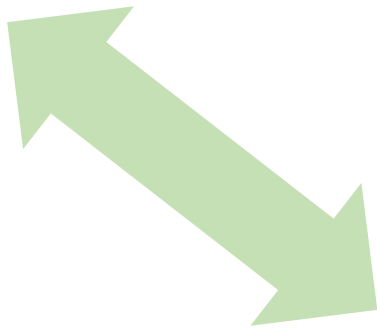
## Consumers

Are demanding recyclability and eco-conscious products



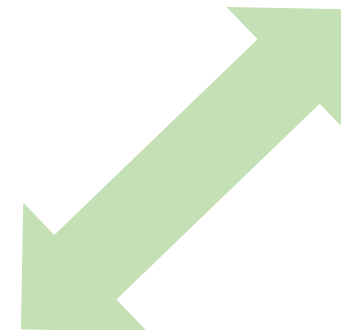
## Governments

Are mandating changes through legislation, taxes, and regional accords



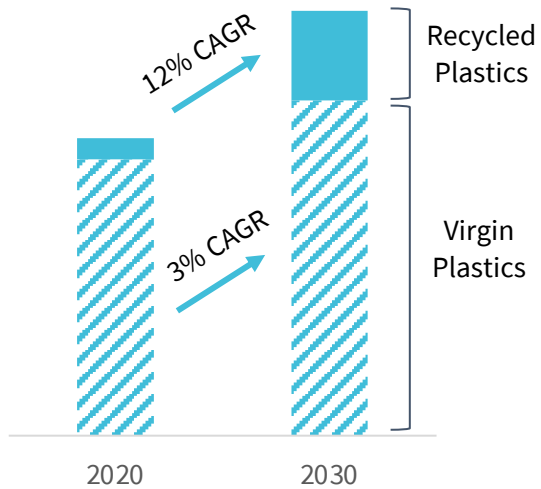
## Brand Owners

Have committed to ambitious goals to achieve sustainability metrics

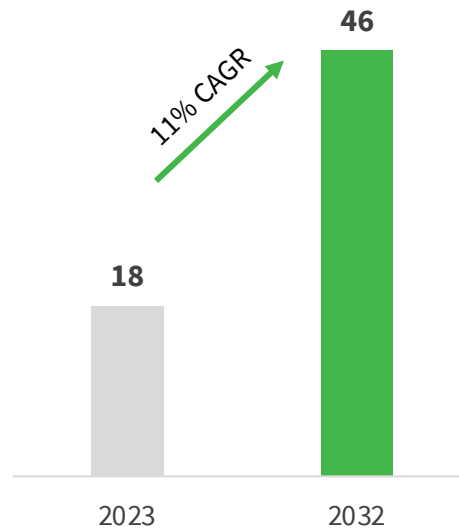


# SUSTAINABILITY TRENDS DRIVE LONG-TERM GROWTH

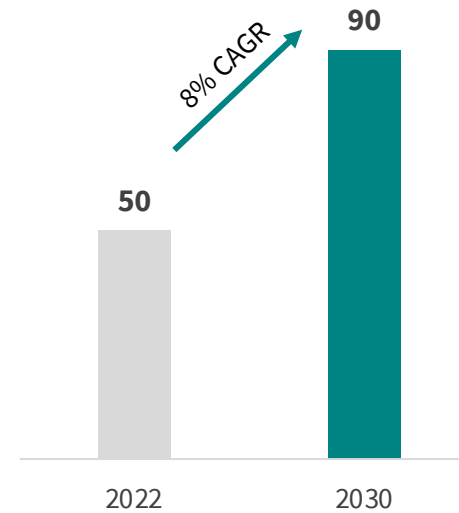
## Growing Demand for Recycled Content



## Global Offshore Annual Wind Installations (in Gigawatts)



## Medical Plastics Market Size (in \$Billions)






## Avient Sustainable Solutions

**8-12%**  
Long Term Growth

Sources: McKinsey, Bloomberg, Grand View Research

# SUSTAINABILITY TRENDS DRIVE LONG-TERM GROWTH

	DESCRIPTION	OUTCOMES	2022 SALES
 RENEW	Increasing the use of recycled content	Enabling customers to advance the circular economy	\$340M
 REDUCE	Reducing weight to lower fuel consumption	Shrinking carbon footprint and decreasing emissions	\$310M
 PRESERVE	Using fewer natural resources; protecting human life	Making our planet a better place for all	\$525M
		<b>TOTAL SALES</b>	<b>\$1,175M</b>

