# 

# Sustainability for a Better Tomorrow

Sustainability Report 2020

## Contents

Message from the CEO	2
Message from the Governance and Corporate Responsibility Committee	3
2030 Sustainability Goals	4
Avient Joins U.N. Global Compact	5
Engaging with Our Stakeholders	6

#### ABOUT US

Historic Transformation, Inspired Future	
Better Together: PolyOne and Clariant Masterbatch	
Who We Are	
What We Do: Material Science	1
Revenue by Geography and End Market	1
Where We Are: Global Locations	1
Communities Counting on Avient	1
Message from Avient's VP of Sustainability	1

#### PEOPLE

Management Approach: EH&S	16
Safety First / COVID-19	17
Occupational Safety & Health	18
Continuous Improvement	18
Performance: Metrics and Monitoring	19
Security	20
Management Approach:	
Training and Development	21

Manager Training & Front-Line Engagement	22
Avient Competencies	22
Diversity & Inclusion:	
Leading Change from the Top	23
Management Approach: Diversity & Inclusion	24
Workforce Demographics	29
Human Rights	30
Associate Benefits / Awards and	
Recognition Programs	31
Health and Wellness	32
Career Training and Performance Feedback	33
Virtual Learning	33
Operational and Commercial	
Excellence Training	34
Leadership Development Programs	35
Talent Acquisition and Campus Recruiting	36
A Great Place to Work	37

#### PRODUCTS

8 9 0

How Our Products Enable Sustainability	39
Innovation: The Lifeblood of a	
Specialty Organization	40
No Surprises Pledge <sup>s</sup>	41
Our SolutionsIn Action: Case Studies	50
Management Approach: Product Stewardship	57
Global Chemical Management	58
Product Excellence	59

Management Approach: Supplier Collaboration	60
Supplier Evaluation	60
Strategic Partnerships and Alliances	61

#### PLANET

Protecting Our Planet	63
Climate Change	64
Eliminating Plastic Waste	67
Clean-Up and Remediation	68
World Clean Up Day	69
Community Service	71
Community Engagement	72

#### PERFORMANCE

Performance Overview	74
Sustainable Solutions Performance	75
The Highest Ethical Standards	76
Ethics Hotline and Reporting	77
Enterprise Risk Management (ERM)	78
Board of Directors Governance	79
Board of Directors	80
Policies & Guidelines	81

#### **METRICS AND INDEX**

People and Planet Data and Metrics	82
GRI /SASB / TCFD Content Index	86
Reconciliation of Non-GAAP Financial Measures	99

Index

## Message from the CEO

#### Creating A World-Class, Sustainable Organization

We have published our most recent Sustainability Report at a time when the world has made encouraging progress on its recovery from the COVID-19 pandemic. While there is still much work to do, and certain prevention protocols will remain for some time, our organization has been reflecting on the last 18 months.

We do so with a sense of pride for how we prioritized the health and safety of our associates, and for our contributions as an essential supplier to many of the world's crucial products and services. We also find value in the many learnings and opportunities that have surfaced, as the experience of the pandemic has shaped behaviors, priorities and lifestyles for generations to come.

Among them is that the response and recovery effort confirmed something we at Avient have always known—that the role our material science plays in sustainability for the world is more important than ever. Avient answered the call to deliver much needed healthcare supplies, including facemasks, ventilators, test kits, and other PPE. We were there for the food and consumer product supply chain, allowing for long shelf life of perishable goods and for safe handling of cleaning and sanitization supplies. For IT infrastructure that enabled the shift to remote work and for high performance applications as people of the world adapted lifestyles to more outdoor activities…we were there.

As the world now seeks the next generation of sustainable solutions...we are also there. From increasing post consumer recycled (PCR) and bio-polymer content, to improving the overall recyclability of plastics, our technology teams are proudly collaborating with customers to bring new innovations to market.

At the same time, we have continued to invest in the environmental, social and governance priorities that are incumbent upon companies today, including actions that address climate change. We have updated performance progress toward our 2030 Sustainability Goals as well as expanded commitments, such as utilizing 100% renewable energy and becoming operationally carbon neutral by 2050. Herein you'll also find increased reporting and transparency in each of four sustainability cornerstones: People, Products, Planet and Performance.

The purpose of our Sustainability Report is not solely ESG compliance and reporting. We publish this report to offer a comprehensive look at Avient—one that highlights examples of our commitment to safety, diversity and inclusion, equality and human rights. It highlights how our products are making a positive difference in the lives of others. You'll also read how we view our role as a responsible corporate citizen to the world and as a great place to work for our associates.

I would like to thank you for taking time to read our 2020 Sustainability Report and better understand the incredible work our team is doing. As always, we welcome your feedback, ideas and questions as we take a collaborative approach to our ultimate and ongoing vision of being a world-class sustainable organization.

#### Robert M. Patterson Chairman, President and Chief Executive Officer

Meeting the needs of the present without compromising the ability of future generations to do the same.



## Message from the Governance and Corporate Responsibility Committee

#### **Avient Board of Directors**

Dear Avient Stakeholder,

We appreciate that you have chosen to read Avient's most recent Sustainability Report.

Avient has clear responsibilities related to environmental, social and governance matters. We provide oversight and guidance with regard to how the Board and management evaluate and integrate these responsibilities into Avient's business conduct. This includes equal opportunity and respect for all people, regardless of religious beliefs, age, race, gender or sexual orientation, as fully explained in Avient's <u>Code of Conduct</u> and its <u>Position on Human Rights</u>. This also includes being a passionate steward of our natural resources for the long-term health and vitality of our planet.

As you read this report, you will note that Avient has continued to advance its policies and actions in support of ESG leadership.

For example, we have recently updated our Position on Human Rights to expand our commitment to advancing human rights principles. The company's 10-K now has increased transparency and disclosures on human capital matters as well. And, we have updated our <u>Corporate Governance Guidelines</u> and our Committee charter to further our commitment to maintain diversity at the highest levels of our company—which now requires that qualified female and racially/ethnically diverse persons be included in the initial pool of those being considered for future Board positions and CEO succession planning.

There are many aspects to sustainability, and they are at the core of Avient's strategy. This includes our dedicated investments in R&D to innovate the future material science needs of our customers. Sustainable product development and other commitments are outlined in Avient's <u>2030 Sustainability Goals</u>—all of which were instituted to ultimately deliver value to the company's many stakeholders.

We thank you for your ongoing interest in this growing company and the positive impact that Avient can have through the responsible and safe execution of our vision.

Sincerely,

Members of the Governance and Corporate Responsibility Committee

**Avient Board of Directors** 



Sandra Beach Lin



**Richard Fearon** 



**Gregory Goff** 



**Kerry Preete** 



Dr. Patricia Verduin

## 2030 Sustainability Goals

Last year Avient was proud to announce our 2030 Sustainability Goals and share our commitment to drive sustainability for all of our stakeholders. We assembled internal Sustainability teams to drive initiatives and workstreams in order to meet these targets. We are committed to each of these objectives and will aggressively pursue their attainment through internal rigor, investment and innovation. Learn more about our approaches to accomplishing these commitments throughout this report.

## By 2030, Avient will enable 100% of our products manufactured for packaging applications to be recyclable or reusable to advance the circular economy.

Update:

- Approximately 90% of Avient's products met this criteria in 2020.
- It is estimated that 9% of the world's plastic is recycled by end users.

## By 2030, Avient will deliver cumulative annual revenue growth from our Sustainable Solutions portfolio of 8–12% with 2020 as a baseline.

#### Update:

• This is a new goal which aligns with our customers' sustainability objectives as well as delivers long term growth for all of Avient stakeholders. Since 2016, we have grown 8% organically (excluding acquisitions).

## By 2030, Avient will obtain directly or contract for 60% of its electricity demand from renewable sources and achieve 100% renewable energy by 2050.

#### Update:

- 31% of Avient's electricity demand globally was from renewable sources in 2020, up from 0.69% in 2019.
- We also expanded our goals to achieve 60% renewable energy by 2030, 100% by 2050, and began the process to apply for membership into the <u>RE100</u> initiative and requirements.

#### By 2030, Avient will reduce Scope 1 & 2 greenhouse gas (GHG) emissions by 60% with 2019 as a baseline and achieve operational carbon neutrality by 2050.

#### Update:

- We are proud to have reached our original target of 35% in 2020 by reducing our Scope 1 & 2 GHG emissions by 37%.
- Our next level commitment for 2030 has been established, whereby we will achieve a reduction of 60% and operational carbon neutrality by 2050.

## By 2030, Avient will reduce waste to landfill by 35% from the 2019 baseline.

Update:

• In 2020 we reduced our waste to landfill by 17%, reaching half of our 2030 target in our first year.

By 2030, to ensure alignment with Avient's expectations on environmental, social and governance requirements, Avient will assess its top suppliers representing 90% of our total raw material costs.

#### Update:

• 39% of our top suppliers have been assessed through the end of 2020.

As a founding member of the <u>Alliance to End Plastic Waste</u>, Avient will collaborate to develop and implement solutions to end plastic waste with approximately 50 members across the value chain. The Alliance will invest \$1.5 billion over five years in innovation, infrastructure, education and clean-up.

#### Update:

• The Alliance to End Plastic Waste is currently executing 27 projects globally that are expected to divert at least 375kt of plastics waste per year.

## Avient Joins U.N. Global Compact

## Aligns on U.N. Sustainable Development Goals

In 2021, Avient was proud to join the <u>United</u> <u>Nations Global Compact</u>, a voluntary leadership platform for the development, implementation and disclosure of responsible business practices. It is the largest corporate sustainability initiative in the world. Companies that participate align their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption, and they take action in support of matters embodied in the <u>Sustainable Development Goals (SDGs)</u>.

The SDGs address global environmental, social and economic issues and blueprint the path to a more sustainable future. The SDGs include specific progress targets for 2030, and encourage strong commitment by all stakeholders to implement the global goals. Society will increasingly look to companies like Avient to develop solutions that address these sustainability challenges.

In 2020, even prior to joining the U.N. Global Compact, we began to identify and map the SDGs that are most material to Avient and align with our <u>sustainability goals</u> and business model. We have identified five SDGs (as shown on right) where we believe Avient's innovation capabilities can make the greatest impact.





#### 3: Ensure healthy lives and promote well-being for all, at all ages

Avient is committed to providing a safe and healthy workplace for employees. We also provide our customers with innovative healthcare technologies that prevent and reduce the spread of germs and illness, including COVID-19. In addition, we provide eco-conscious and lightweighting solutions that serve as alternatives to traditional materials and decrease carbon footprints, improve air and water quality and reduce exposure to potentially hazardous substances. Finally, Avient is a founding member of the Alliance to End Plastic Waste and will continue collaborating to develop and implement solutions to promote infrastructure, education, innovation, and clean-up efforts.

#### 7: Ensure access to affordable, reliable, sustainable, modern energy for all

We initially set a goal to obtain directly or contract for 40% of our electricity demand from renewable sources by 2030. Last year, we made substantial progress by reaching 31% from renewable sources, and we have updated our goal this year to reach 60% of our electricity demand from renewable sources by 2030. Along with pursuing renewable energy use internally, we provide solutions that enable energy reduction and renewable energy use for customers. Avient will continue to pursue both internal projects and external partnerships (i.e. Virtual Power Purchase Agreements) to increase our renewable energy resources.

#### 9: Build resilient infrastructure, promote inclusive & sustainable industrialization and foster innovation

As a company, we have identified eight ways in which we help our customers achieve their sustainability goals: lightweighting, reduced energy use, volatile organic compound reduction, enabling recycle solutions, bio-polymers, eco-conscious, sustainable infrastructure, and human health & safety. By focusing on these eight ways, we will continue providing sustainable innovations in each of our end markets.

