



AVIENT CORPORATION

INVESTOR PRESENTATION

(NYSE: AVNT)

 **FERMIUM**
Research

DECEMBER 2022



AVIENT: WHO WE ARE

Key Financial Data

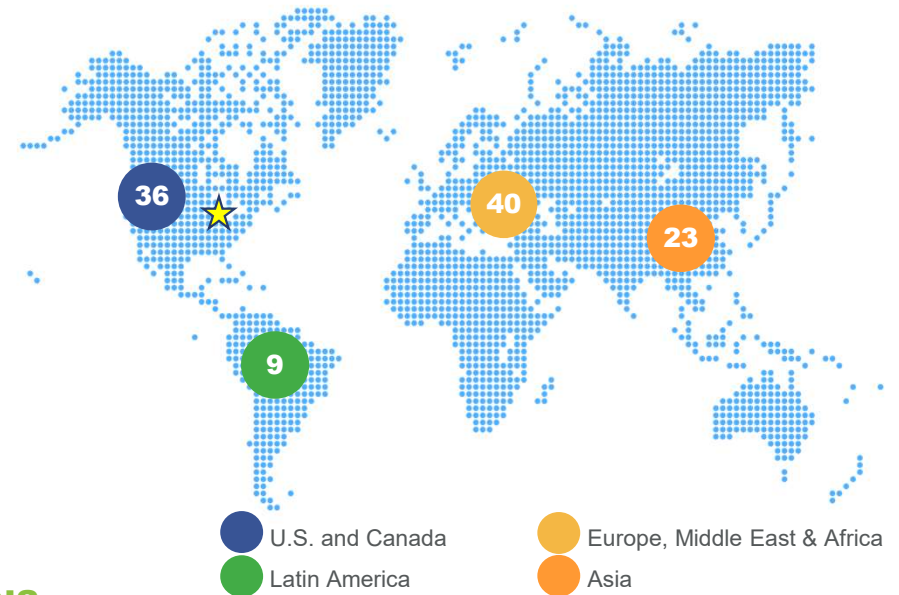
| | |
|---------------|---------------|
| 2022PF Sales | \$3.6 billion |
| 2022PF EBITDA | \$585 million |
| 2022PF EPS | \$2.95 |

Guidance as of November 2, 2022 Webcast

25,000+
CUSTOMERS

100% of sales
ARE CUSTOMIZED SOLUTIONS
TO UNIQUE SPECIFICATIONS

Headquartered in Avon Lake, OH
(Cleveland)
9,300+ employees
100+ manufacturing plants



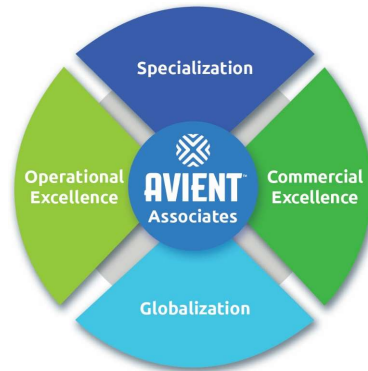
WHO WE ARE – VISION, STRATEGY, CULTURE

Avient Corporation (NYSE: AVNT) provides specialized and sustainable material solutions that transform customer challenges into opportunities, bringing new products to life for a better world.

Examples include:

- Unique technologies that improve the recyclability of products and enable recycled content to be incorporated, thus advancing a more circular economy
- Light-weighting solutions that replace heavier traditional materials like metal, glass and wood, which can improve fuel efficiency in all modes of transportation and reduce carbon footprint
- Sustainable infrastructure solutions that increase energy efficiency, renewable energy, natural resource conservation and fiber optic / 5G network accessibility

Avient employs approximately 9,300 associates and is certified ACC Responsible Care® and a founding member of the Alliance to End Plastic Waste.



OUR VISION

At Avient, we create specialized and sustainable material solutions that transform customer challenges into opportunities, bringing new products to life for a better world.

OUR STRATEGY

Specialization

Differentiates us through unique value-creating offerings to our customers.

Globalization

Positions us to serve our customers consistently, everywhere in the world.

Operational Excellence

Empowers us to respond to the voice of the customer with relentless continuous improvement.

Commercial Excellence

Governs our activities in the marketplace to deliver extraordinary value to our customers.

OUR CULTURE

Core Values

Collaboration. Innovation. Excellence.

These core values, which begin with our individual decisions and actions, focus our attention on putting the customer first by creating genuine value through collaboration, innovation and an unwavering commitment to excellence. We will uphold these values with the utmost integrity in all that we do.

Personal Values

Integrity. Honesty. Respect.

These personal values begin with each of us—the judgments and decisions we make as individuals affect the way Avient is viewed in the marketplace and in the communities where we work.

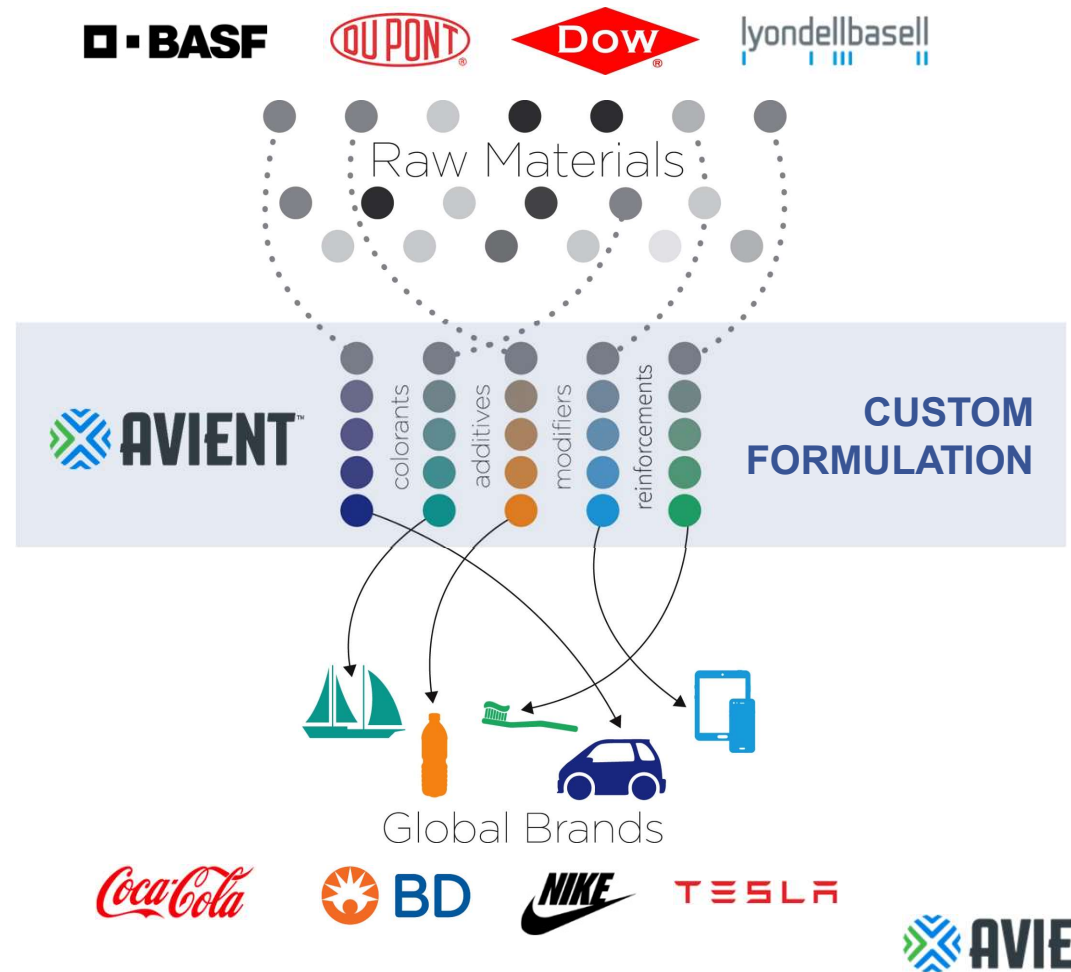


WHAT WE DO: MATERIAL SCIENCE

Innovation is the lifeblood of a specialty company. We create specialized and sustainable material solutions that transform customer challenges into opportunities, bringing new products to life for a better world.

