A Balanced Capital Allocation Strategy with Core Platforms for Sustainable Growth

Quick Facts

The Woodlands, Texas
GLOBAL HEADQUARTERS

NYSE: HUN

~9,000
EMPLOYEES

~70
MANUFACTURING
AND R&D FACILITIES

~30
COUNTRIES OF OPERATION

~37% / 63%
SALES REVENUE FROM U.S. & CANADA / INTERNATIONAL

Financial Highlights

$9.3 billion
2Q22 LTM SALES REVENUE

$1.6 billion
2Q22 LTM ADJ. EBITDA

$913 million
2Q22 NET DEBT

$986 million
2Q22 LTM FREE CASH FLOW

Balanced Capital Allocation Strategy

Huntsman is focused on:

Strong Financial Metrics

• Investment grade balance sheet with net leverage ratio of ~0.6x
• Annual free cash flow generation, targeting 40%+ FCF to Adj. EBITDA conversion in 2022

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

• Announced review of strategic options for Textile Effects division, including a possible sale, in December 2021
• 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 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

Returning Capital to Shareholders

• Paying an attractive quarterly dividend of $0.85 per share, a 13% increase from $0.75 per share
  • Huntsman has paid quarterly dividends since the beginning of 2007 (62 consecutive quarters)
  • Since 2018, repurchased ~$1.3 billion of shares, representing ~20% of shares outstanding, including $501 million in H1 2022
  • Doubled our share repurchase authorization to $2 billion in March 2022. Targeting $1 billion of repurchases in 2022

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 ULTRAPURE™ Ethylene Carbonates which enhance lithium-ion batteries by improving efficiency and lifespan

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

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 www.huntsman.com/investors.
Huntsman’s Ongoing Transformation and Commitment to Shareholder Value Creation

YTD 2022
- Paid ~$91 million in dividends
- Repurchased 13.9 million shares for ~$501 million
- Announced commercial operations of our new splitter at Geismar, Louisiana
- Published our 2021 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
- Doubled our share repurchase authorization to $2 billion; $1 billion increase approved by the Board of Directors in 1Q22
- Announced new $1.2 billion senior unsecured, sustainability linked revolving credit facility
- 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
- Initiated a strategic review process for the Textile Effects Division to continue advancing our focus on portfolio enhancement
- Progressed cost optimization and synergies program, with ~$100 million delivered in 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, carbones for lithium-ion batteries and performance amines for the semiconductor market
- Acquired Gabriel Performance Products, further expanding our specialty chemical portfolio in Advanced Materials for ~ $250 million
- Increased annual dividend 15% from $0.65 per share to $0.75 per share
- Appointed Jeanne McGovern to the Board of Directors
- Formed a Sustainability Committee of the Board, which reviews and oversees sustainability and other related corporate social responsibility and governance matters

Full Year 2020
- Divested upstream Chemical Intermediates and Surfactants businesses for ~$2 billion to strengthen balance sheet and further invest in downstream businesses
- Acquired Icynene-Lapolla, a North American SPF insulation manufacturer with leading open-cell technology, for $350 million to expand SPF business
- Divested India-based DIY Consumer Adhesives business for ~$285 million to reinvent and expand specialty chemical portfolio in Advanced Materials
- Appointed Cynthia Egan and Sonia Dulá to the Board of Directors
- Acquired CVC Thermoset Specialties $300 million, expanding specialty chemical portfolio in Advanced Materials
- Unveiled the branding of our world-leading spray polyurethane foam (SPF) franchise as Huntsman Building Solutions (HBS)

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

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.

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.

Textile Effects
A major global solutions provider of eco-friendly textile dyes and textile chemicals 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.