#### 12: Ensure sustainable consumption and production patterns

At Avient, we are focused on continuous process improvement and optimizing resource utilization. We are committed to the ACC Responsible Care Initiative and its guiding principles. We set a goal to reduce our waste to landfill by 35% by 2030, and are dedicated to ensuring 100% of our products manufactured for packaging applications will be recyclable or reusable. We are committed to assessing our top suppliers to ensure alignment with our environmental, social, and governance requirements. For our customers, we provide solutions that enable renewable energy application use, reduce energy consumption, and provide lightweighting advantages.

#### 13: Take urgent action to combat climate change and its impacts

At Avient, we recognize the negative impacts of climate change, and we are working to reduce our company footprint. We have set a goal to reduce our Scope 1 & 2 greenhouse gas emissions by 60% with 2019 as a baseline and achieve operational carbon neutrality by 2050. In addition to this, many of our innovation focus areas support the fight against climate change: lightweighting, eco-conscious solutions, recycle solutions, volatile organic compound reduction, bio-polymer solutions, and reduced energy use.

## Engaging with Our Stakeholders

We respond to customer and shareholder inquiries directly, including requests for information regarding key sustainability topics related to health and safety, environment and social policies, programs and performance. Our Sustainability Report is intended to provide updates to our many stakeholder groups on the performance and outcomes in these areas annually. The additional channels for engagement described in the table below vary in type and frequency, and are focused on the topics most relevant to each group.

Our internal team of business and functional leaders and their teams at all levels of the organization assess and identify key topics for our stakeholders on an ongoing basis to ensure our channels of engagement support ongoing collaboration.

Stakeholder	Engagement	Topics
Customers	Sales and technical meetings, plant visits, trade publications, social media, surveys and feedback	Sustainability, business performance, material science innovation, customer service and satisfaction, technical problem solving, product safety and regulatory information
Employees	Quarterly Global Associate Meetings, employee engagement surveys, ongoing intranet communication, team and department meetings and town hall presentations, Employee Resource Groups	Safety, sustainability, Diversity & Inclusion, business and individual performance, alignment between individual goals and company strategy, engagement survey action planning, policy and organizational information, career development and training, benefits and compensation
Potential Employees	College campus recruitment, social media, <u>Avient Careers</u> webpage, job fairs, employee referrals, job interviews	Sustainability, Core Values, Diversity & Inclusion, business performance, community involvement, career development, benefits and compensation
Communities*	Employee community service, site management touchpoints with community leaders, Avient website, social media, Chamber of Commerce and other memberships	Sustainability, philanthropic and volunteer opportunities, emergency preparedness, safety and environmental protection, employment opportunities
Shareholders	Quarterly earnings calls, conference calls, shareholder meetings, <u>Avient Investor Relations webpage</u> , written correspondence to the Board of Directors	Sustainability, financial performance, business strategy and execution
Suppliers	Contract negotiations, business reviews, individual meetings, Annual Supplier Summit	Growth and sustainability opportunities, quality, cost, innovation
Industry Associations	Associations such as American Chemistry Council, collaborative initiatives such as the <u>Alliance to End Plastic Waste</u>	Sustainability
Government and Other Regulatory Agencies	Political Action Committee, regular communications and outreach	Sustainability, business performance, regulations

\*Based on ongoing assessment of our footprint, Avient does not operate on indigenous lands. In the event that Avient operations should operate on indigenous lands in the future, we would leverage our existing community stakeholder engagement programs as outlined above to consult with indigenous peoples.

## Historic Transformation, Inspired Future

Avient Corporation was originally established as PolyOne Corporation in 2000 through the consolidation of two companies in the materials industry. The early years were challenging, as the company struggled to find or create its identity as a combined enterprise. That changed in 2006 when we embarked on a specialty transformation driven by our <u>four-pillar strategy</u> of Specialization, Globalization, Commercial Excellence and Operational Excellence.

As the company began to evolve into specialty areas, we focused on putting our customers and their needs first, then looking inward to make a difference. Coincident with the transformational acquisition of Clariant Masterbatch in 2020, we branded the collective enterprise as Avient—a new name, for a new kind of materials company.

Today, we are a leading provider of specialized and sustainable material solutions that transform customer challenges into opportunities, bringing new products to life for a better world. Our offerings include specialty engineered materials, advanced composites, color and additive systems and polymer distribution.

Headquartered in Avon Lake, Ohio, Avient currently employs approximately 8,400 people at manufacturing sites, distribution facilities and technical labs located in North America, South America, Europe, Middle East, Asia and Africa.



## Better Together: PolyOne and Clariant Masterbatch

On July 1, 2020 we completed the acquisition of Clariant Masterbatch, the largest acquisition in the 20-year history of our company.

We did so at a time when the world craves a more sustainable planet, unprecedented innovation and economic growth. It's also a time where people seek strong relationships, diverse perspectives and an opportunity to accept the most pressing challenges of today.

It's in this spirit that we joined PolyOne and Clariant Masterbatch, two complementary businesses, and formed a new one that we've named Avient.

As one, we are better positioned than ever before to lead and to make a positive difference.

We are better together through:

- Keeping Safety First PolyOne and Clariant are both <u>ACC Responsible Care®</u> companies, and nothing is more important than the health, safety and well-being of our people.
- Being a Great Place to Work We listen to feedback from our associates then take action in building our high-performance culture and being a global employer of choice. Following the results from our post-acquisition engagement survey, we were again certified as a Great Place to Work<sup>®</sup>.

- Supporting Diversity and Inclusion All associates are valued and encouraged to bring their true selves to work every day, and ensuring equal access and opportunity will contribute to our organization's success.
- Leading in Sustainability PolyOne and Clariant are both founding members of the <u>Alliance to End Plastic Waste</u>, and we are committed to meeting the needs of the present without compromising the ability of future generations to do the same.
- **Investing in Innovation** Specialty companies invest to grow, so we ensure our resources are concentrated on material science for high-growth end markets, poised for value creation in the long term.
- **Operating Globally, Serving Locally** As a truly global company, we have operations and technical expertise around the world to efficiently serve our customers...wherever they may need us.
- Leveraging Service as Our Timeless Differentiator We serve our customers with excellence to build trusting, lasting and collaborative relationships.
- **Thriving as a Specialty Growth Company** Performance is inextricably linked to the investments we make in People, Products and Planet. Solidifying Avient as a specialty growth company ensures ongoing longevity and value creation for our associates, customers, communities and shareholders.

These endeavors are made possible by the joining of our businesses.

We are better together.

We are Avient.



## Who We Are

Avient Corporation (NYSE: AVNT), with revenues of approximately \$4.6 billion provides specialized and sustainable material solutions that transform customer challenges into opportunities, bringing new products to life for a better world. As of December 31, 2020, Avient employed approximately 8,400 associates and is certified <u>ACC Responsible Care®</u>, a founding member of the <u>Alliance to End Plastic Waste</u> and certified <u>Great Place to Work®</u>. For more information, visit <u>www.avient.com</u>.



### 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.

## Our Sustainability Guiding Principle and Four Cornerstones

To enable our customers' innovation and sustainability goals through world-class products and services.









## What We Do: Material Science

Avient's vision is to create specialized and sustainable material solutions that transform customer challenges into opportunities, bringing new products to life for a better world. To fulfill our vision, we leverage our unique position in the value chain to offer leading solutions and services around the world.

Starting with raw materials, we source only the best polymers, additives, modifiers, fillers, reinforcers, colorants and pigments. We offer specialty expertise and innovation to help our customers get exactly what they need. Our formulation expertise supports material science decisions, while our processing expertise guides customers to use the materials properly. Supply chain management guarantees customers receive deliveries on time, and our design recommendations help create the end use applications. Moreover, our experienced scientists are focused on providing unique innovations that help our customers reach their sustainability goals.

We have identified <u>eight ways that we enable our customers to solve complex</u> <u>sustainability challenges</u> and have organized our portfolio accordingly, from enabling the use of more recycled content, formulating with bio-polymers, sustainable infrastructure, human health & safety, lightweighting, reducing volatile organic compounds, reducing energy usage and offering eco-conscious solutions. Avient is committed to meeting the needs of the present without compromising future generations' ability to do the same. Together, it is our job to help protect the earth's resources.

We sell our solutions to Brand Owners/OEMs, processors and assemblers to enable their sustainability goals in applications like automotive, building and construction, consumer goods, electronic and electrical, healthcare, packaging, textiles, transportation, and wire and cable.



## Revenue by Geography and End Market

The importance of sustainability is not limited by geography or end market. More innovative product designs, through continual improvement and global customer pull, provide Avient a unique opportunity to help.

This has broadened even further, as our reach and presence around the world expanded with our acquisition of Clariant Masterbatch in 2020.

Our global footprint offers both state-of-the-art facilities and talented commercial associates that enable quick collaboration with our customers—where they need us, when they need us. Whether it's a large multi-national OEM, or a smaller product manufacturer launching a localized product, Avient is there to serve.

From healthcare to transportation to packaging, and everything in between, we help our customers meet their product design and sustainability goals.



(Pro Forma for Clariant Masterbatch Acquisition)

## Where We Are: Global Locations

Headquartered in Avon Lake, Ohio, we have operations around the world. With the recent acquisition of Clariant Masterbatch, we further globalized with additional facilities in both new and existing geographies to serve our customers even better.

We believe that the quality, production capacity and locations of our more than 100 facilities helps to maintain our competitive position and accelerate speed to market. Our breadth of operations also minimizes environmental and transportation impacts through local and regional production of our materials and ultimate delivery to customers.

2. & 3. Phoenix, Arizona (1) 24	23. Vonore, Tennessee 24. Winchester, Virginia	46. Diez, Germany			
•	4. Winchester, Virginia		67. Lima, Peru	1. Rancho Cucamonga, California	1. Birmingham, Alabama
4. Bethel, Connecticut 25		47. Lahnstein, Germany	68. Konstantynow, Poland	2. Chicago, Illinois	2. Englewood, Colorado
	5. Lomas de Zamora, Argentina	48. Guatemala City, Guatemala	69. Kutno, Poland	3. Eagan, Minnesota	3. Montrose, Colorado
5. Dalton, Georgia 26	e. Assesse, Belgium	49. Gyor, Hungary	70. Jeddah, Saudi Arabia	4. Edison, New Jersey	4. North Haven, Connecticut
6. Kennesaw, Georgia 27	7. Louvain-La-Nueve, Belgium	50. Kalol, India	71. Riyadh, Saudi Arabia	5. Statesville, North Carolina	5. McHenry, Illinois
7. Elk Grove Village, Illinois 28	28. Itupeva, Brazil	51. Pune, India	72. Yanbu, Saudi Arabia	6. Elyria, Ohio	6. Winona, Minnesota
8. West Chicago, Illinois 29	9. Suzano, Brazil	52. Rania, India	73. Randburg, South Africa	7. La Porte, Texas	7. Hickory, North Carolina
9. La Porte, Indiana 30	80. Toronto, Canada	53. Vashere, India	74. Alicante, Spain	8. Brampton, Ontario, Canada	8. Avon Lake, Ohio
10. Lewiston, Maine 31	31. Maipu, Chile	54. Tangerang, Indonesia	75. Barcelona, Spain		9. Hatfield, Pennsylvania
11. Holden, Massachusetts32	32. Chuzhou, China	55. Naas, Ireland	76. Pamplona, Spain		10. Changzhou, China
12. Albion, Michigan 33	33. Guangzhou, China	56. Lomagna, Italy	77. Sant Andreu, Spain		11. Shenzhen, China
13. Minneapolis, Minnesota 34	4. Pudong, China	57. Merate, Italy	78. Malmoe, Sweden		12. Suzhou, China
14. St. Louis, Missouri 35	35., 36. & 37. Shanghai, China (2)	58. Milan, Italy	79. Taoyuan, Taiwan		13. Gaggenau, Germany
15. Lockport, New York 38	88. Suzhou, China	59. Pogliano, Italy	80. Bangkok, Thailand		14. Melle, Germany
16. Mooresville, North Carolina 39	9. Tianjin, China	60. Butterworth, Malaysia	81. Phan Thong, Thailand		15. Leeuwarden, Netherlands
17. Berea, Ohio 40	0. Cota, Colombia	61. Santa Clara, Mexico	82. Gazientep, Turkey		16. Barbastro, Spain
18. Massillon, Ohio 41	1. Aland, Finland	62. Toluca, Mexico	83. Gebze, Turkey		17. Istanbul, Turkey
19. North Baltimore, Ohio 42	2. Cergy, France	63. Eindhoven, Netherlands	84. Knowsley, United Kingdom		18. Leek, United Kingdom
20. Norwalk, Ohio 43	3. Saint-Jeoire, France	64. Auckland, New Zealand	85. Thuan An, Vietnam		Shanghai, China (3)
21. Lehigh Valley, Pennsylvania 44	4. Tossiat, France	65. Karachi, Pakistan			Pune, India (4)
22. Mountain Top, Pennsylvania 45	5. Ahrensburg, Germany	66. Lahore, Pakistan			Pamplona, Spain <sup>(4)</sup>

(1) There are two manufacturing plants located in Phoenix, Arizona.

