

# A Balanced Capital Allocation Strategy with Core Platforms for Sustainable Growth

**HUNTSMAN**

1Q24 Update

## Quick Facts

### The Woodlands, Texas

GLOBAL HEADQUARTERS

**NYSE: HUN**

**~6,000**

EMPLOYEES

**~60**

MANUFACTURING  
AND R&D FACILITIES

**~25**

COUNTRIES OF OPERATION

**~39% / 61%**

SALES REVENUE FROM U.S. &  
CANADA / INTERNATIONAL

## Financial Highlights<sup>1</sup>

**\$6.1 billion**

2023 SALES REVENUE

**\$472 million**

2023 ADJ. EBITDA

**\$1.1 billion**

2023 NET DEBT

**\$21 million**

2023 FREE CASH FLOW

## Balanced Capital Allocation Strategy

Huntsman is focused on:



### Strong Financial Metrics

- **Investment grade balance sheet** with net leverage ratio of ~2.4x
- **Annual free cash flow generation**; targeting 40%+ FCF to Adj. EBITDA conversion.



### Prioritize High-Return Organic Investments

- Strong cash flow enables **organic investments in high-return projects** to expand and strengthen market positions in core downstream and differentiated specialty chemical businesses



### Highly Synergistic M&A to Augment Growth

- **Divested Textile Effects division (2023)** for ~\$500 million in net cash proceeds
- **Acquired Gabriel Performance Products (2021) and CVC Thermoset Specialties (2020)**, expanding our specialty chemical portfolio in Advanced Materials
- **Divested India-based DIY consumer adhesives business (2020)** for ~\$285 million in order to reinvent and expand our specialty chemical portfolio in Advanced Materials
- **Divested upstream Chemicals Intermediates and Surfactant businesses (2020)** for ~\$2 billion in order to further invest in and grow our downstream businesses
- **Acquired Icyne-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



### Returning Capital to Shareholders

- **Paying an attractive quarterly dividend** of \$1.00 per share, a 5% increase from the previous dividend of \$0.95 per share
  - **Huntsman has paid quarterly dividends since the beginning of 2007** (68 consecutive quarters)
- **Since 2018, repurchased ~\$2.1 billion of shares**, representing ~33% of shares outstanding, including \$350 million in 2023

## Environmental, Social and Governance Initiatives



### Huntsman's businesses are core to environmental stewardship

- 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
- Producing E-GRADE® specialty amines for semiconductor manufacturing to enable advanced technologies



### Huntsman prioritizes sustainability reporting and targets

- Annual Sustainability Report
- Aiming for carbon neutrality by 2050
- 10% reduction in greenhouse gas emissions per unit of production by 2025
- 10% reduction in energy consumed per unit of production by 2025
- 5% reduction in net water usage at facilities in water-stressed regions by 2025



### Ongoing Board refreshment

- Nine independent directors including five women
- Appointed eight highly qualified new directors since 2018 who possess the requisite expertise and skill set for our evolving portfolio

<sup>1</sup> Huntsman continuing operations. 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 [www.huntsman.com/investors](http://www.huntsman.com/investors).

# Huntsman's Ongoing Transformation and Commitment to Shareholder Value Creation

**HUNTSMAN**

1Q24 Update

**YTD  
2024**

- **Increased annual dividend 5%** from \$0.95 per share to \$1.00 per share

**Full  
Year  
2023**

- **Returned ~\$520 million to shareholders** by repurchasing \$350 million of shares and distributing ~\$169 million in dividends
- **Commenced construction on a 30-ton MIRALON® carbon nanotube materials plant.** The new plant converts methane gas to carbon nanotubes and clean-burning hydrogen.
- **Published our 2022 Sustainability Report** which features disclosure against TCFD, GRI and SASB. We also received a limited assurance provided by a third party for operation greenhouse gas emissions (scope 1 and scope 2) and water consumption
- **Completed our cost improvement initiatives** delivering >\$280 million annualized run rate savings at the end of 2023
- **Completed sale of Textile Effects division** to Archroma, a portfolio company of SK Capital Partners for ~\$500 million in net cash proceeds
- **Increased annual dividend 12%** from \$0.85 per share to \$0.95 per share
- **Sustainability Ratings upgrade by MSCI to BBB and Sustainalytics to 23.0**

**Full  
Year  
2022**

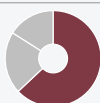
- **Announced commercial operations of our new splitter at Geismar, Louisiana**
- **Doubled our share repurchase authorization to \$2 billion;** \$1 billion increase approved by the Board of Directors in 1Q22
- **Received rating upgrades from Fitch to BBB and S&P to BBB-**
- **Increased annual dividend 13%** from \$0.75 per share to \$0.85 per share
- **Appointed David Sewell, Jose Munoz and Curtis Espeland** to the Board of Directors

**Full  
Year  
2021**

- **Announced at our November 2021 Investor Day in New York:**
  - **New \$1 billion share repurchase program**, approved by the Board of Directors in 3Q21
  - **Additional \$100 million increase to existing optimization program** to be completed by end of 2023
- **Implemented multi-year incentive compensation program** tied to the achievement of Investor Day targets
- **Announced investments to grow our Performance Products portfolio.** Investments in catalysts for Polyurethanes insulation and performance amines for the semi-conductor market
- **Acquired Gabriel Performance Products**, further expanding our specialty chemical portfolio in Advanced Materials for ~\$250 million
- **Appointed Jeanne McGovern** to the Board of Directors

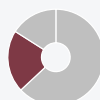


## Platforms for Growth



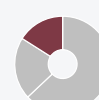
### Polyurethanes

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, elastomers for footwear, protective coatings, adhesives, and comfort foam for bedding and furniture.



### 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, semiconductor manufacturing, electrolytes for electric vehicle batteries, urethane catalysts, composites, construction, energy and gas treating, and epoxy curing.



### 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.