

A Balanced Capital Allocation Strategy with Core Platforms for Sustainable Growth

HUNTSMAN

3Q20 Update

Quick Facts

The Woodlands, Texas

GLOBAL HEADQUARTERS

HUN

NYSE LISTED SINCE 2005

~9,000

EMPLOYEES

~70

MANUFACTURING AND R&D FACILITIES

~35% / 65%

SALES REVENUE FROM U.S. & CANADA / INTERNATIONAL

Financial Highlights¹

\$6.2 billion

2Q20 LTM SALES REVENUE

\$616 million

2Q20 LTM ADJ. EBITDA

\$923 million

2Q20 NET DEBT

\$262 million

2Q20 LTM ADJ. FREE CASH FLOW

Balanced Capital Allocation Strategy

Since start of 2018, Huntsman has focused on:



Strong Financial Metrics

- **Investment grade balance sheet** with net leverage ratio of ~1.5x*
- **Consistent strong annual free cash flow generation**



Prioritized High-Return Organic Investments

- Financial strength enables **organic investments in high-return projects** with hurdle rates >20% to expand and strengthen market positions in core downstream and specialty chemical businesses



Highly Synergistic Prudent M&A

- **Divested upstream Chemicals Intermediates and Surfactant businesses (2020)** for ~\$2 billion in order to further invest in and grow our downstream businesses
- **Acquired Icynene-Lapolla (2020) and Demilec (2018)**, leading manufacturers and distributors of spray polyurethane foam (SPF), to create **Huntsman Building Solutions (HBS)**, the largest global franchise in SPF insulation
- **Acquired CVC Thermoset Specialties (2020)**, expanding our specialty chemical portfolio in Advanced Materials
- **Acquired remaining 50% interest of German maleic anhydride JV (2019)**, strengthening Huntsman's position as the largest and lowest cost North American and European producer of maleic anhydride



Returning Capital to Shareholders

- **Opportunistically bought back ~\$580 million of shares**, representing ~10% of shares outstanding
- **Paying an attractive quarterly dividend** of \$0.65 per share (~\$150 million per year). Increased the dividend by 30% in 2018
 - **Huntsman has paid quarterly dividends since the beginning of 2007 (54 consecutive quarters)**

* ~1.9x pro forma for full year EBITDA contribution from recent acquisitions and ~\$365 million in remaining cash taxes to be paid on proceeds from the divestiture of the Chemical Intermediates and Surfactants businesses

Environmental, Social and Governance Initiatives



Huntsman's business segments are core to environmental progress – to name a few:

- Transforming PET scrap (e.g., recycled plastic bottles) into TEROL® polyester polyols for use in the world's foremost energy-saving insulation
- Producing amine-based catalysts for low-VOC emission polyurethane applications
- Utilizing up to 50% less water and energy than conventional dyeing technologies



On track to reach Horizon 2025 sustainability targets, including:

- 10% reduction in greenhouse gas emissions per unit of production
- 10% reduction in energy consumed per unit of production
- 5% reduction in net water usage at facilities in water-stressed regions



Ongoing Board refreshment

- Nine independent directors
- 40% of the directors are women
- Appointed four highly qualified new directors within the last two years who possess the requisite expertise and skill set for our evolving portfolio of businesses

¹ Reconciliations of non-GAAP measures to GAAP are provided in the financial schedules attached to the earnings news release and available on the Company's website at <http://ir.huntsman.com/>.

Huntsman's Ongoing Transformation and Commitment to Shareholder Value Creation

HUNTSMAN

3Q20 Update

Q2 2020

- **Appointed Cynthia Egan and Sonia Dulá** to the Board of Directors
- **Acquired CVC Thermoset Specialties**, expanding our specialty chemical portfolio in Advanced Materials, for \$300 million
- **Paid ~\$36 million in dividends**
- **Unveiled the branding** of our newly combined world-leading spray polyurethane foam (SPF) franchise as **Huntsman Building Solutions (HBS)**
- **Published our 2019 Sustainability Report**, discussing how we are adopting a circular mindset. This is Huntsman's ninth sustainability report since launching its corporate sustainability initiative in 2010
- **Received Six Responsible Care® Certificates** for 2019 Health and Safety Performance from the American Chemistry Council

Q1 2020

- **Divested upstream Chemical Intermediates and Surfactants businesses** for ~\$2 billion in order to strengthen balance sheet and further invest in our downstream businesses
- **Acquired Icynene-Lapolla**, a North American SPF insulation manufacturer with leading open-cell technology, for \$350 million to expand our SPF business
- **Paid ~\$37 million in dividends**
- **Spent ~\$96 million to repurchase 5.4 million shares**
- **Responded to COVID-19 by taking the following actions:**
 - Hiring freeze and suspension of merit increase
 - Reduction of 2020 expected capital expenditures by ~\$90 million
 - Acceleration of synergy capture of newly acquired businesses
 - Production and donation of hand sanitizer

Full Year 2019

- **Achieved investment grade ratings** from Moody's and Fitch
- **Acquired the remaining 50% interest in the Sasol-Huntsman Maleic Anhydride joint venture**
- **Announced investment** to build a new splitter at our Geismar, Louisiana, facility to support Polyurethanes downstream growth in the Americas
- **Opened a new polyurethane system house** in Dubai, U.A.E.
- **Paid ~\$150 million in dividends**
- **Spent ~\$208 million to repurchase 10.1 million shares**
- **Appointed Vice Admiral Jan E. Tighe** to the Board of Directors

Full Year 2018

- **Acquired Demilec**, a North American SPF insulation manufacturer with leading closed-cell technology, for \$350 million
- **Opened a multifunctional formulation facility** in Vietnam
- **Paid ~\$156 million in dividends** and increased the dividend 30%
- **Spent ~\$276 million to repurchase 10.4 million shares**
- **Appointed Daniele Ferrari** to the Board of Directors
- **Deconsolidated Venator** from our financial statements



Platforms for Growth



Polyurethane

A leading global producer of MDI based polyurethanes focused on formulating innovative, differentiated products for key downstream markets including energy-saving insulation, light weighting and performance materials for automotive, comfort foam for bedding and furniture, protective coatings, adhesives, and elastomers for footwear.



Advanced Materials

Provides specialty epoxy-, acrylic- and polyurethane-based polymer resin systems and adhesive products, which are replacing traditional materials in aircraft, automobiles and electrical power transmission. These products are also used in coatings, construction materials, circuit boards and sports equipment.



Performance Products

Manufactures a wide variety of chemical products that provide important properties in everyday items. The primary product categories of amines and maleic anhydride are used in coatings & adhesives, fuels & lubricants, urethane catalysts, composites, construction, energy and gas treating, and epoxy curing.



Textile Effects

A major global solutions provider of eco-friendly textile dyes, textile chemicals and digital inks to the textile industry that enhance color and improve fabric performance such as wrinkle resistance, faster drying properties and the ability to repel water and stains in apparel, home and technical textiles.