# AVIENT IS WELL-POSITIONED



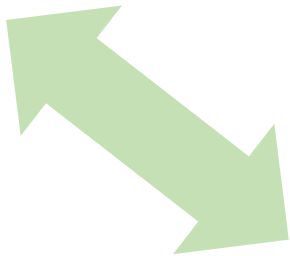
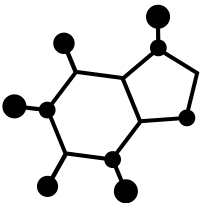
## A Clean House

Avient holds leading ratings on ESG matters of importance to customers, countries, and key stakeholders



## Leading Portfolio

Our formulation expertise and materials are meeting the unique sustainability needs of our customers around the world in endless applications



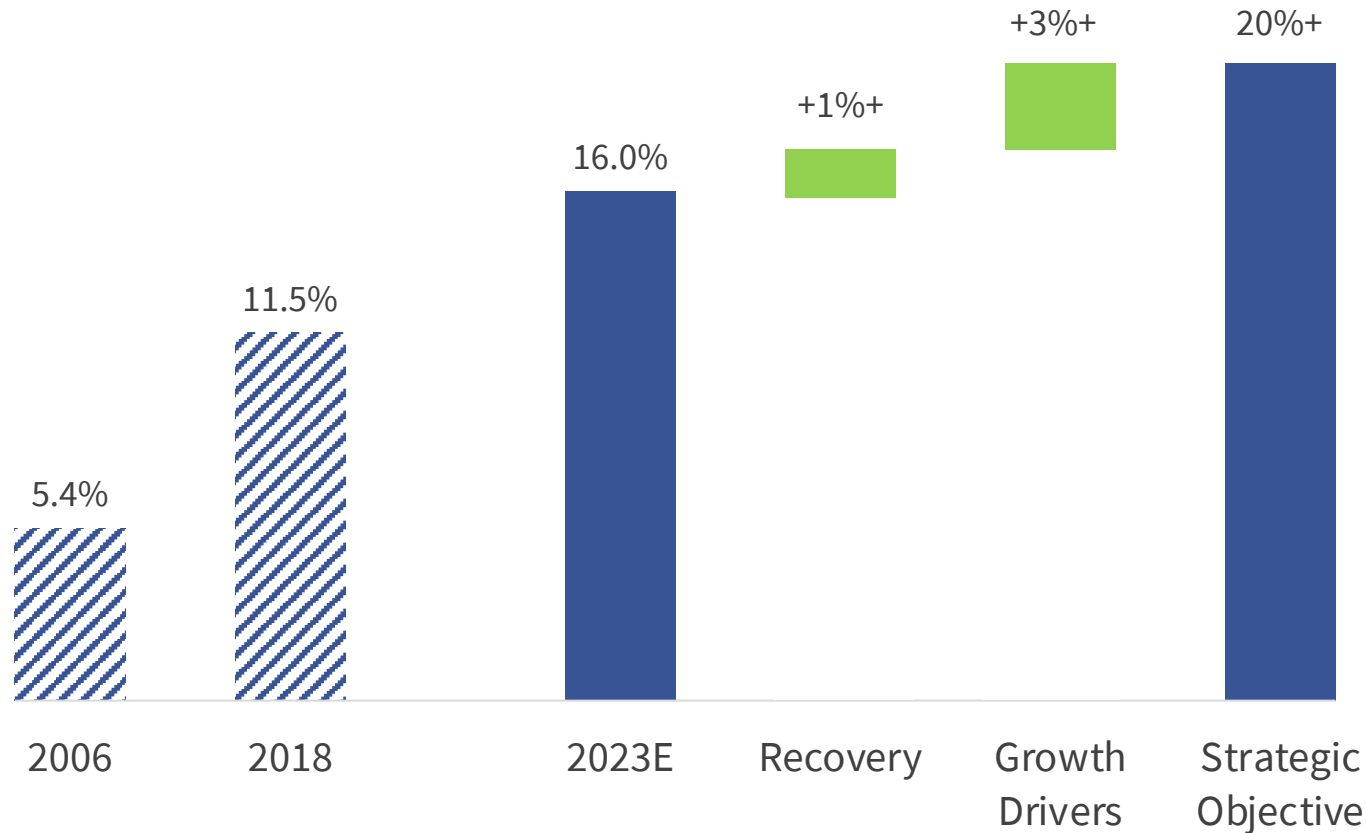
## Investing in Innovation

85% of our opportunity funnel is directed at sustainable solutions addressing unmet customer needs





# ADJUSTED EBITDA MARGIN EXPANSION



- Transformative acquisitions combined with divestitures of more cyclical businesses have improved margins over 400 bps since 2018
- 20% long-term margin goal to be driven by key growth drivers, with sustainable solutions playing a meaningful role

# PEOPLE AND CULTURE

## World-Class Safety



**7x Safer**  
than Industry Average

## Diversity & Inclusion



## Community Service



**Over \$19 million**  
raised since 2007

## Leadership Development



# LONG-TERM OBJECTIVES

- **6% annualized long-term sales growth** leveraging sustainable solutions, composites, healthcare, and emerging regions
- Expand **EBITDA margins to 20%**
- Deliver **annual EBITDA and EPS growth of 10% and 15%**
- Maintain **asset-light**, 80% free cash flow conversion profile and be valued as a **specialty formulator**
- Continue fostering our **Great Place to Work®** culture



# Wrap Up and Q + A

Bob Patterson  