(2) There are three manufacturing plants located in Shanghai, China.

(3) Facility is not included in manufacturing plants total as it is a design center/lab.

(4) Facility is not included in manufacturing plants total as it is also included as part of another segment.

## Communities Counting on Avient

Avient supported customer operations in over 140 countries around the world in 2020, as we supply our specialty materials and formulated polymers that bring customers' products to life.

Our broad, worldwide reach is a tremendous testament to the execution of the Globalization pillar of our proven strategy. Customers count on us for on-time, highquality products and services, and we proudly accept the challenge to deliver. At the same time, our global presence represents unique responsibilities and rigor—where we must understand, comply and contribute to local communities, while always conforming to our internal rigor of standards, policies and values.



Planet

North / Central America	South America	Еигоре			Middle East/ Asia			Africa		Australia/ Oceania
Canada	Argentina	Aland Islands	Georgia	Norway	Afghanistan	Kyrgyzstan	South Korea	Algeria	Mauritius	Australia
Costa Rica	Belize	Armenia	Germany	Poland	Azerbaijan	Kuwait	Sri Lanka	Angola	Morocco	Fiji
Dominican Republic	Bolivia	Austria	Greece	Portugal	Bahrain	Lebanon	Tajikistan	Benin	Nigeria	French Polynesia
El Salvador	Brazil	Belarus	Hungary	Romania	Bangladesh	Malaysia	Thailand	Cameroon	Senegal	Martinique
Guatemala	Chile	Belgium	Iceland	San Marino	Bhutan	Maldives	Turkey	Egypt	South Africa	New Caledonia
Haiti	Colombia	Bosnia Herzegovina	Ireland	Serbia	Cambodia	Myanmar	United Arab Emir.	Ethiopia	Tanzania	New Zealand
Honduras	Ecuador	Bulgaria	Italy	Slovakia	Greater China	Nepal	Uzbekistan	Gabon	Tunisia	
Jamaica	Paraguay	Croatia	Kosovo	Slovenia	India	Oman	Vietnam	Ghana	Uganda	
Mexico	Peru	Cyprus	Latvia	Spain	Indonesia	Pakistan	Yemen	Guinea	Zambia	
Panama	Suriname	Czech Republic	Lithuania	Sweden	Iraq	Philippines		Ivory Coast	Zimbabwe	
Puerto Rico	Uruguay	Denmark	Luxembourg	Switzerland	Israel	Qatar		Kenya		
Trinidad & Tobago	Venezuela	Estonia	Malta	Ukraine	Japan	Russia		Libya		
United States		Finland	Netherlands	United Kingdom	Jordan	Saudi Arabia		Madagascar		
		France	North Macedonia		Kazakhstan	Singapore		Mali		

HOME | Contents

People | Products

Index

## Message from Avient's VP of Sustainability



Sustainability remains integral to achieving Avient's vision, mission, responsibility and performance. Now in my third year as head of our sustainability efforts, I have never been more pleased—and proud—of our progress. As you read through this year's Sustainability Report, you will see that we are making an impact in all four of our sustainability cornerstones: People, Products, Planet and Performance.

Last year, Avient announced our <u>2030 Sustainability Goals</u>, which established clear expectations for our company

related to climate change, product innovation, supplier engagement and overall corporate responsibility. You will see that we are making progress in our metrics as well as the many initiatives we are undertaking to meet these commitments.

At Avient we believe that culture is everything, and we invest in our associates accordingly. Safety remains our top priority, and we once again achieved world class safety performance at a 0.50 injury rate in 2020, beating the industry standard by 7x. Our focus and commitment to Diversity & Inclusion represents Avient's respect for all associates. As such, we were recognized in 2020 and again received <u>Great Place</u> <u>To Work®</u> certification, as well as another perfect 100/100 score on the Human Rights Campaign's <u>Corporate Equality Index</u>.

Climate change continues to be one of the defining issues of our time, and at Avient, we are dedicated to do our part. Our 2030 Sustainability Goals include targets to reduce greenhouse gasses and increase our use of renewable energy, and we made tremendous progress in each—reducing our greenhouse gas emissions by 37% since 2019, and increasing our renewable energy usage up to 31% of our energy needs. As a result, we have updated our targets to 60% for both greenhouse gas reduction as well as percentage of energy coming from renewable sources. These efforts are also aligned with our commitments as an <u>ACC Responsible Care<sup>®</sup></u> company.

Innovation is our lifeblood at Avient, and we are focusing our R&D investments on platforms that address key sustainability megatrends. Our ability to enable our customers' sustainability goals through material science and design expertise is a key differentiator for our company. We have defined our sustainability portfolio in the eight ways we help our customers meet their sustainability goals, from advancing a circular economy through enabling recycle solutions, to lightweighting, to enabling sustainable infrastructure, or bio-polymer solutions to name a few. In 2020, alone we launched 10 new sustainable product families, and we have more than doubled our revenues of our sustainability portfolio over the last five years.

Our investment in the Clariant Masterbatch business in 2020 further solidified our leading position in solutions that enable a circular economy. Our combined portfolio of additives and formulated solutions for this space enable our customers' goals to increase the recyclability of their products, increase the recycled content, or utilize renewable resources.

Additionally, as one of the founding members of the <u>Alliance to End Plastic Waste</u>, Avient is actively participating with over 50 members to drive innovative solutions to the plastics waste problem.

We publish this report for many stakeholders, sometimes with unique, specific interests. No matter your particular passion or area of focus, I hope that you can still appreciate the breadth of Avient's comprehensive efforts in sustainability. We sure do, and that is what is fueling us to do even more in the future!

#### Walter Ripple

Vice President of Sustainability

Avient associates in our Knowsley, UK facility organized a beautification clean up event at Ainsdale Beach near Liverpool in September 2019.

# PEOPLE

## Management Approach: EH&S

The top priority at Avient is safety.

At the highest level, Avient's Board of Directors has a long-standing Environmental, Health & Safety (EH&S) Committee that oversees and monitors environmental, health, safety, security and product stewardship policies, standards and practices to ensure regulatory compliance and operational excellence globally.

Avient's <u>EH&S Management System</u> (EH&S MS) is managed by its Corporate Environmental, Health, Safety and Product Stewardship Department, and degreed technical experts employed in all regions and businesses. Avient's Vice President of EH&S and SVP of Global Operations and Process Improvement are responsible for reporting to the EH&S Committee of the Board of Directors.

The foundation of our Management Approach to EH&S is rooted in <u>ACC Responsible Care®</u>. We established a comprehensive EH&S MS to systemically identify and address any risks. Avient's EH&S MS is externally certified and based on the <u>American Chemistry Council's Responsible Care Management System (RCMS)</u> Standard, which incorporates the principle of continuous improvement. It applies to all Avient sites and our contractors globally.

Avient's EH&S MS is comprised of global standards for safety, health, security, product safety, and environmental protection, covering the transportation of materials, activities at our sites and warehouses, and distribution of our products, as well as our customers' use of our products. It covers both regulatory requirements and voluntary actions. The policies and codes that are included in the EH&S MS are:

- <u>Responsible Care Policy</u>, which outlines our overarching commitment to the <u>Responsible Care Guiding Principles</u>;
- <u>Safety & Health Policy</u>, which focuses on providing a safe and healthy workplace for our associates through building an actively caring culture;
- <u>Security Policy</u>, which focuses on protecting the security of our people and all information related to our operations;
- Avient Code of Conduct, which focuses on putting forth guidelines for ethical behavior;
- <u>Environmental Policy</u>, which focuses ensuring enduring operations, that contribute positively to our associates' well-being and the well-being of the communities in which we operate;
- <u>Product Stewardship Policy</u>, which covers the sustainable and ethical management of our products to protect our associates, customers and communities in which we operate.

Our EH&S MS includes both physical security at sites, as well as cybersecurity, the latter of which is managed by the Information Technology department at Avient. Through this system, we identify and assess the risk of all technology related activities, and the potential effects these risks may have on all of our stakeholders. We report any material risks identified by the system, as well as plans to address them, to the Board of Directors EH&S Committee on an annual basis.









## Safety First

Avient is focused on our goal of zero recordable injuries and our ongoing desire to integrate safety into all aspects of our operations. Progress toward this goal is measured at the Business Unit and regional levels, and progress toward zero recordable injuries is communicated globally and linked to a number of recognition mechanisms.

A zero recordable injury goal reflects Avient's focus on the People aspect of our 4P sustainability cornerstones. In 2020, we maintained world class safety performance and had our safest year ever with a recordable incident rate of 0.50, which is more than 7 times better than the U.S. Rubber and Plastics Manufacturers industry average. Until that number is zero, we have more work to do. Additional detail, systems, and performance metrics are provided in the <u>Occupational Health &</u> <u>Safety section</u> of this report.

#### **Injury Incidence Rate**



## **COVID-19** Protecting Our People as an Essential Business

As a global organization, Avient recognized the early risks associated with the COVID-19 pandemic. And we took action. Our early and consistent approach focused on protecting the health and safety of our associates, families, customers and communities.

We consistently monitored and adhered to local government requirements and conditions everywhere we operate. We mobilized regional COVID Task Forces and collaboratively developed procedures then took action accordingly. To ensure our work environment is as safe as possible, this included:

- Strict adherence to all local government requirements as well as incorporating WHO and CDC guidelines
- Required remote work for associates able to do so
- Social distancing, increased and regular sanitization, pre-shift wellness assessments and on-site temperature checks
- Incident reporting and contact tracing procedures, including self-quarantine if suspected exposure
- Support services for the physical and mental health of our associates and their families
- Continuous communications, education, awareness, updates and encouragement to our associates

At the same time that we prioritize health and safety, it is essential that Avient continue to produce our materials and serve customers.

Our materials are a key component in the supply chain that allows for food, beverage and medical supplies to continue to be produced, packaged, shipped and used. This includes masks, protective garments, medical tubing and packaging for personal care products. In addition, our materials allow for infrastructure, telecommunications and technology to function.

As the pandemic continues, or should other global challenges arise, we will remain vigilant and committed to this very approach: Prioritize the health and safety of our associates first, while continuing to operate and serve the essential and emerging needs around the world.

## **Occupational Safety & Health**

Occupational safety, health and well-being are paramount at Avient because we understand the value of good performance in these areas to our people, their families, collective morale, operational costs and reputation. As such, we ensure that our operations meet both legal and best-in-class standards.

Our "safety first" culture was built not through words, but through dedication, continuous improvement, and action. Throughout Avient's history, systems have been in place that underscore our commitment to the occupational health, safety, and wellbeing of our associates.