We partner with Brand Owners / OEMs, processors and assemblers to enable their goals in applications like packaging, healthcare, consumer goods, transportation, wire & cable, building & construction and textiles. Our customers value the breadth of our solutions as we can tap into a broad array of raw materials to solve their specific needs. Our formulation expertise supports material science decisions, while our processing expertise guides customers to use the materials properly. Lastly, our design capabilities ensure that the application is designed perfectly for the specific end use.

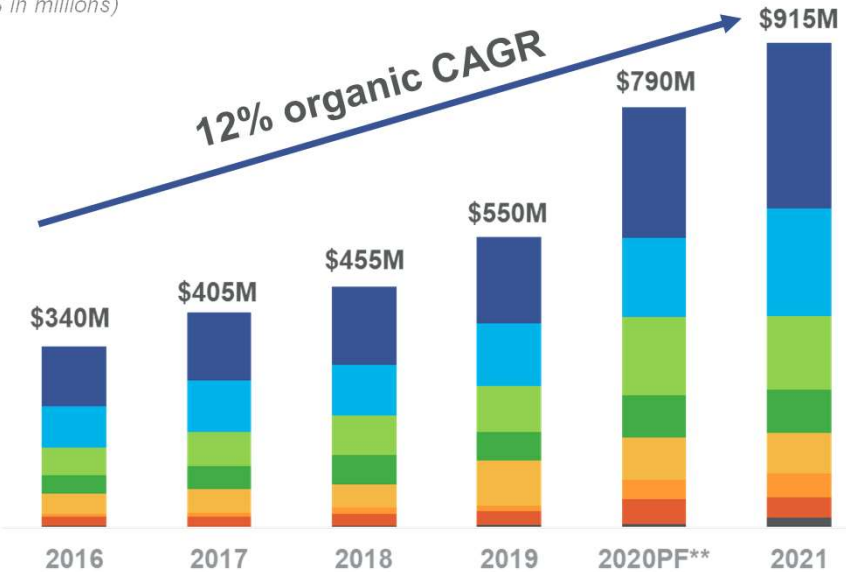
Challenge Accepted.



SUSTAINABILITY FOR A BETTER TOMORROW

Revenue From Sustainable Solutions* 2016-2021

(\$ in millions)



| | |
|----------------------------|-----|
| Lightweighting | 310 |
| Eco-Conscious | 205 |
| Recycle Solutions | 140 |
| VOC Reduction | 80 |
| Sustainable Infrastructure | 75 |
| Reduced Energy Use | 45 |
| Human Health & Safety | 40 |
| Bio-polymers | 20 |

2021 Sales \$915M

*Avient Sustainable Solutions definitions aligned with FTC 2012 Guide for the Use of Environmental Marketing Claims ("Green Guides")
 **2020 is Pro Forma to include full year of the Clariant Color business

Future Growth Revenue Assumptions From Sustainable Solutions: 8 - 12%



2021 SUSTAINABILITY REPORT

Released July 2022

Key Updates

- Provided progress on 2030 Sustainability Goals
- Emphasized commitment to U.N. Global Compact & fulfilled Communication of Progress (COP) requirements
- New Sustainability Strategy overview page including our 2022 AIP ESG metrics
- New ESG Performance page with ESG ratings, awards, and certifications
- Increased disclosures on carbon emissions, including disclosure of Climate Change Scenario Analysis
- Added new Product Stewardship and Chemical Management policies
- Enhanced data reporting for Workforce Demographics
- Improved social disclosures on human rights, dependent care and special leave and strategic training management



Launching integrated sustainability website in parallel with report

Aligned with leading reporting frameworks



ESG PERFORMANCE & AWARDS

ESG RATINGS PERFORMANCE



84th
PERCENTILE
in Specialty
Chemicals

ISS ESG Quality Score

| | |
|---------------|---|
| ENVIRONMENTAL | 2 |
| SOCIAL | 1 |
| GOVERNANCE | 3 |



ESG AWARDS AND CERTIFICATIONS





TRANSFORMATIONAL OVERVIEW

RECENT TRANSACTIONS

Acquired

**Avient Protective
Materials**



Dyneema[®]

\$1.45 B

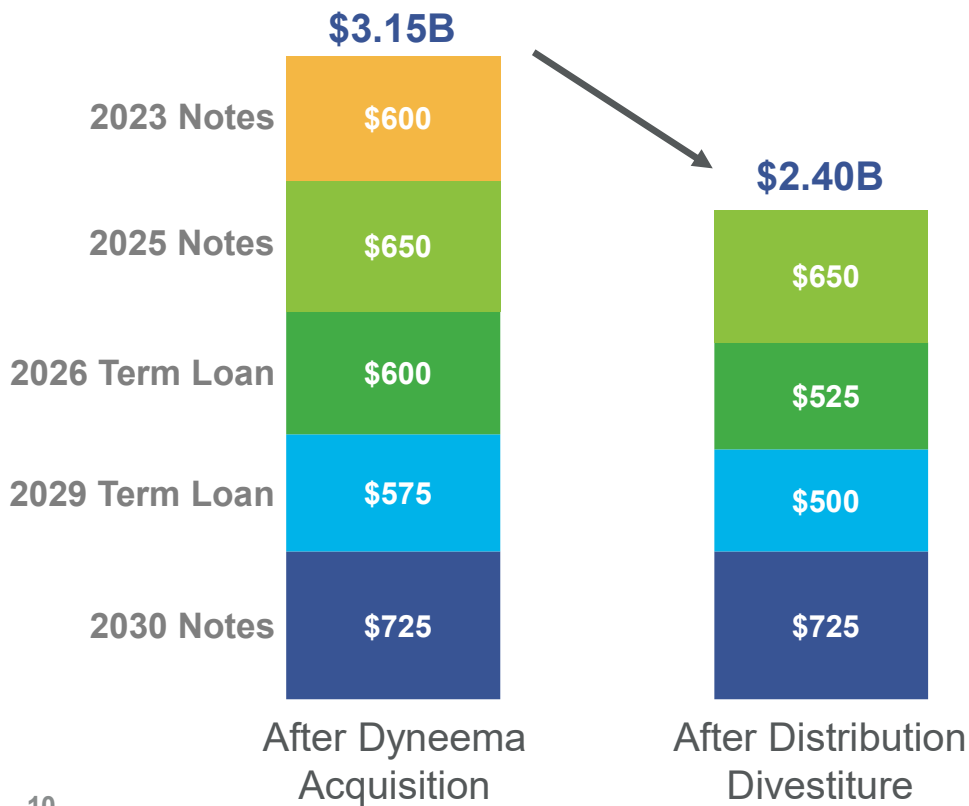
Divested

Distribution

\$0.95 B

UPDATED CAPITAL STRUCTURE & LIQUIDITY

Capital Structure



Liquidity



- Proceeds from completed sale of Distribution used to pay near-term maturing debt to strengthen balance sheet
- Fixed/floating debt ratio of ~55/45
- Proven track record of deleveraging following major acquisitions through strong free cash flow generation
- 2022 pro forma net debt/adjusted EBITDA expected to be 3.1x

PREVIOUS TRANSACTIONS

Divested (2019)

Performance
Products &
Solutions



\$0.8 B

Acquired (2020)