Chairman, President, and Chief Executive Officer



**Reconciliation of Non-GAAP Financial Measures (Unaudited)**  
(Dollars in millions)

Below is a reconciliation of non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with GAAP. Financial information referenced here is provided to aid in reconciling back to the most comparable GAAP figures.

<b>Reconciliation to EBITDA and Adjusted EBITDA</b>	<b>Year Ended December 31,</b>	
	<b>2006</b>	<b>2018</b>
Sales	\$ 2,622.4	\$ 3,533.4
Net income from continuing operations – GAAP	\$ 133.5	\$ 160.8
Income tax expense (benefit)	29.7	36.4
Interest expense	63.1	62.8
Depreciation and amortization	57.1	91.5
<b>EBITDA</b>	<b>\$ 283.4</b>	<b>\$ 351.5</b>
Special items, before income tax	(34.0)	59.5
Depreciation and amortization included in special items	—	(3.0)
JV - equity income	(107.0)	—
<b>Adjusted EBITDA</b>	<b>\$ 142.4</b>	<b>\$ 408.0</b>
 EBITDA as a % of sales	 5.4 %	 11.5 %

<b>Free Cash Flow Calculation</b>	<b>Year Ended December 31,</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	
Cash provided by operating activities	208.4	227.2	221.3	202.4	253.7	300.8	221.6	233.8	398.4	
Capital expenditures	(92.8)	(91.2)	(84.2)	(79.6)	(76.0)	(81.7)	(63.7)	(100.6)	(105.5)	
Payment of post-acquisition date earnout liability	—	—	—	—	—	—	38.1	—	—	
Taxes paid on gain on divestiture	—	—	—	—	—	—	142.0	—	—	
<b>Adjusted Free Cash Flow</b>	<b>\$ 115.6</b>	<b>\$ 136.0</b>	<b>\$ 137.1</b>	<b>\$ 122.8</b>	<b>\$ 177.7</b>	<b>\$ 219.1</b>	<b>\$ 338.0</b>	<b>\$ 133.2</b>	<b>\$ 292.9</b>	