Avient believes that only with the active participation of all associates, at all levels of the organization, can risk truly be reduced to acceptable levels. For this reason, we have built an actively caring and attentive culture, where input on safety and health topics is encouraged and expected as a condition of employment.

Each associate has the freedom and expectation to communicate hazards and remove their self from unsafe situations, without the fear of reprisal. Safety committees represent all associates employed in production. Where there is a need for new internal standards or updates to existing ones, working groups comprised of regional and corporate EH&S experts are established. We then develop and communicate the draft to internal stakeholders, soliciting feedback, and considering revisions before the standard is finalized and approved. All standards are then published in the EH&S section of The Loop, Avient's intranet site available to all associates.

Under our <u>EH&S MS</u>, Avient has rolled out multifaceted trainings and tools to achieve our ultimate goal of zero recordable injuries in the workplace. Examples include Residual Risk Reduction (R3), which incorporates behavioral safety, improvements to safety leadership, various safety suggestion mechanisms, internal and external audit systems, and Global Safety Days. The importance of associate participation in safety management systems is a common thread throughout our training systems at Avient.



Our R3 initiative helps associates identify and weigh risk to lead them to a safer decision or action.

## **Continuous Improvement**

Prior to, and including 2020, we have set ambitious internal goals for safety, health, and environmental protection, and we regularly conduct audits to monitor our performance and progress toward these goals. We also track physical security incidents and manage those through the <u>EH&S MS</u>. The management system audits are conducted by leaders from corporate and the various operations, in conjunction with third-party experts where necessary, and consist of site visits to validate compliance to internal standards and regulatory requirements. The audits identify areas where corrective and preventive measures are necessary to further reduce risks. Companies acquired by Avient go through a rigorous EH&S integration process to bring new sites in line with our high standards and policies. Part of this process is to help sites develop their own EH&S Maturity Road Map which guides them through the implementation of our standards through a risk based approach.

After all health, safety, security or environmental incidents, Avient conducts an investigation to identify root causes, implement corrective actions and validate measures to prevent reoccurrence are enduring. Specific investigation methodologies are provided and described in Avient's Incidents, Accidents & Safety Reporting module of our EtQ information management system. This process ensures that all incidents are fully documented, communicated and properly managed by EH&S and business unit leadership in a timely manner.

## EH&S "Maturity Roadmap" Standard

Recognizing that all facilities are not at the same place on their journey to EH&S excellence, Avient uses an EH&S Maturity Road Map. With this standard, facilities are guided through a process of determining if each element of their management system is beginning, developing, performing, highly performing or excelling. Regardless of performance level, a riskprioritized approach to continuous improvements is outlined. Facility maturity is assessed during each internal audit with actions designed to facilitate increased management system maturity. This tool allowed Avient to minimize facility level risk and facilitate continuous improvements in 2020, despite challenges presented by COVID-19 related travel restrictions.

## Performance: Metrics and Monitoring

To quantify risk and reduce it over time, Avient monitors several key performance indicators on a regular basis: <u>Total Recordable Incident Rate</u> (TRIR) and <u>Lost Time Injury/Illness Rate</u> (LTIR).

These rates are compiled globally and reported on a monthly basis to all leadership personnel in the company. As Avient is focused on its ultimate goal of zero recordable injuries and our ongoing desire to integrate safety into all aspects of our operations, we track annual reduction goals measured at the business unit and regional levels. Progress toward zero recordable injuries is communicated globally and celebrated.

Leading indicators are also tracked to ensure efforts to identify and eliminate risk proactively continue. These leading indicators include the continuous monitoring of progress on corrective and preventive actions, the number of risk assessments performed, details on the amount of risk eliminated or mitigated, the number of internal audits conducted and participation rates of Global Safety Day activities.

Keeping Safety Top of Mind: On Avient's intranet (The Loop), the top right corner of the homepage is permanently dedicated to realtime safety metrics globally. It's our ever-present reminder to put safety first and to strive for zero injuries.



## The Loop Safety Metrics



100% OF REQUIRED ASSOCIATES

**CYBERSECURITY TRAINING IN 2020** 

**COMPLETED WEB-BASED** 

## Security

Keeping Avient's operations, infrastructure, and intellectual property protected is a vital task, as a breach in physical security at sites or cybersecurity online could lead to risk to stakeholders and the sustainability of our enterprise.

Avient's robust security measures are designed to protect our personnel and facilities from operational threats and keep our business safe from cybersecurity attacks. Our security programs are risk-based, flexible and responsive to the environments in which we operate. The security management system module in the <u>EH&S MS</u> is based upon the <u>Responsible Care® Security Code</u> that continuously seeks to improve our processes and systems related to security performance and implement management practices consistent with the Security Code.

The Avient Security and Privacy Council (ASPC) oversees the security-related governance, risk mitigation and regulatory compliance requirements of our company globally. The ASPC has two subcommittees focused on physical security and cybersecurity, with the latter having a global privacy program to help ensure our organization maintains compliance with ever-changing privacy laws, including <u>General Data Protection Regulations (GDPR</u>), as well as specific laws in all countries and regions in which Avient operates. We are also a member of the <u>U.S. Customs Trade Partnership</u> Against Terrorism (CTPAT), the supply chain security program under U.S. Customs and Border Protection, and a member of the <u>Canadian Border Services Agency Partners in Protection (PIP) program</u>. Avient's Global Trade and EH&S departments share responsibility for supply chain security.

Regarding physical security, facilities undergo periodic analyses to address potential threats. Each assessment considers geographic location, relationships with communities and applicable laws. In higher-risk locations, we maintain detailed security preparedness plans. Our security personnel continuously improve our risk management methodologies, threat-assessment capabilities and technical security management processes through drills, training programs and industry forums.

As cybersecurity risks continue to evolve, we must protect against threats against our data, facilities and operations. Awareness remains one of our best defenses, and cybersecurity education is a priority for our associates and business partners. In 2020, 100% of our required associates completed web-based cybersecurity training to help them identify and respond to potential cybersecurity risks and reinforce safe behaviors. The company maintains cyber security insurance, and a third-party auditor performs a quarterly assessment of our processes, policies and performance as it relates to IT security.

## **Management Approach: Training and Development**

Training and development of our workforce is crucial for Avient, as it influences our great place to work culture while enabling our teams to accomplish business goals. Training and development opportunities are provided to all associates globally, full and part-time. We manage training and development through global programs and technology, with a purpose to ensure a consistent and high-quality experience for associates—all to unleash their full potential at work.

Global technology enables the management approach, and it is critical to our strategy for career advancement. The Avient Learning Management system allows associates to register for instructor-led and virtual learning experiences, which are tracked in their personal learning history. Performance management data is stored and retained through the HR systems. Access to this information supports talent development and internal career progression.

Avient also offers nomination-based leadership development programs, such as NextGen and Elevate (formerly PolyMasters), as well as an open-enrollment program for leaders of people globally. The ENGAGE initiative was designed to broaden our culture of learning in our manufacturing footprint, bringing classroom experiences focused on our products and customers to our productions teams at our locations globally. Further, our associates accessed training and professional development courses through Avient Academy, and in 2020, our associates completed over 30,000 hours of training through a variety of delivery methods. Leaders at Avient play a key role in our approach to training and development. Executive leaders serve as facilitators in our leadership programs, and NextGen graduates lead the ENGAGE training sessions.

HR partners in all of our countries of operation serve as resources to deploy the global resources to local associates. Global HR systems and technology improve our HR impact and efficiency, and ultimately support our associates with their development.

Surveys are conducted after all instructor-led programs to assess effectiveness and job relevance of programming. We also conduct 360 assessments to help individuals assess their individual development and progression based on feedback from key stakeholders.



In 2020 as we shifted to more remote work training also shifted to virtual experiences when possible.

## Manager Training and Front-Line Engagement

Managers of people and front-line workers in our operations received tailored communications and training for the unique requirements of their role in our success. In addition to the technical training and companywide modules these associates receive, we recently began offering two new programs: Core Leadership and ENGAGE. These offerings build skills, increase knowledge on Avient's sustainability, and inspire engagement in their particular roles.

In 2019, we launched our latest initiative, Core Leadership, to help managers of people develop their foundational leadership skills. This program is conducted in each region, with cohorts of 20–25 newly hired or promoted managers. During the one-week program, managers learn and practice key skills such as coaching, interviewing and situational leadership. In 2020, over 115 people leaders completed this program, equipping them with new tools to manage high performing teams.



## **Avient Competencies**

In 2020, we launched the Avient Competencies. Our competencies were developed based on feedback from our associates in all regions, businesses, functions and at all levels of the organization. Themes from our associates' feedback were mapped to a library of competencies that, based on research, are predictive of success across all industries.

Our competencies define what it takes to be successful at Avient. They represent the expectations we have for ourselves, our teams, and our leaders. Most importantly, our competencies create a common language for how we coach and develop our associates, in support of the organization's goals and individual career aspirations.

The Avient Competencies have been incorporated into all of our talent management processes, including goal-setting and our annual performance review process. They describe the behaviors most important to accomplishing our organizational priorities and personal development.



## Diversity & Inclusion: Leading Change from the Top

In order to enact meaningful, impactful change in any organization, it must start at the top. This is especially true when increasing diversity and inclusion.

With guidance and support from the Avient Board of Directors, we have been directing actions and programs to change how our organization views, values and creates diversity in the workforce.

"The importance of building diverse and inclusive organizations has never been more important—in business and in our world," said Bob Patterson, Chairman, President and CEO, Avient.

Diverse and inclusive organizations attract and retain better talent, are more innovative, and are also among the best performing.

"As the CEO, change of this importance must begin with me—my direction, decisions and actions," he explained. "D&I at Avient is a shared value and position, but it's crucial for me to lead by example."

"Sixty-four percent of my executive leadership team and 42 percent of our Board of Directors are female or racially diverse. I draw upon this diversity to make the most informed and best decisions for our company," he said. "Yet we have more work to do throughout the company, and our investments in D&I initiatives and Employee Resource Groups will play an increasingly influential role going forward."

## 64% FEMALE OR MINORITY CEO DIRECT REPORTS





## **Management Approach: Diversity & Inclusion**

At Avient, we recognize the immense benefits that a diverse team brings to our organization, including delivering better business outcomes. Diversity & Inclusion at Avient refers to gender of our global talent pool and U.S. minority status.

With oversight from the Avient Board of Directors, the executive leadership team manages our Diversity & Inclusion program. This ensures that we have leadership accountability to advancing our D&I strategy. In addition to bi-annual reviews with the leadership team, Avient has implemented recruiting slate diversity guidelines to expand our diverse talent pipeline, with at least one-third of candidates being of a diverse background.

Our commitment to gender diversity begins at the highest levels of our organization, as evidenced by our "Winning" distinction through the <u>2020 Women on Boards organization</u> for having 25% female board members, exceeding their goal of 20%. And 42% of our Board and 64% of our CEO's direct reports are female or racially diverse. Additionally, PRIDE at Avient continues to identify best practices to improve experiences of LGBTQ employees in our workplace, which supported our journey that earned Avient the distinction of a Best Place to Work on the <u>Corporate Equality Index</u>.

Initiatives including Avient Mentoring, campus partnerships, and our LEAD by Women employee resource group are vital for progress in our D&I journey. In support of this, we stress equality of opportunity for all qualified individuals in accordance with applicable laws, as outlined in our <u>Equal Employment Opportunity Policy</u> and <u>Code of Conduct</u>. Decisions on hiring, promotion, development, compensation or advancement are based solely on a person's qualifications, abilities, experience and performance, except where local law requires us to take actions to increase employment opportunities for a specific group. The Avient Ethics Hotline serves as a mechanism for associates to anonymously report any concerns regarding such decisions.

## The Hand

In 2017, we adopted The Hand as our global symbol for Diversity & Inclusion at Avient. The symbolism is extensive and meaningful, which is why we chose it. As you read the supporting narrative we created, it provides both a call to action for the present, as well as a commitment to ongoing improvements.