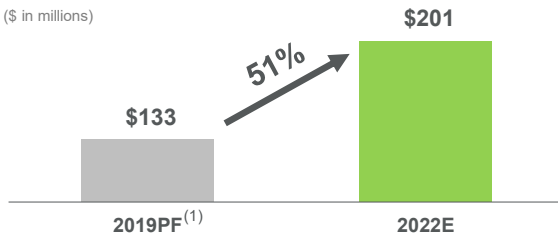


\$1.4 B

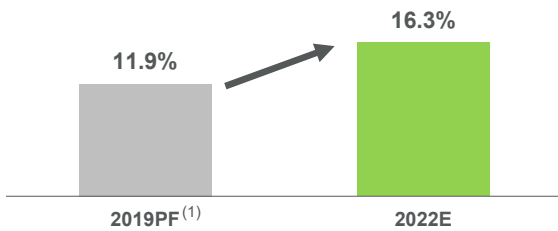
CLARIANT COLOR: TRANSFORMATIONAL ACQUISITION

Clariant Color EBITDA Growth

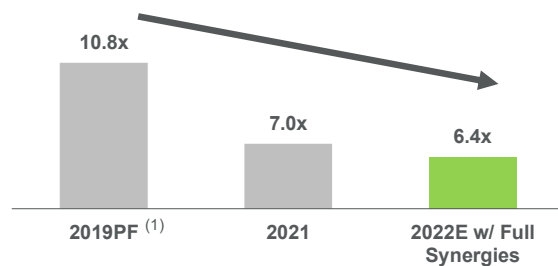
(\$ in millions)



EBITDA Margins



Purchase Price Multiple



- Acquisition of Clariant Color business significantly expanded presence in healthcare, packaging and consumer end markets
- Strength of portfolio – double-digit annual EBITDA growth since acquisition
- \$75 million of realized synergies anticipated in 2022
- Acquisition completed on July 1, 2020 for \$1.45 billion. Purchase price multiple rapidly declining on strength of business and synergy capture

(1) Financial information is pro forma to include a full year of Clariant Color business



HISTORIC SPECIALIZATION THROUGH M&A

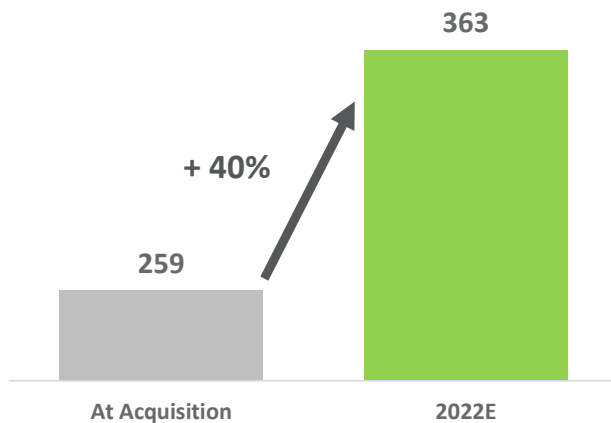


BOLT-ON ACQUISITION HISTORY

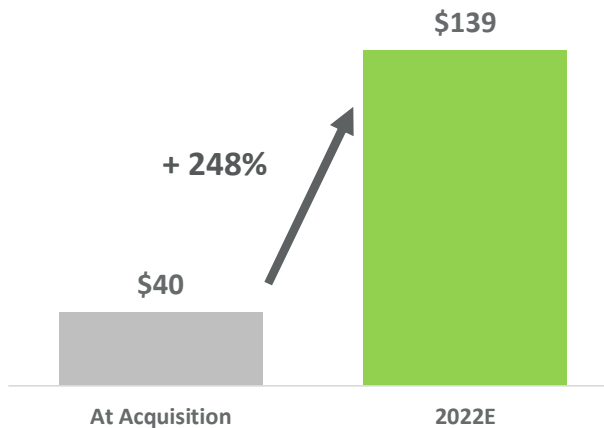
INVEST TO GROW

Established Acquisitions (> 7 years)

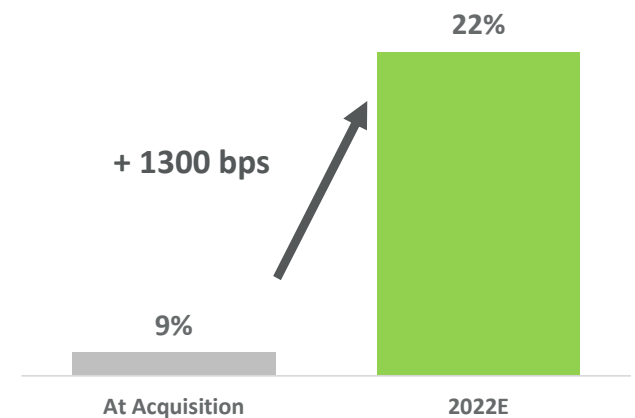
Commercial Resources



Operating Income
(\$ in millions)

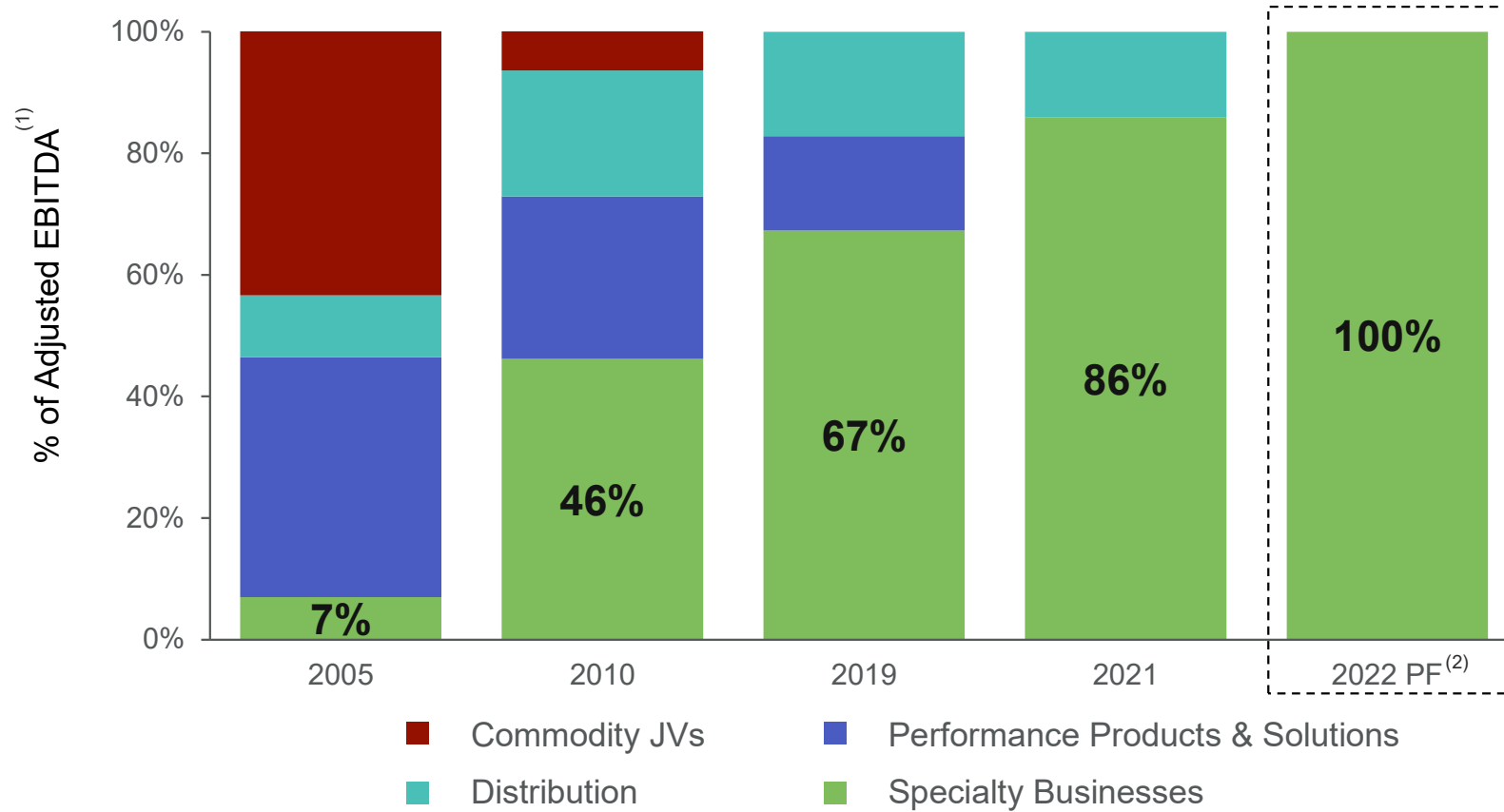


Operating Margins



SPECIALTY TRANSFORMATION

T O D A Y

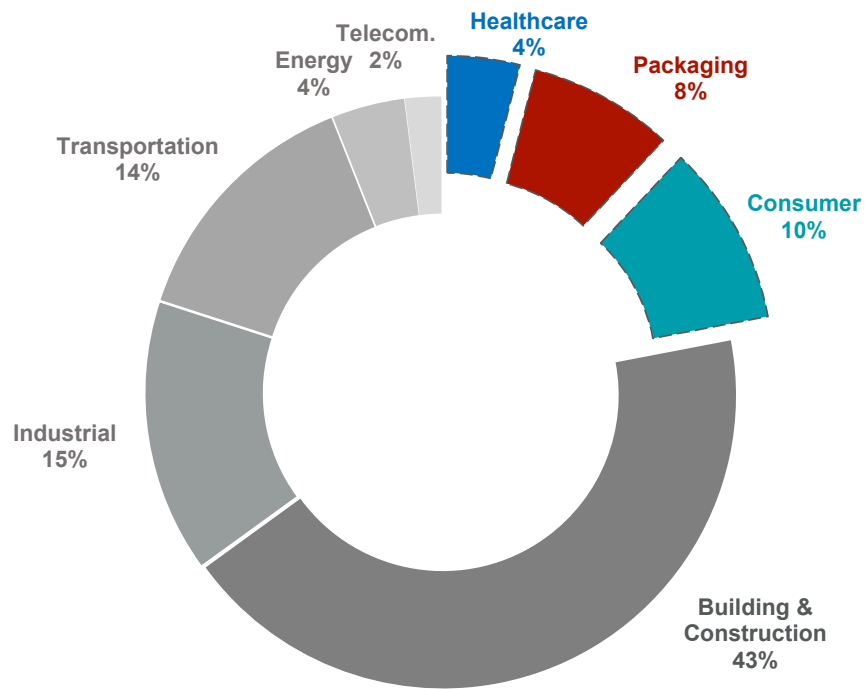


(1) Adjusted EBITDA is EBITDA excluding corporate costs and special items

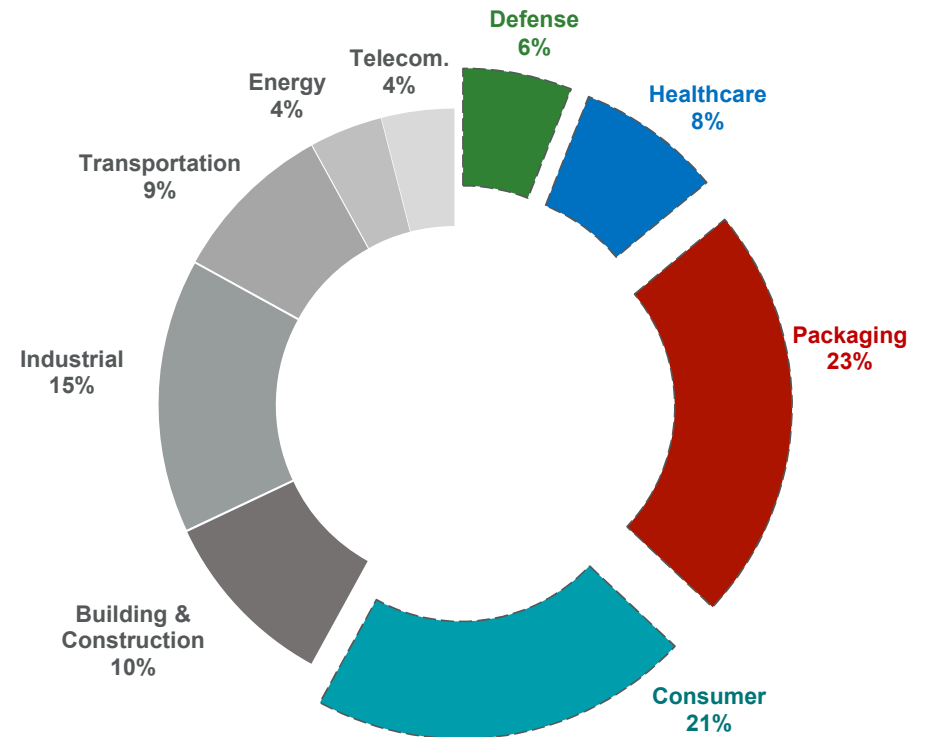
(2) Pro forma for the acquisition of Dyneema® and divestiture of Distribution

END MARKET FOCUS ON LESS CYCLICAL INDUSTRIES

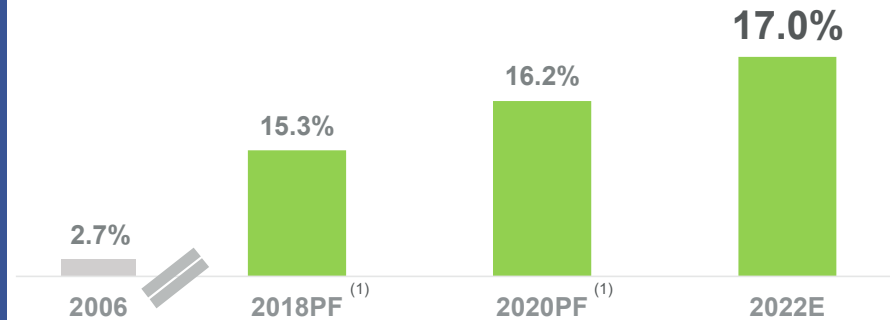
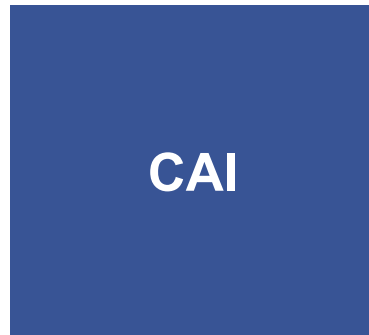
2006



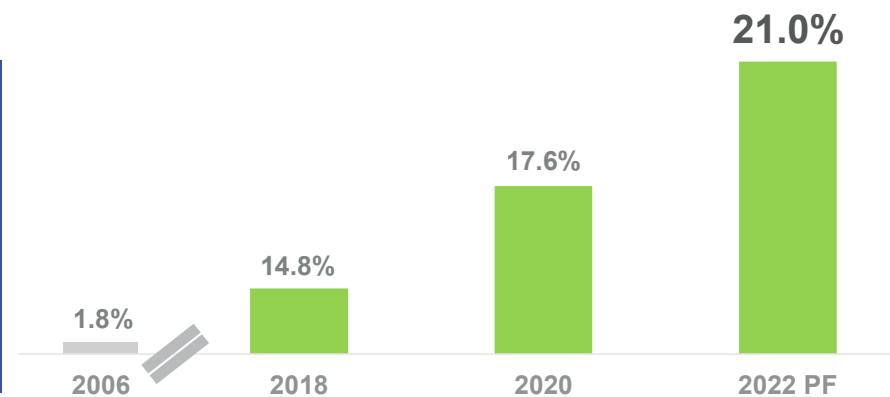
2022 Pro Forma



SPECIALTY EBITDA MARGIN EXPANSION



- Portfolio transformation accelerates growth in less cyclical, higher margin end markets