## The Hand: A Symbol of Diversity & Inclusion at Avient

The Hand represents Avient's symbol for

**Diversity & Inclusion** as a means to build an accepting and open culture where everyone is welcomed, safe, included and respected as part of our global organization.



**The Hand represents peace**, commitment and friendship as handshakes are widely used to celebrate an agreement or an invitation for others to join in.

**The Hand represents communication and support**, through offering it to those in need and as a language for those who may not speak verbally.

**The Hand represents individuality**. No two fingerprints are the same, and no two people are the same. At Avient, we commit to respecting—and embracing—the wonderful aspects and benefits of uniqueness.

#### The Hand represents an indication to stop,

because we are all accountable to speak up and eliminate bias or discrimination of any type in the workplace.

**The Hand represents work**, for we acknowledge that at Avient, there is no finished state of diversity and inclusion. Rather, it requires our continual attention, effort and refinement along our ongoing cultural journey.

## **PRIDE at Avient**

In 2018, we were excited to launch PRIDE at Avient. This Employee Resource Group works to create a safe and accepting environment that enables LGBTQ associates to perform to their fullest potential and contribute to the success of our company.

Through a combination of seminar participation and peer company benchmarking, our team quickly began offering educational programming and awareness—for both LGBTQ associates and supporters. As outside guest speakers and our own Avient associates have begun to share their stories and experiences, it's helped to build empathy and collaboration among our workforce, teaching us to value differences in each other, while dispelling misconceptions.

We are proud to yet again earn a perfect score of 100/100 on the Corporate Equality Index. The <u>Corporate Equality Index (CEI)</u> is the United States' premier report on corporate policies and practices relating to LGBTQ workplace equality, administered by the Human Rights Campaign (HRC) Foundation. This score earns us the distinction as a Best Place to Work for LGBTQ Equality.

In 2020, PRIDE offered virtual content to continue to support workplace equality. Through videos to celebrate events like National Coming Out Day, PRIDE earned over 1,000 views on their programming. In addition, PRIDE continued their mental health training series, which included training classes on topics such as mindfulness and suicide prevention. These courses were offered virtually, as mental health became an even more relevant topic during the challenges of the pandemic.



"I am proud to work at Avient, which supports employee groups like PRIDE. It can be nerve-racking not knowing if you can truly be yourself at work. Due to great initiatives and support that PRIDE has, it only reinforces Avient's commitment to diversity and inclusion. I have the ability to just be myself while also helping to contribute to the success of our company and stakeholders." —Christopher Largent – Inside Sales Representative.



Vision	To become "the company of choice for all"	
Mission	Create a safe and accepting environment that enables LGBTQ associates to perform to their fullest potential and contribute to the success of Avient	
Strategic Priorities	<ul> <li>Connect LGBTQ associates and supporters to advance Avient's diversity and inclusion vision</li> <li>Build awareness and support for inclusion regarding orientation</li> <li>Promote Avient externally as an inclusive company</li> </ul>	
Key Tactics	<ul> <li>Internal programming, networking &amp; education</li> <li>Participation and networking in external LGBTQ organizations and events</li> <li>Engage in Human Rights Campaign Corporate Equality Index process</li> </ul>	
80 PARTICI	PANTS D18 LAUNCH	

CORPORATE EQUALITY INDEX SCORE SECOND CONSECUTIVE YEAR

100%

## HYPE

We also launched HYPE (Harnessing Young Professional Energy) in 2018, which is building a collaborative network of Avient's young professionals, eager to innovate and impact our customers with the support of cross-generational expertise.

Beginning a career in any field is exciting, but it can also be daunting and overwhelming. Not only are young professionals learning their jobs, technical skills and organizational savvy, many are also experiencing how to navigate personal finances, independent lifestyles and general life skills—all at the same time.

HYPE was formed to help our associates with this transition. Networking events bring together Avient's Young Professionals in forums to build their networks among peers, so they learn, support and grow together during this time. Special "life skills" training sessions help HYPE participants in areas such as benefits enrollment and filing a personal tax return. In 2020, HYPE continued it's HYPE High 5 social community to share thought leadership and resources with young professionals in the organization. They covered topics such as student loans, transitioning to the workplace, and published interviews with senior leaders offering valuable career advice. They also hosted live webinars covering content such as sustainability, as a way to connect with their community and gain deeper insights about our organization.



"We connected with the HYPE audience to discuss key sustainability concepts and why they matter. We reviewed the environmental impacts of plastic compared to alternative materials, the 8 ways that Avient enables customers to reach their sustainability goals, and how every individual can contribute to creating a circular economy."—Abby Conley, Marketing Associate



"Co-leading a virtual webinar for HYPE was a great way to engage associates in Sustainability while practicing my personal presenting skills. We facilitated an honest discussion about the benefits and challenges to plastic, and then introduced Avient's strategy for creating a more sustainable world. "—Michaela Cunningham, Marketing Communications Specialist, Sustainability



Vision	To become "the company of choice for all"	
Mission	Create a community of young professionals across Avient, fueled by fellowship and professional development (to improve retention)	
Strategic Priorities	Community • Foster a feeling of togetherness and support among YPs through social opportunities	Opportunity • Inspire and enable YPs to a clear career path at Avient through professional development opportunities
Kev Tactics	<ul><li>Career path mapping</li><li>Job/function overviews</li></ul>	

- Networking, mentoring, shadowing
- Programming—New Professional 101



EDUCATING YOUNG PROFESSIONALS ON AVIENT BENEFITS AND LIFE SKILLS



USING DIGITAL PLATFORMS TO BUILD AND GROW THE NETWORK OF YOUNG PROFESSIONALS



## LEAD by Women

Avient's LEAD by Women Employee Resource Group promotes diversity and inclusion by increasing access to the tools and resources necessary to build leadership skills and accelerate careers. While led by women, the initiative is all-inclusive—everyone is encouraged to participate, learn, improve skills sets, and advance our mission. The group leads numerous leadership development training sessions, covering topics such as unconscious bias, building trust and impactful communication.

Since 2018, more than 5,800 associates have participated in at least one of the 85+ global LEAD by Women events. Each global region has its own, rotating leadership structure that tailors programming and information to localized needs. This decentralized approach ensures sensitivity to local customs and norms, while still advancing Avient's overarching objectives.

In 2020, LEAD by Women offered programming virtually to our most geographically dispersed audience yet. We headed in-depth working sessions focused on leveraging core values and a candid discussion on race and racism in the United States.



"Our people continue to be a core pillar of Avient's sustainability strategy. LEAD by Women has been a key contributor to the development of our talent by leading conversations that help push the bar on our D&I journey. It's energizing to see how eager our associates are for the content and conversations on how to be more inclusive. As a leader, it's inspiring how Avient continues to prioritize professional development for all associates."—Rachel Vickers, Global Strategic Sourcing Leader and LEAD by Women Programming Leader

Vision	To become "the company of choice for all"	
Mission	To advance diversity in professional and personal development at Avient	
Strategic Priorities	Developing People Professional & Personal Development	Building the Networks Networking & Collaboration
Key Tactics	Global Speakers Development Programs	Local Chapter Programs On-boarding / mentoring

5800+ PARTICIPANTS SINCE 2017

85+

GLOBAL EVENTS HELD SINCE 2017



FOCUS ON SELF-AWARENESS, TRUST, COMMUNICATIONS & UNCONSCIOUS BIAS

## **EMBRACE**

In 2021 we are launching EMBRACE, our most recent Employee Resource Group focused on diversity & inclusion at Avient. As a truly global company, understanding and valuing the many cultures and backgrounds of our associates is both exciting and inspiring. It also provides an excellent opportunity to utilize our global breadth to foster racial diversity within our company, particularly in the United States.

EMBRACE aims to enhance racially diverse talent at Avient. Increasing racial representation will further us along on our journey by allowing for more creativity, inclusivity, unique perspectives, and ultimately, better performance.

We look forward to growing this important group, leveraging the many benefits of diverse talent throughout our global organization!



"We look forward to expanding our racial representation by recruiting more diverse talent at Avient and ensuring our associates of different heritage feel understood, accepted and valued. We can't wait to see what EMBRACE further contributes to our great culture!" –Geraldine Ng, Senior Manager, Ethics & Compliance



Vision	To become "the company of choice for all"	
Mission	To expand Avient's capabilities to attract, develop and retain racially diverse talent	
Strategic Priorities	Support recruiting and onboarding of diverse talent into Avient	Engage with our diverse talent to build on Avient's culture of inclusion
Key Tactics	Internal programming, networking and education	Participation and networking in external professional organizations and events



UNDERSTANDING AND APPRECIATING RACIAL AND CULTURAL DIVERSITY, SO THAT DIFFERENCES ARE VALUED AND WE WORK BETTER TOGETHER

## Workforce Demographics

#### Diversity

Leadership	Diversity-Fe	male + U.S.	Minority
------------	--------------	-------------	----------

CEO Direct Reports

64%

Directors, General Managers, VP/SVP	25%
Management	40%
Professionals	50%
Production Associates	45%
All Avient Associates	46%

#### Race & Ethnicity (U.S. Associates Only)

American Indian or Alaskan Native	0%
Asian	3%
Black or African American	10%
Native Hawaiian/Other Pacific Islander 0%	

Total = 99% due to rounding for categories <1%

#### Gender Diversity by Level—Female

Directors, General Managers, VP/SVP	15%
Management	27%
Professionals	38%
Production Associates	4%
All Avient Associates	22%

#### Global Associates by Age

Under 30	11%
30-50	57%
Over 50	32%

Two or More Races	1%
Hispanic or Latino	13%
White	72%
Not Disclosed	0%

Board of Directors Gender	
Female	25%
Male	75%
Age	
30-50	17%
Over 50	83%

#### Race & Ethnicity

U.S. Minority	17%
White	83%

#### Turnover

Total Global Turnover = 8.1%

	Salaried	Hourly	Total
U.S. & Canada	7.1%	17.6%	12.0%
Europe/Middle East/Africa	4.1%	5.5%	4.7%
Asia	4.8%	10.8%	7.6%
Latin America	7.0%	12.8%	9.3%
Global	5.3%	11.5%	8.1%

	Salaried	Hourly	Total
Under 30	7.2%	25.4%	16.0%
30-50	4.7%	11.4%	7.6%
Over 50	5.9%	6.8%	6.3%

	Salaried	Hourly	Total
Female	5.1%	20.6%	6.8%
Male	5.4%	11.0%	8.5%

#### **New Hires**

New Hires as a % of Total Employee Population = 10%

	Female + Minority	Under 30 New Hires	30–50 New Hires	Over 50 New Hires
Direct (Hourly)	35%	33%	55%	12%
Indirect (Salaried)	44%	35%	50%	15%
Total	39%	34%	53%	13%

## **Employee Representation**

Avient respects our associates' right to join or not join any lawful organization and comply with all applicable laws pertaining to freedom of association and collective bargaining. As of December 31, 2020, approximately 1% of our employees were represented by labor unions under collective bargaining agreements.

## Human Rights

Avient is dedicated to conducting business ethically and with integrity, and our Position on Human Rights is part of our commitment to socially responsible business practices.

We have internal assessment processes in place, under the oversight of our executive leaders, to identify potential human rights risks. For example, through these processes, we have identified potential human rights risks, including: protecting the health and safety of our associates and contractors, addressing modern slavery in the supply chain and preventing, minimizing and eliminating waste contamination in the environment.

Ongoing potential risk identification and mitigation in occupational health and safety is critical to our "safety first" culture. Focus on continuous improvement in this area is described in <u>Occupational Health and Safety</u>.

Due diligence processes for slavery and human trafficking are in place where required to identify and mitigate possible risk, such as in our <u>Modern Slavery and Human Trafficking Statement</u>.