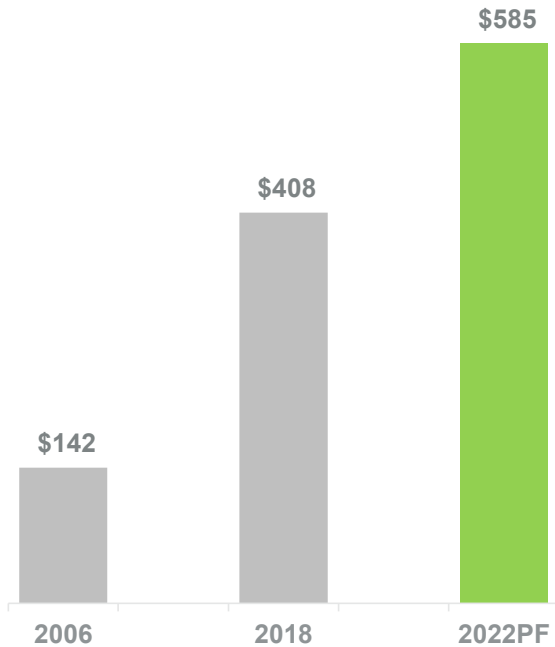
- Investments in our composites platform continue to drive margin expansion

(1) 2018 and 2020 financial information is pro forma to include a full year of Clariant Color acquisition

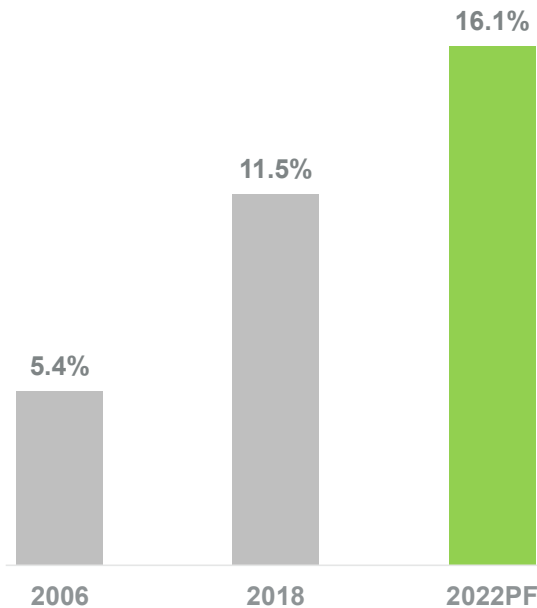
PORTFOLIO EVOLUTION OVER THE YEARS

Adj. EBITDA

(\$ in millions)



Adj. EBITDA Margins



- Focus 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, specialty healthcare applications, composites and more resilient end markets

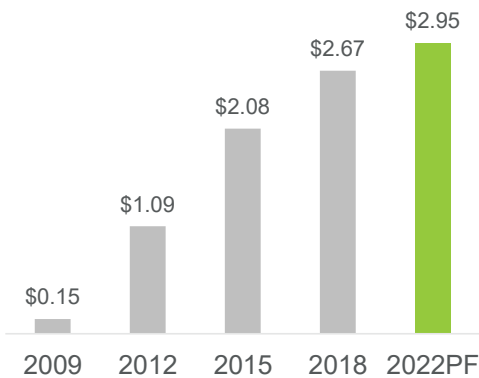
2006 figures exclude joint venture results

RETURNING CASH TO SHAREHOLDERS

Earnings Growth

\$2.95

2022 PRO FORMA
ADJUSTED EPS

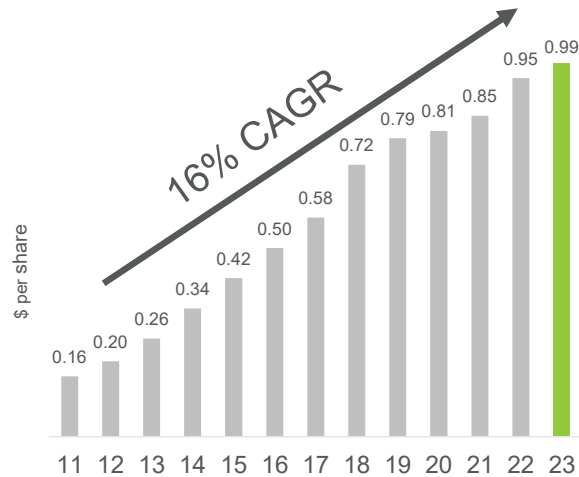


Expanding Profitability

Dividends

~\$550MM

PAID OVER LAST 11 YEARS

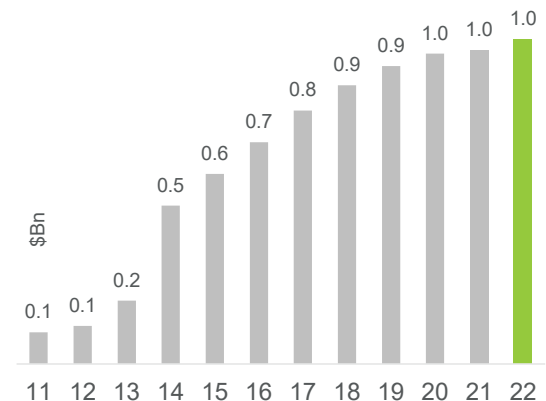


Growing Dividend

Share Repurchases

~\$1Bn

REPURCHASED
OVER LAST 11 YEARS



Cumulative Buybacks

The background features a large, white, stylized 'X' shape that divides the space into four quadrants. Each quadrant contains a different type of financial chart: the top-left shows a candlestick chart with a white line; the top-right shows a candlestick chart with a white line and a dotted trend line; the bottom-left shows a bar chart with a white line; and the bottom-right shows a bar chart with a white line. The overall color scheme is dark blue and black with white and light blue accents.

THIRD QUARTER 2022 RESULTS

Q3 2022 PERFORMANCE

(TOTAL COMPANY CONT. OPS)

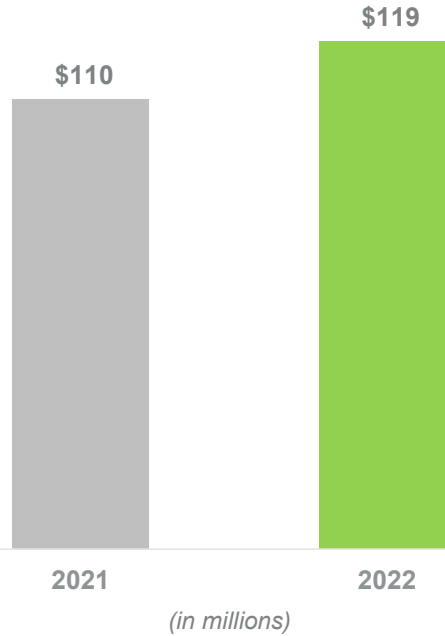
Sales

+ 1%
(+ 9% excluding FX)



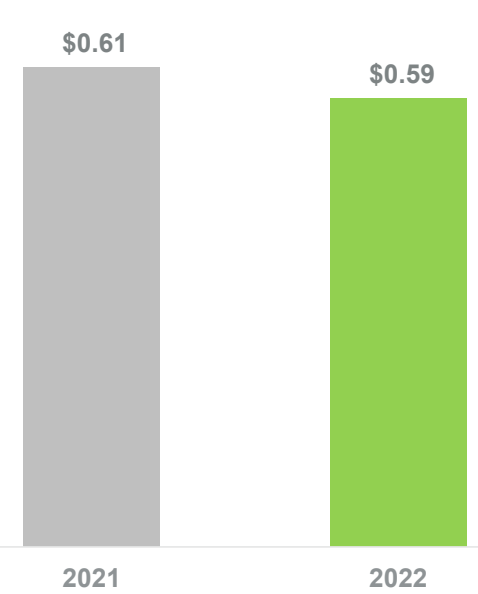
Adjusted EBITDA

+ 8%
(+ 18% excluding FX)