Regular audits are conducted to inspect our external waste disposal companies to ensure proper disposal and to avoid water and other environmental contamination, as described in <u>Waste: Preventing, Minimizing, Eliminating</u>.

Additional information can be found in our **Position Statement on Human Rights**.



## **Associate Benefits**

What it takes to be a sustainable company has many parallels with being a great place to work. Our ongoing associate feedback is highly valued, discussed, and most importantly, acted upon to make improvements. This includes our culture and unique benefits we offer.

## **Community Service**

Avient offers a global benefit of Community Service hours, where each associate is encouraged to take 16 hours of paid time off each year to participate in activities to help create more sustainable communities. Activities can be done as a group of fellow Avient associates or individually. These hours are used during a normally schedule work day. Since 2018, Avient associates have performed more than 10,000 hours of

community service through this program. During the unique circumstances in 2020, our associates found creative ways to continue to give back to communities. Our associates led virtual community service events, including food drives and animal shelter donation drives, participated in blood drives and dropping off meals to local healthcare workers.





## Awards & Recognition Programs

We celebrate, reward and share our associates' great work through our recognition programs, some of which are listed below and available globally:

## You Made a Difference Awards

Recognizes associates who go above and beyond their job responsibilities on a project or task.

## Spotlight Awards

Recognizes associates for their typical duties on a project or task that has a significant impact on the organization.

## Chairman's Awards

#### Associate

Our Chairman's Achievement Award recognizes excellence in the execution of Avient's fourpillar strategy. It's the highest honor a non-sales associate can receive at our company.

#### Sales

Our Chairman's Club Award recognizes our top 25 sellers and one sales manager for their outstanding performance and living our values of Collaboration, Innovation and Excellence.

#### Leadership

Our Chairman's Leadership Award recognizes our top performing General Manager for performance, culture and inspirational leadership.







## Health and Wellness

## 

Health and wellness is a commitment we make to every Avient associate. We do this through our safety focus, benefits, and wellness programs that support financial, physical and mental wellness.

Some are tailored to local standards and needs like summer flexible work schedules. Others canvas our global organization, like our inaugural Global 5K Fun Run and Walk held in 2019, where more than 3,500 associates participated in one of 57 events at an Avient location focused on promoting healthy lifestyles. In 2020, we hosted a virtual version.

### **Compensation and Benefits**

Base pay and performance-driven incentive opportunities are some of the many benefits provided to all employees, as we strive to remain competitive in the global marketplace and provide foundational rewards to attract and retain top talent. Example benefit opportunities in the United States include:

- Paid vacation & holidays
- Comprehensive dental & vision plans
- Medical & prescription drug plans
- Health Savings Account (HSA)
- 401(k) savings plan & attractive company match
- Company-paid short-term & long-term disability
- Company-paid basic life and accidental death and dismemberment insurance
- Employee Assistance Program
- Accident, critical illness, and hospital indemnity voluntary benefits

In general, part-time employees in the United States who work 20 hours of more are included in paid time-off programs. Associates generally must be classified as full-time employees to be eligible for health and welfare benefits. This means they are regularly scheduled to work a minimum of 30 hours a week for Avient.

## **Parental Leave**

In order to assist and support new parents with balancing work and family matters, Avient provides paid parental leave to eligible employees for activities related to the care and well-being of their newborn or adopted child. Globally, Avient complies with all statutory regulations for parental leave. In the U.S., Avient provides up to six weeks (30 working days) of 100% Paid Parental Leave (regular rate of base pay) to eligible employees following the birth or adoption of a child. Eligible parents that regularly work 30 or more hours per week are eligible for Paid Parental Leave benefits. For parents who qualify for short-term disability wage replacement (STD) benefits, Paid Parental Leave benefits can be taken after the STD benefits have been exhausted.

In 2020, eligible female associates in the U.S. took an average of 27 days of Paid Parental Leave after their STD benefits were exhausted. Eligible male associates took an average of 17 days of Paid Parental Leave.

## Virgin Pulse

Further supporting the wellness of our associates, we offer Virgin Pulse, an interactive, multi-faceted online platform that connects and inspires associates to make healthy, informed decisions. Through networks and company-sponsored challenges, Virgin Pulse participants are tracking their activities like eating healthy, exercising and taking health measurements—while at the same time earning rewards that can lower their premium costs, earn prizes, and improve decision making on overall health and financial wellness. Virgin Pulse is available to Avient associates globally. In 2020, we

held our first global virtual marathon, where teams of Avient associates tracked their steps as part of this 10-day wellness challenge. Participants each walked an average of 46.5 miles!



## Career Training and Performance Feedback

At Avient, we value each associate and work to create a culture that provides everyone the feedback, tools and opportunities to reach their career aspirations. 100% of Avient associates receive regular performance feedback. Associates have the opportunity at least twice per year through the performance appraisal process to request a career development discussion with their manager.

Associates have access to training and professional development courses through Avient Academy. Avient Academy originated in 2003 to provide continual learning and professional development opportunities to associates around the globe. Through Avient Academy, associates can participate in classroom, online, and webinar based training sessions. In 2020, Avient associates completed over 30,000 hours of training through these various delivery methods.

We continued to deploy eLearning content globally through the LinkedIn Learning platform. Learners in 36 countries completed nearly 20,000 learning experiences using through the on-demand library of courses. Avient was featured as a LinkedIn Learning customer success story, after leading a focused three-week learning campaign that reached best-in-class participation—with over 2,800 users using their licenses. Additionally, we executed upon our five-year ethics training program, which encompasses topics such as <u>Avient's Code of Conduct</u>, Harassment & Discrimination, <u>Anti-bribery & Corruption</u>, Anti-trust, Insider Trading and Information Security. In addition, we provide trainings to specific functions and geographies based upon our assessment of risk. Associates also receive additional, tailored training based on their role, such as Lean Six Sigma, customer centric selling or information systems.

#### **Outplacement Programs**

Avient offers high-quality outplacement services to associates who have been impacted by workforce reductions. Resources such as career and resume consultants are offered to support departing associates. In 2020, 65% of individuals in the U.S. who were referred to outplacement services opted to utilize them. On average, these individuals landed in new jobs in 9 weeks, which is well below the U.S. Bureau of Labor Statistics average of 18 weeks.

## Virtual Learning

In 2020, our ability to bring associates together for face-to-face learning experiences was limited due to the COVID-19 pandemic. In order to continue to prioritize the development of our people, we adapted almost all of our learning experiences to a virtual format.

The 2020 NextGen class leveraged technology to conduct large and small group workshops to guide an immersive leadership development experience. The ENGAGE program, which creates learning and recognition opportunities for associates in our manufacturing locations, was also adapted to a virtual format. In May, we led a campaign to encourage associates to get started with LinkedIn Learning and complete eLearning courses. Our Employee Resource Groups, LEAD by Women, HYPE and Pride at Avient also offered virtual programming to their members.

Leveraging technology to deploy learning experiences has created new ways to support our associates' ongoing development.

## Linked in Learning



## **Operational and Commercial Excellence Training**

Lean Six Sigma underpins our continuous improvement culture. It is a technical methodology that drives improvement of all business processes through the elimination of waste and variation. The impact can be seen throughout our businesses, functions and operations. More than 3500 active Avient associates have been trained in LSS and over 350 process improvement projects are active at any given time. The most advanced LSS training is for

Black Belt level project leaders. Every year a select group of approximately 30 associates ECZ Avient are handpicked to participate in this prestigious leadership development program and embark on an intense two year assignment which includes 7 weeks of training and multiple enterprise wide improvement projects. After completion of the program they deploy back into the organization where they continue to apply their leadership and change management skills.

#### Associates Trained in LSS (Cumulative)



#### LSS Projects Completed (Cumulative)

LEAN

SIGMA

SIX

 $\mathbf{O}$ 



#### **Customer Centric Selling**

CCS is at the core of how we serve our customers and collaborate with them to solve their most pressing challenges. CCS training is provided to every member of the Avient salesforce beginning in their onboarding process and continues thereafter throughout their careers. Various levels of training are provided, depending on prior commercial experience and need, and participants train collaboratively—both online and regionally in-person to maximize collaborative learning.

In addition, other customer-facing associates also benefit from CCS engagement. Roles such as Customer Service Representatives, Product Managers and Marketing Associates learn the techniques and skills required to both solve customers' urgent sustainability challenges, as well as uncover the more latent opportunities that will drive value for customers, consumers and communities well into the future.

## Leadership Development Programs

A telling illustration of our increasing investment in People can be seen in the chart below. In the recent past, we did not have a formalized program for leadership development. Yet attracting, retaining and developing top talent in a global specialty organization requires robust efforts in each. So we took action, and haven't looked back.

To support and invest in the skills of our existing associates we developed two hallmark in-house global leadership development programs, and we have now graduated over 300 of our associates through the highly coveted NextGen and Elevate (formerly PolyMasters) programs.



Since 2013, the executive leadership selects 14–16 high performing, high potential associates each year to participate in the NextGen leadership development program. Participants attend a weekend leadership retreat followed by a full-week program facilitated by our CEO and leadership team. Associates engage in a 360 assessment feedback process and are assigned an executive mentor, where they identify a project that helps develop key aspects of their leadership. In a second week of NextGen, they present the outcomes of their project and share how they developed their leadership through the process.



In 2010, Elevate began within our Finance team to give high performing associates an opportunity to gain exposure to executives within the company, develop public speaking skills, and showcase an innovative idea. In 2013, the program was extended to the rest of the company globally. Each year, our executive team selects approximately 35 high-performing associates to participate in the Elevate program. These associates present their personal stories and innovative ideas to executive leadership, and several of them are selected to present to the Board of Directors. Nobody has the market cornered on good ideas. We introduced Elevate to encourage and collect them from our greatest asset—our employees.

#### **Developing and Rewarding Top Talent**

Avient's hallmark leadership development programs have helped build tomorrow's leaders today, by inspiring and instilling leadership qualities in our high-performing associates. Our alumni base continues to grow, as they immediately begin to utilize their leadership skills to help our great company thrive.




# **Talent Acquisition and Campus Recruiting**

Attracting top talent in all regions of the world is paramount for both meeting the current challenges our customers face, as well as building experience within Avient and our industry—to meet the needs of the future. To do so, we actively recruit and seek the best and the brightest through numerous channels, including job fairs, online talent networks, industry associations, referrals and campus recruiting, just to name a few.

Similar to our leadership development journey, Avient's early years as a company did not include a formal campus recruiting program. However, a sustainable, growing company needs to ensure a robust and diverse talent pipeline—one that is aligned with the rapidly emerging skill sets required to meet the needs of customers…and the planet.

Today, we recruit at more than 25 leading universities around the world and hire approximately 140 new graduates each year as full-time, co-ops or interns. We have launched seven highly coveted rotational development roles—from marketing to operational excellence to finance to IT—where newly hired associates rotate through various departments and jobs for up to two years, contributing their skills while also building diverse, well-rounded knowledge of our company and many stakeholders.

In 2020, we adapted our summer internship program to a virtual format. This created an opportunity for our interns to gain real-world, professional experience remotely.





"Avient did a phenomenal job of making their interns feel connected with each other and the company, despite being remote. I gained professional experience, saw the impact of my work, and built friendships with people hundreds of miles away. The exposure to so many people, regions, and business units was unmatched."

- Katie Pastirzyk, Avient Intern-student at Miami University

# A Great Place to Work

When we created Avient and announced on July 1, we did so by bringing two great businesses together to form a truly outstanding one. A key factor in the decision to join together was the cultural fit. Each company brought unique strengths, people and ideas. These aspects, combined with our shared passions and values, are what truly make us better together.

Both organizations had their own longstanding practices of seeking out employee feedback and taking action. In November 2020, we conducted our first Employee Engagement survey as Avient. In the early stages of this new company, it was important that we captured every associates' feedback to create a great place to work wherever we do business. We asked our associates to share their feedback—and they did!