Adjusted EPS

- 3%
(+ 5% excluding FX)



Q3 EBITDA BRIDGE

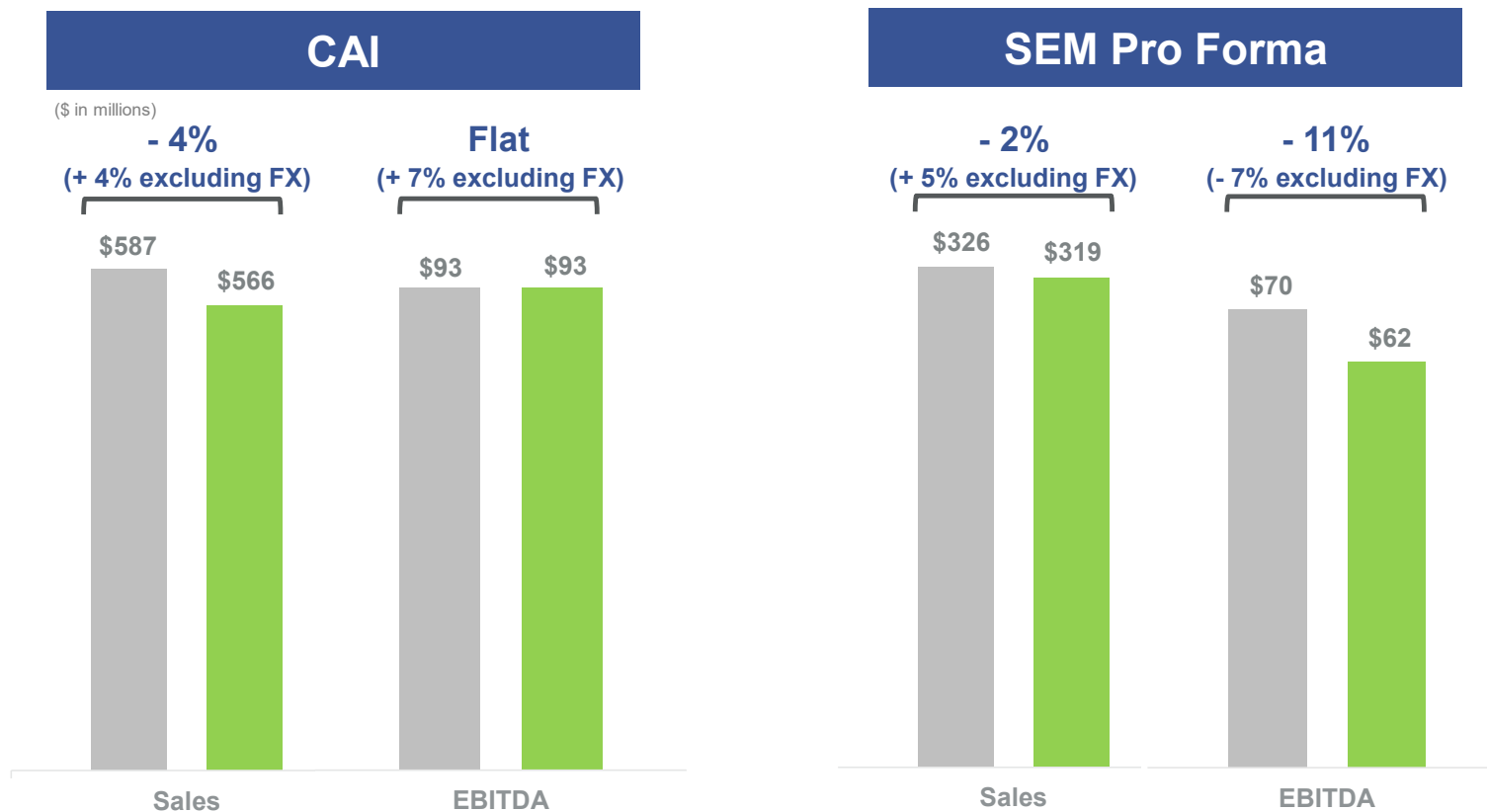
(PRO FORMA TOTAL COMPANY)

| <i>\$ millions</i> | Adjusted EBITDA |
|---|--------------------|
| Q3 2021 | \$ 142 |
| Demand | (39) |
| <u>CAI:</u> | |
| <i>Price / Mix</i> | 68 |
| <i>Inflation</i> | (44) |
| <u>SEM:</u> | |
| <i>Price / Mix</i> | 41 |
| <i>Inflation</i> | (26) |
| Net Price Benefit | 39 |
| Wage and Energy Inflation | (14) |
| Clariant Color Integration Synergies | 6 |
| Incentives, Other Employee Costs | 14 |
| FX | (11) |
| Q3 2022 | \$137 |



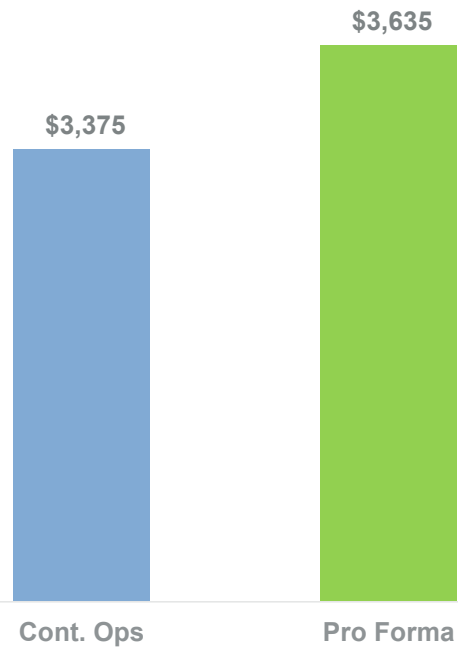
Price increases more than offset raw material and supply chain impacts

Q3 2022 SEGMENT PERFORMANCE



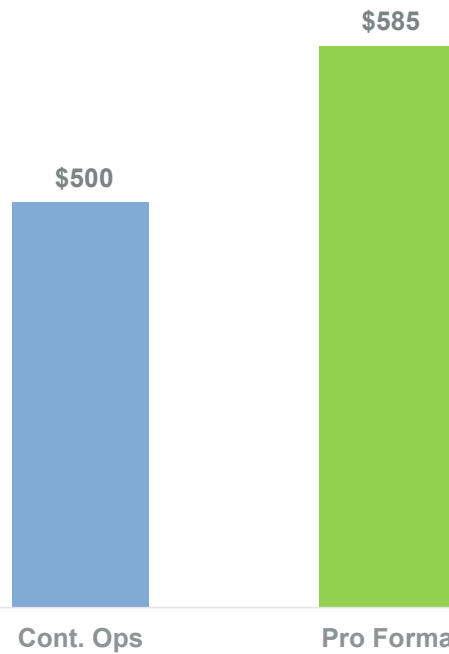
FULL YEAR 2022 GUIDANCE

Sales



(in millions)

Adjusted EBITDA



(in millions)