Over 7,400 Avient associates participated in our survey, representing over 40 countries. We were honored that our scores once again earned us the distinction as a Great Place to Work Net Institute.

#### America's Most Responsible Companies

In another prestigious recognition, Avient was recognized as one of <u>America's</u> <u>Most Responsible Companies</u> by Newsweek. Our selection was based on publicly available key performance indicators and an independent survey. The KPIs focused

on company performance in the environmental, social, and corporate governance areas, while the independent survey asked U.S. citizens about their perception of company activities related to corporate social responsibility.



# Great Place To Work® Certified NOV 2020-NOV 2021 USA









# PRODUCTS

# How Our Products Enable Sustainability

Avient defines our Sustainability Portfolio in the eight ways in which we help our customers meet their innovation and sustainability goals through material science. In 2020, we updated our applications and revenue to better represent how we enable our customers' sustainability goals, as well reflect the sustainable technologies of recently acquired Clariant Masterbatch business. The updated revenue performance is provided herein.

We actively design our solutions to our customers' sustainability needs, including lightweighting, improved recycle solutions and eco-conscious benefits. This portfolio has grown from \$340M in 2016 to \$790M in 2020, and the megatrends of the future indicate continued growth and demand. In fact, in 2020 approximately 60% of the revenue generated from sustainable solutions came from products designed for resource conservation\*.

As the world begins to shift from operating in a linear economy to a circular economy, Avient is proud to be a part of the solution. Through our design expertise and material science, we help our customers make their products more recyclable, increase post-consumer recycled content, formulate with bio-based materials, use less material during production and reduce energy required for production, just to name a few.



\*\*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 Masterbatch business Eight ways we help customers meet their sustainability goals through material science:



#### Revenue from Sustainable Solutions\*\* 2016–2020

\$790M

# Innovation: The Lifeblood of a Specialty Organization

At Avient, our proven ability to innovate materials that enable our customers' sustainability goals remains a key differentiator for our company. And sustainability is an integral part of our innovation strategy.

Our guiding principles are outlined in our Sustainability Promise. A crucial enabler to living this pledge is having deep material science and commercial expertise on our team, and we've invested heavily in this area. Since 2014, we have increased our commercial resources in R&D, Sales and Marketing. These highly-talented Avient associates add value to our customers and improve sustainability through collaboration and formulating specialty polymer solutions with our Phased Offering Launch process, a proprietary means through which we take new solution ideas from concept to commercialization.

One measure of innovation success we use is our Vitality Index, which shows the percentage of our specialty sales generated from solutions introduced in the last five years. In 2020, our Vitality Index reached 36%\*, validating the strength of our technology portfolio. We are committed to growing our innovation pipeline by developing innovative products that meet dynamic market trends and customer unmet needs, as featured in this Sustainability Report.

#### R&D Spend



\*Pro Forma for the Clariant Masterbatch business

#### The Avient Sustainability Promise

As a leading provider of specialized and sustainable material solutions, Avient is committed to meeting the needs of the present without compromising future generations' ability to meet their needs. We are committed to creating value for our customers, employees, communities and shareholders through our dedication to ethical, sustainable and fiscally responsible principles.

- We will put our customers first by helping them grow their businesses with innovative, safe and environmentally sound solutions following the principles of trust and environmental stewardship established in our groundbreaking <u>No Surprises Pledge</u><sup>SM</sup>.
- We will strive to minimize our environmental impact and maximize our conservation of the earth's resources by using energy-efficient technologies, recycling more, reducing waste, continuously improving operating efficiencies and driving operational excellence.
- We will provide a safe workplace for our employees and will protect our communities by continuously improving our world-class environmental, health and safety performance.
- We will create opportunity for our employees by growing our business, building a more diverse workforce, investing in world-class training and development, and making Avient the employer of choice.
- We will be involved in the communities in which we operate by building closer relationships with charitable and public service organizations and encouraging our people's engagement in local sustainability initiatives.
- We will work collaboratively with our suppliers to lessen the environmental impact of logistics across our global supply chain.
- We will build strong relationships with providers of leading-edge sustainable technologies.

# No Surprises Pledge<sup>SM</sup>

At Avient, we are committed to helping you grow your business with safe and environmentally sound solutions. This commitment is exemplified by our No Surprises Pledge<sup>™</sup> which we make to all customers and markets, across the globe.

You can be confident that, in formulating and manufacturing our materials, we use sustainable practices to provide long-term product viability and sound environmental stewardship.

You can expect that the materials we produce contain only ingredients that conform to accepted legal and regulatory compliance guidelines.

You can trust that Avient materials meet the rigorous quality and safety management standards required across the globe.

You can be certain that Avient meets or exceeds the material safety data reporting requirements of your country or region.

When you choose Avient, you can be confident our products will help you meet or exceed today's stringent compliance standards.



# Example Products and Sustainable Outcomes

Category	Outcome	Avient Product Example
Lightweighting	Enables the production of parts that are lighter in weight than parts made from "traditional" materials, while still providing comparable strength, stiffness and performance. Reduces the amount of material needed to make a part or package without sacrificing	Hydrocerol™ Chemical Foaming Agents Edgetek™ LD Density Modified Formulations Complēt™ & Onforce™ Long Fiber Reinforced Thermoplastics
Sustainable Infrastructure	mechanical and performance needs. Solutions that help to protect the environment and promote long term sustainability (e.g., renewable energy & 5G applications)	ColorMatrix <sup>™</sup> Amosorb Oxygen Scavenger For PET Fiber-Line <sup>™</sup> Twisted Kevlar <sup>®</sup> Fibers for Pipe Rehabilitation ECCOH <sup>™</sup> Low Smoke and Fume Non-Halogen Formulations Smartbatch <sup>™</sup> Color & Additive Concentrates
Reduced Energy Use	Reduces energy consumption (e.g., reduces re-heat energy requirements, enables faster cycle times).	OnCap <sup>™</sup> CTR Process Optimization Additives ColorMatrix <sup>™</sup> Joule <sup>™</sup> & Smartheat <sup>™</sup> Infrared Absorber Artisan <sup>™</sup> Pre-Colored Thermoplastics for Paint Replacement HIFORMER <sup>™</sup> Liquid Masterbatches
Volatile Organic Compound Reduction	Allows for the replacement of components or systems that emit VOC's.	OnFlex™LO Low VOC/Fog Thermoplastic Elastomers OnColor™FX Special Effect Colorants
Human Health & Safety	Solutions that directly protect and preserve human health (e.g., Hygiene & Personal Protective Equipment (PPE) and medical devices)	<u>Mevopur™ Polyolefin-based Formulations and Masterbatches</u> Versaflex™ HC Thermoplastic Elastomers
<b>Recycle Solutions</b>	Contains Recycle Content: Incorporates post-consumer or post-industrial recycle content. Enhances recyclability: Improves the ability of materials to be recycled (e.g., improved properties, color, etc.).	ColorMatrix™ AAzure™ PET Process Aid with Acetaldehyde. Control Technology CESA™ IR Sortable Black for Recyclable Packaging Nymax™ PIR Post-Industrial Recycled Nylon Formulations
Bio-polymers	Based in whole or in part on bio-polymer resources, or enable bio-based materials to perform at a level comparable to conventional polymers. Non-toxic and heavy-metal-free ingredients and biodegradable carrier resins.	OnColor™ Naturals—Colorants for Recyclable Packaging reSound™ OM Thermoplastic Elastomers OnColor™ BIO Concentrates with OK Compost Certification
Eco-conscious	Offers alternatives to traditional materials such as lead, bisphenol-A (BPA), phthalates, halogens or thermoset rubbers.	Zodiac™ Aquarius™ Water Based Screen Printing Inks. Versaflex™ HC Thermoplastic Elastomers.

# Enabling A Circular Economy

#### What is a circular economy\*?

A circular economy aims to redefine growth, focusing on positive society-wide benefits. There are three key steps to closing the gap:

- Design out waste and pollution
- Keep products and materials in use
- Regenerate natural systems

#### How does Avient support a circular economy?

As the world continues to shift from operating in a linear economy to a circular economy, Avient is proud to be a part of the solution. Through our design expertise and material science, we help our customers reduce material usage, enable recycle solutions, improve physical performance and reuse potential of recycled materials.

Avient also recently announced a 2030 sustainability goal to reach 100% of our materials for the packaging market to be recyclable or reusable.

\*(Source: https://www.ellenmacarthurfoundation.org/circular-economy/concept)



## Circular Economy Highlighted Solutions:

#### Amosorb<sup>™</sup> Oxygen Scavenger for PET

Creates an active barrier against oxygen ingress to help enhance product protection and extend shelf life. Our latest technology offers up to 50% lower haze and reduced impact on the PET recycle stream compared to previous grades. Additionally, it extends shelf life and reduces spoilage.

#### reSound™ R VX TPEs

TPEs formulated with up to 40% PIR or 25% PCR content using recycled ocean plastics from Oceanworks<sup>®</sup>.

#### ColorMatrix<sup>™</sup> Optica<sup>™</sup> Toners

Blue toners and colorants work to correct and reduce the yellowing or color variation that typically occurs during the recycling process.

#### OnColor™ IR Sortable Black for Recyclable Packaging

Allows previously non-recyclable black packaging to be detected, sorted and recycled by NIR equipment in waste management plants. Keeps black packaging within the circular economy and out of landfills.

#### ColorMatrix<sup>™</sup> Joule<sup>™</sup> & Smartheat<sup>™</sup> Infrared Absorber

Increases the infrared uptake capability of PET when added at the reactor stage. Improves recyclability for blended resins while reducing energy required during injection-stretch blow molding by up to 35%.

# **Consumer Packaging**

The global preference for plastics in consumer packaging has led to explosive growth and the production of hundreds of millions of containers for different applications per year. Plastic packaging is convenient, safe, lighter weight, and the most cost-effective way to protect and deliver consumer products, including food and beverages, all over the world.

Along with the tremendous benefits that plastics bring to society, there is also a responsibility to ensure plastic waste does not end up in the environment. As the technology and economics of global reclamation infrastructure continue to improve, Avient is proud to be working closely with our customers to develop innovative solutions that support a circular economy. Our technologies help to reduce material usage, improve container recyclability, and improve physical performance and reuse potential of recycled materials.

**Amosorb<sup>™</sup> Additives** protect packaged products and reduce spoilage while also helping to preserve the ability of the material to be reclaimed and used in a new bottle, while allowing reduced wall thickness.

OnColor™ and CESA™ IR Sortable Black Colorants eliminate carbon black to allow reclaimed black plastics, such as those found in food trays, to be detected and properly recycled by automated sorters.

**Optica™ Toners for PET** for PET improve clarity and color tone and enable use of increased amounts of postconsumer recycled (PCR) content while maintaining aesthetics.

**Reprize™ IV Builder** helps improve the physical and aesthetic properties of the reclaimed PET plastics.

<u>Smartheat™ Infrared Absorbers</u> are additives that reduce the amount of energy required during bottle manufacture.

SenseAction<sup>™</sup> Custom Colors for caps help to protect end consumers by combining a dedicated raw material range with a safe production process that mitigates the risk of organoleptic influences.

HIFORMER<sup>™</sup> Liquid Masterbatches provide sustainability and production benefits for packaging film suppliers such as longer production runs, reduced energy consumption and reduce waste.



# Healthcare

Plastics are a crucial tool in saving lives and improving health and safety in our communities. Protective equipment like masks and sterile packaging help to prevent disease transmission, while critical devices like ventilators and CPAP machines work to save lives. At Avient, we understand the need for medicine is an exact science, so our teams work closely with our customers to meet their demanding performance and regulatory requirements.

We help our customers overcome healthcare challenges with durable, lightweight, and eco-conscious materials. From labware for diagnostic testing to CT scanners for pinpointing the location of tumors, we continue to help our customers increase the quality of human life.