Adjusted EPS



SUMMARY

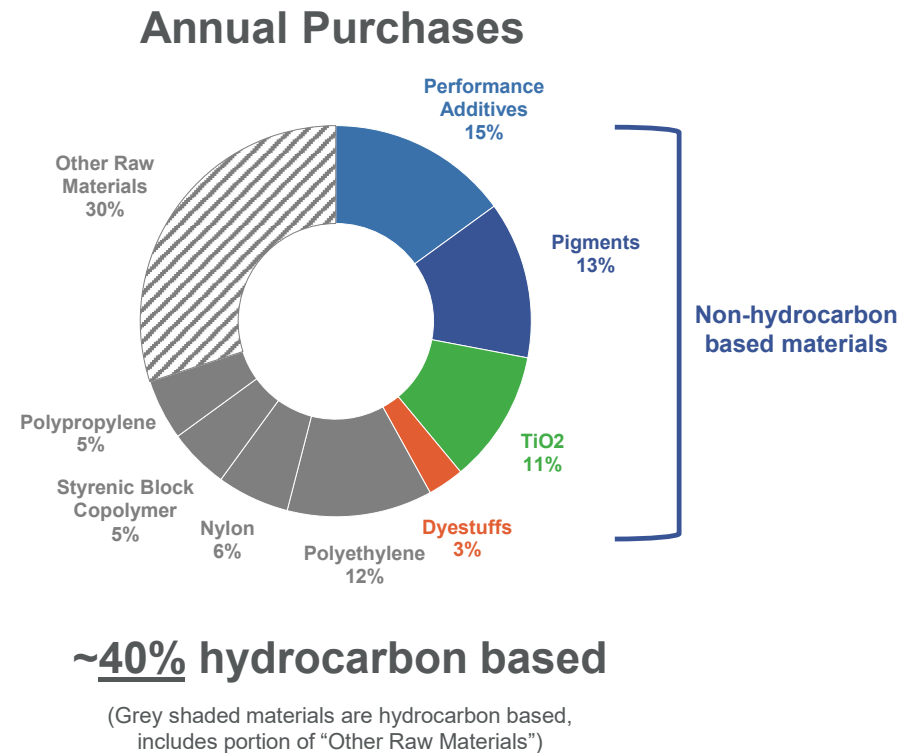
- Executed the plans we laid out earlier this year
- Completed the Dyneema acquisition and Distribution divestiture amid challenging market conditions
- Paid down debt and expect to finish the year modestly levered at 3.1x net debt to 2022 pro forma adjusted EBITDA
- Expect \$200 million of free cash flow in 2022
- Entering an economic slowdown with a portfolio that is better positioned than ever before
- Updated our EPS guidance to \$2.60 from continuing operations



APPENDIX

RAW MATERIAL AND SUPPLY CHAIN UPDATE

- From Q2 to Q3, we have seen a 7-10% sequential decline in certain hydrocarbon-based raw materials
- Other raw materials such as performance additives and pigments have shown moderate inflation sequentially from Q2 to Q3



Based on 2021 purchases, excludes Avient Protective Materials

The background features a large, stylized 'X' shape composed of several overlapping, diagonal bands of vibrant, marbled colors including teal, red, yellow, and purple. A solid blue horizontal banner is positioned across the middle of the image, containing the text 'SEGMENT DATA' in white, bold, uppercase letters.

SEGMENT DATA

2022 PRO FORMA SEGMENT, END MARKET AND GEOGRAPHY

SEGMENT FINANCIALS

\$3,635M



Sales

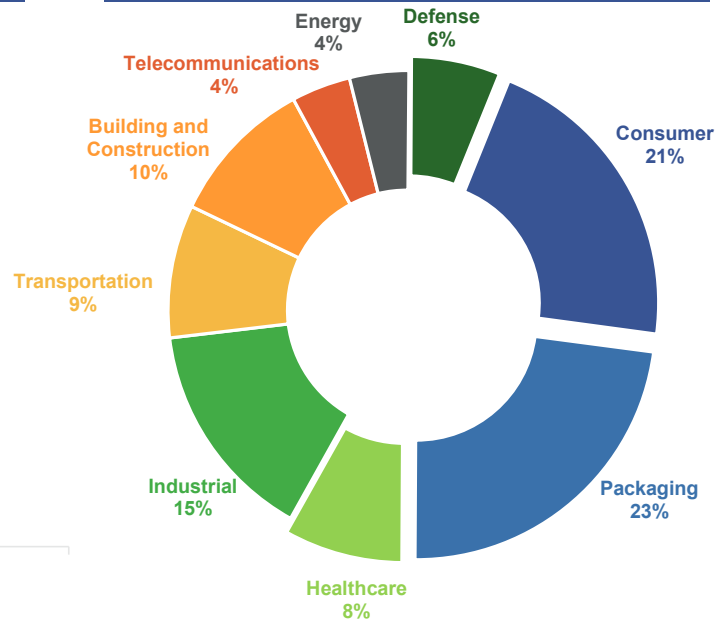
\$585M



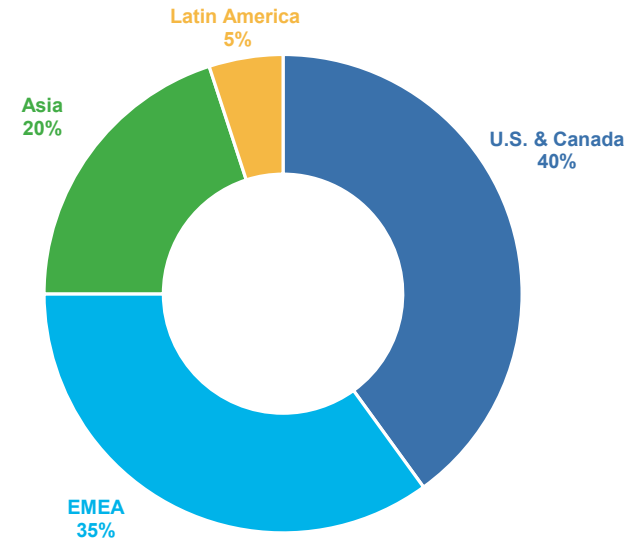
EBITDA⁽¹⁾

- Specialty Engineered Materials
- Color Additives and Inks

END MARKET REVENUE



GEOGRAPHY REVENUE

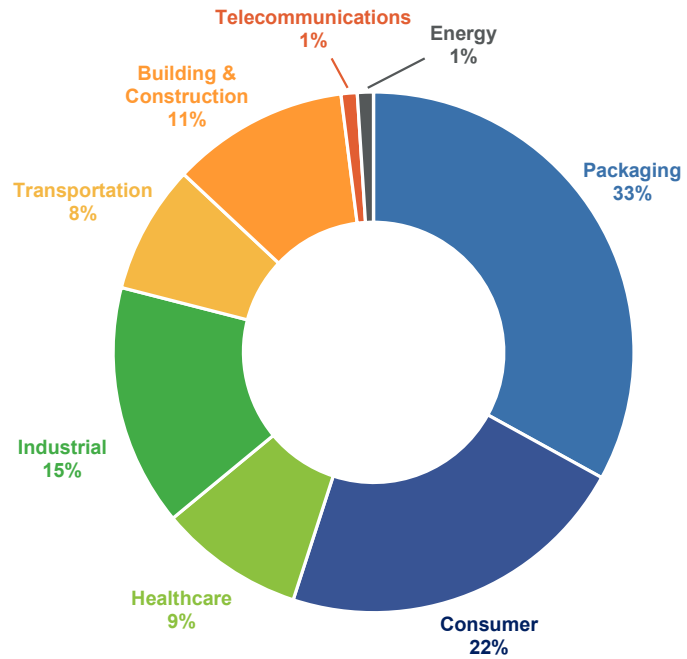


(1) Total company adjusted EBITDA of \$585M includes corporate costs. All figures are full year estimates.

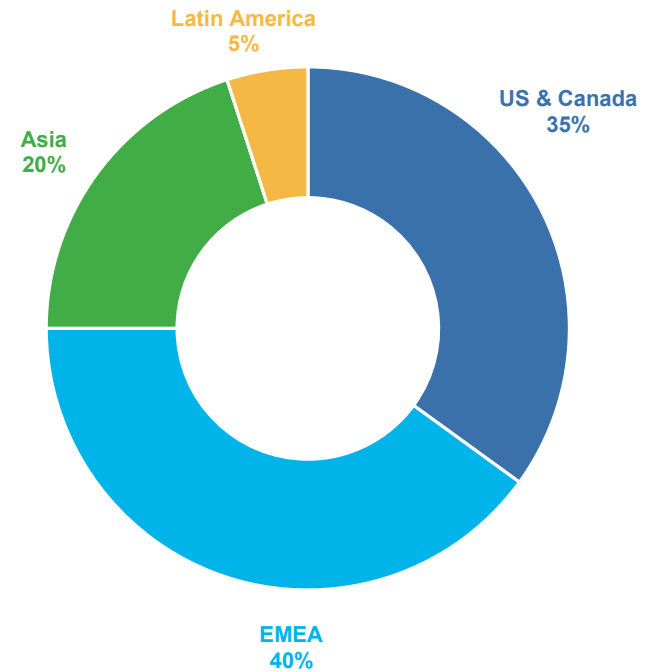
COLOR, ADDITIVES & INKS

2022 REVENUE | \$2.3 BILLION

END MARKET



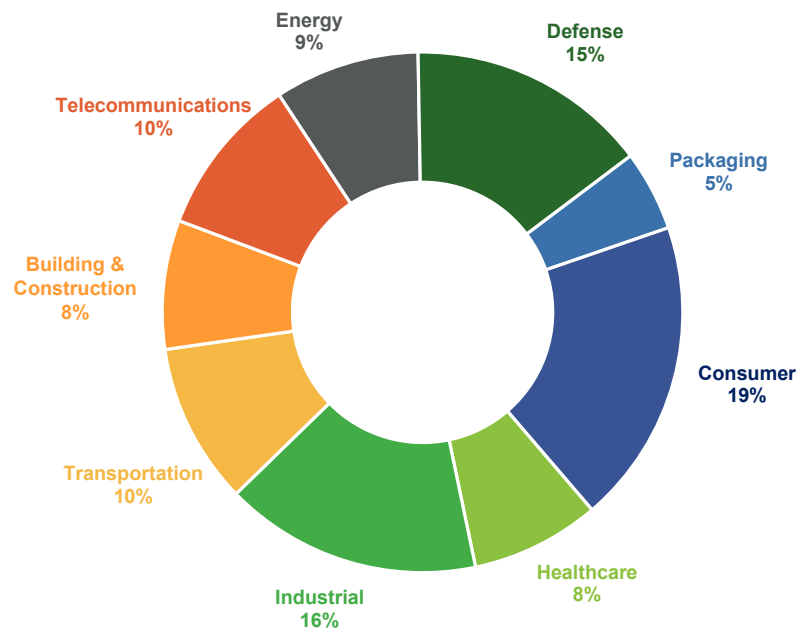
REGION



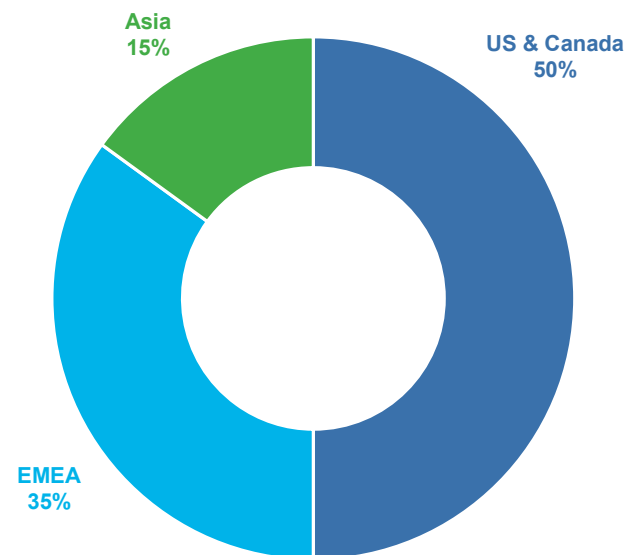
SPECIALTY ENGINEERED MATERIALS

2022 PRO FORMA REVENUE | \$1.3 BILLION

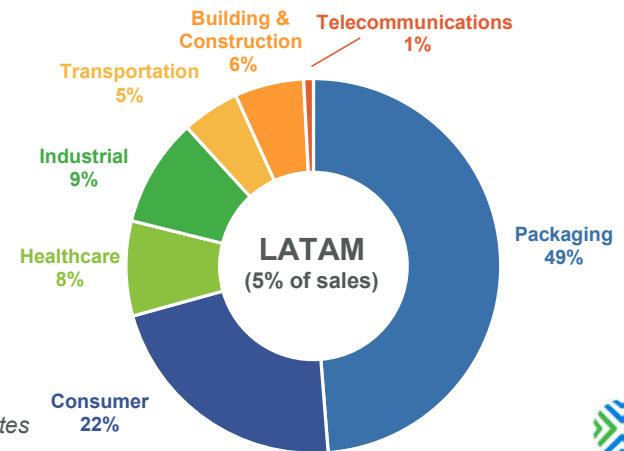
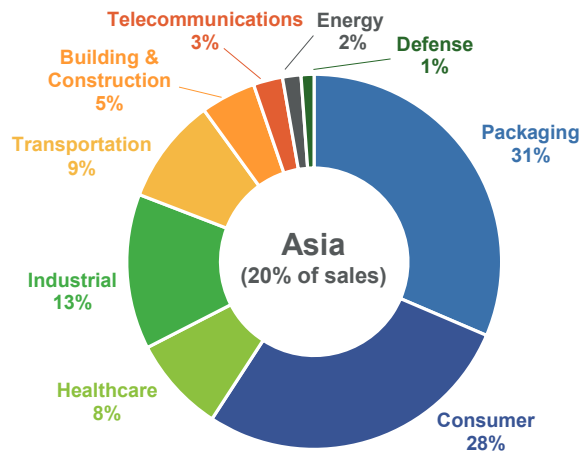
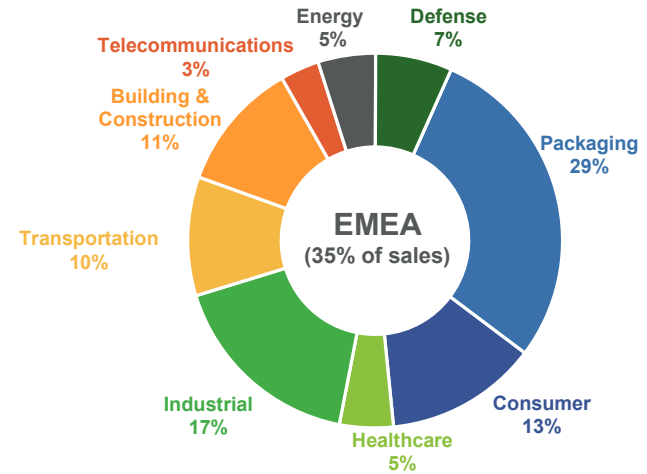
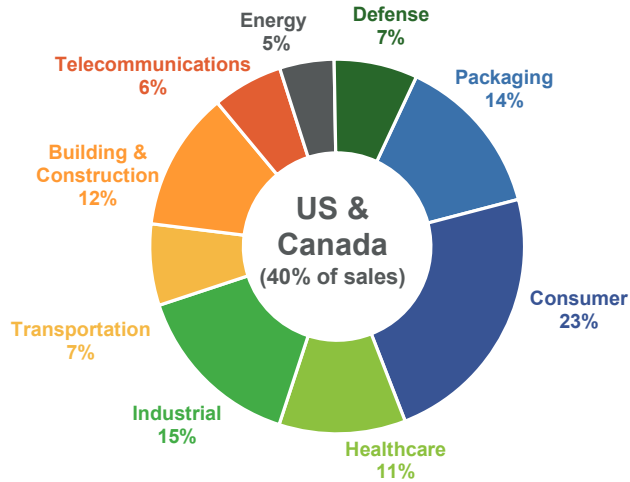
END MARKET



REGION



2022 PROFORMA AVIENT REGIONAL SALES BY END MARKET



Figures represent 2022 full year estimates