<u>Versaflex<sup>™</sup> HC Thermoplastic Elastomers</u> are formulated to meet demanding healthcare device and application challenges without phthalate plasticizers. These solutions offer high clarity and bond to a variety of substrates.

<u>Gravi-Tech™ Density-Modified Formulations</u> are unique, high-density materials that avoid the regulatory, disposal and employee exposure challenges associated with lead.

<u>WithStand™ Antimicrobial Technology</u> provides antimicrobial and antifungal additives that reduce bacterial, mold and fungal growth in finished plastic parts used in hospital surfaces.

**NEU<sup>™</sup> Custom Capabilities** offer engineered thermoplastic material solutions that support patient comfort and clinician sanitary needs.

Mevopur<sup>™</sup> ProTect Oxygen Scavenger extends shelf life for PET pharma packaging by limiting oxygen (O<sub>2</sub>) degradation for drugs and nutraceuticals stored in bottles, even in transparent mono-layer versions.



# Automotive/Transportation

Demanding transportation requirements are evolving quickly to meet energy efficiency standards. Reducing weight in both small and large, combustion and electronic vehicles helps to improve energy efficiency.

Avient has developed sustainable technologies that offer lightweight alternatives to heavier metals, while delivering comparable or improved performance. As regulations around vehicle air quality have been accelerating, we have designed a suite of materials that reduce VOC emissions. We work closely with design engineers to help them meet their sustainability goals, including fuel-efficient combustion vehicles and next generation electric vehicles. From the headlight to the taillight, sustainable automotive designs and manufacturing ideas come zooming to life with the right materials.

Versaflex<sup>™</sup> PF Tack Layer for Surface Protective Films lower VOC emissions during manufacturing and eliminate secondary coating and drying operations.

OnColor<sup>™</sup> FX<sup>™</sup> Special Effect Colorants achieve an appearance comparable to glossy or brushed metal while reducing VOC emissions by replacing paint.

**Edgetek™ LD Density-Modified Formulations** are high performing, low-density materials ideal for use in automotive applications where weight reduction is of key importance.

<u>Complēt™ & Onforce™ Long Fiber Reinforced Thermoplastics</u> are formulated for demanding applications that require high stiffness and good impact in structural and metal replacement applications. These solutions offer improved performance in the areas of creep and fatigue performance, improved dimensional stability, and exhibit exceptional surface finish.

Nymax<sup>™</sup> PIR Post-Industrial Recycled Nylon Formulations offer high strength, durability and impact resistance, all while enabling landfill waste reduction of >21M pounds since 2016, by providing an alternative use for post-industrial reclaimed nylon<sup>\*</sup>.

**Fiber-Line™ Coated Kevlar® Fiber** reduces weight in Jet Turbine Containment Rings by 80% when compared to traditional steel applications. This weight reduction improves fuel efficiency and improves passenger safety as containment rings protect against blade failure.

Hydrocerol<sup>™</sup> Chemical Foaming and Nucleating Agents reduce material requirements by up to 20% without compromising stiffness, mechanical properties, or aesthetic appeal.



\*Formulations are > 20% recycled content

# **Renewable Energy**

Renewable energy provides reliable power, reduces greenhouse gas emissions, and conserves natural resources. The market for renewable energy is expanding quickly and there is tremendous market potential. We have the material experience in a broad range of energy applications including solar power, wind power, battery and fuel cells to help customers deliver value and innovation. We are committed to helping our customers develop and manufacture alternative energy applications.

We offer a full range of material solutions for photovoltaic wire and cable that enable renewable energy infrastructure, including <u>Syncure™ Crosslinked Polyethylene Formulations</u>, which provide high-performance, UL 4703 and VW 1-compliance and eliminate the need to use two separate insulation and jacketing formulations.

<u>Smartbatch<sup>™</sup> Color And Additive Concentrates</u> offer superior UV weathering protection for solar power installations. Additionally, protective cable insulation and jacketing can be made from <u>ECCOH<sup>™</sup> Low Smoke and</u> <u>Fume, Non-Halogen Formulations</u>.

Wind power is another reliable alternative energy application. **Glasforms™ Pultrusion Technologies** offer exceptional strength-to-weight ratio for continuous fiber reinforced composites for structural wind turbine components.

Also, our <u>CESA<sup>™</sup> Additive Masterbatches</u> are utilized for solar back sheets to enhance the halogen-free mono material structure and protect against voltage breakdowns.



# 5G as a Sustainability Enabler

Among many learnings, the COVID-19 pandemic has highlighted the need for better, faster and more reliable technology. Infrastructure, commerce, education and healthcare are just a few example areas that became reliant on 24/7 internet accessibility, as populations in countries around the world began sheltering and conducting life "remotely." 5G, fiber optic cabling components and other network supporting infrastructure have been crucial in the response and recovery.

5G (the 5<sup>th</sup> generation mobile network) is designed to connect machines, objects, and devices, providing data hundreds of times faster than current wireless technology. It carries the potential to act as an enabler of environmental sustainability and public health. In response to potential crises, sensors enabled by 5G can detect unsafe chemicals in water, help in identifying and managing leaks in water lines, and pro-actively notify authorities about possible risks. 5G can also provide people with better tools to monitor and improve air quality. Cities will have greater opportunities to install air quality monitoring stations that measure pollutants and particulates at a street level. There is also the potential to install intelligent traffic signals with dynamic functioning, improving the efficiency of traffic flows and thereby help protect air quality and congestion.

**Preperm™** and **Edgetek™ Formulations** exceed the base station requirements of 5G antenna applications. From design flexibility to easy processing, our customizable materials can dial in specific Dk (Dielectric Constant)/Df (Dissipation Factor) values to meet manufacturing requirements, helping customers reduce lead times and increase speed to market.

**Fiber-Line™ Swellcoat™ Water Blocking Yarns** support 5G antennae, data centers, and backbone cable designs to prevent equipment damage and signal attenuation due to water ingression in the cables. New lower diameter Swellcoat<sup>™</sup> yarns have enabled cable designers to reduce the cable footprint to develop higher fiber count cables, increasing the data transmission capability within a fixed cross section.

**ECCOH™ Low Smoke and Fume Non-Halogen Formulations** can be used as insulation and jacketing for a variety of energy, optical fiber and communication cables for 5G. The formulations offer improved fire safety with low smoke, fume, corrosiveness & toxicity.



# **Outdoor High Performance**

Outdoor enthusiasts demand gear and equipment that delivers uncompromising performance, in places where failure is not an option. Other popular sports and leisure activities, such as yoga and little league baseball, have created additional growing market segments.

Some customers want to reduce weight but maintain strength and function, while others need protection against UV light, harsh temperatures, and other elements that might diminish product life. Our materials help customers provide durable, long-lasting products for the casual explorer, the social adventurer, and the extreme enthusiast.

<u>Complēt™ & Onforce™ Long Fiber Reinforced Thermoplastics</u> are formulated for demanding applications that require high stiffness and good impact in structural and metal replacement applications.

**Polystrand™ Tapes and Laminates** reduce weight to improve fuel economy, and enable thin-walling and material reduction through reinforcement of traditional materials.

**reSound™ Biopolymer Formulations** combine engineering thermoplastic resins with bio-polymers such as PLA, PHB, PHBV and biopolyesters. These formulations offer a unique balance of temperature, impact and cost performance, while reducing the carbon footprint from the onset of a product life cycle.

OnColor™ BIO Colorants are based on biodegradable raw materials and perform well with bioplastics such as PLA, PHA, PHBV, PBS, PBAT and special blends of those materials. These formulations help our customers make sustainable sporting equipment and protective gear.

OnFlex<sup>™</sup> Thermoplastic Elastomers are dedicated to a variety of demanding power sport applications, including ATVs, watercrafts and snowmobiles. Additionally, these TPEs reduce VOCs, fogging and odor for vehicle interiors.



# **Our Solutions...In Action**

#### **Case Studies in Sustainability**

All of our work—from idea, to design, to R&D, and through to commercialization—culminates when our customers' products are brought to market. We are proud of the strategic role we play in product development, and take pride in knowing we are an integral part of customers' success.

Innovation is made possible through our prior investments to build deep material science expertise on our team, and since 2014 we have increased our technical resources 31%. When including the additional resources who joined from Clariant Masterbatch, our technical team has nearly doubled. They collaborate with our broader commercial team to ensure our customers can solve their most pressing challenges with the speed to market, quality and service levels they demand—anywhere in the world.

With each customer success story, there is a potential case study that allows us to step back, self-reflect, learn and get better. The market research and analysis. The formulation. The testing, refining, and testing again. The prototyping. And the crowning achievement of the end product launch.

With every success story generated utilizing our Sustainable Solutions portfolio, there comes an opportunity for our associates to learn and grow in our sustainability commitment. For our customers, it's an opportunity to push further to increase sustainability goals and lessen environmental footprints. Most importantly, it's an opportunity for all stakeholders to become inspired to accelerate innovation in the ongoing pursuit of the next challenge that will come Avient's way.

# Utilizing Ocean Plastic for a More Circular Economy

#### The Challenge

According to projections, the world may produce over 400 million tons of plastic waste annually by 2030 (National Geographic). Consumer demand for more sustainable, eco-friendly products continues to grow along with regulatory pressure. Recycled plastics can be used to create new products across several industries, but one brand owner in particular was looking to incorporate recycled plastics in their consumer applications. The sustainability goals were clear: conserve more material, reduce energy usage, and reduce plastic waste in the environment.

#### The Solution

Avient developed new recycled-content materials to enable its customers to achieve their goals and add options for the circular economy. Available in North America, injection-moldable **reSound™ R VX TPEs** utilize 25% (PCR) and up to 40 percent (PIR) recycled content, and both grades can be overmolded onto polypropylene (PP). The PCR grade is formulated with ocean bound plastics from Oceanworks®, an accelerator program participant within the Alliance to End Plastic Waste. These TPE grades, formulated for consumer applications, can be used in personal care products, lawn and garden tools, outdoor goods, office supplies, footwear, and houseware durables.

## The Impact

reSound R recycled content formulations helped this brand owner deliver on their sustainability goals. By using recycled content, the customer made significant strides toward the circular economy, conserved materials and reduced energy usage by over 65%. Additionally, for every one ton of plastic recycled, the customer saves planet Earth the equivalent of 1,000–2,000 gallons of gasoline.\*

\*Plastics Industry Association



# New Color Simulation Tool Alleviates Recycling Challenges

#### The Challenge

Brand owners are pledging to significantly increase PCR usage in packaging to meet sustainability targets, but they still need to supply attractive colored products with minimal color deviation. Manufacturers use diverse PCR sources with differing colors, darkness and opacity, while specific PCR grade availability can be unreliable. All color-related factors can vary within a brand, making a consistent coloration difficult, time-consuming and costly. Since masterbatch coloring needs to be corrected each time, the color properties of PCR change. Consequently, many PCR grades are excluded.

#### **The Solution**

Avient developed a Color Simulation Tool to calculate the final color of a PCR-based end article and that can be used to:

- 1. Predict final colors, based on a PCR grade and concentration
- 2. Calculate color corrections to meet a target color
- 3. Define PCR color specification limits and find PCR grades to achieve a target color
- 4. Support the design process for new products by simulating achievable color spaces

Based on PCR spectral data, the tool delivers the calculated spectra, a final color visualization and offers three-dimensional color space simulations, that covers the workable color space.

#### The Impact

The method enables converters and brand owners to achieve a desired target color with stronger pre colored PCRs. The tool will increase the upcycling of PCR and will help to achieve pledged PCR usage rates.

# Reducing Weight in Automotive Parts

#### The Challenge

In collaboration with a leading German car producer, Avient was requested to reduce a dashboard carrier's weight while keeping part performance and mechanical properties. The project was a key driver in the automaker's effort to reduce vehicle weight, improve fuel economy and fulfill emission reduction targets.

#### **The Solution**

With non-hazardous Hydrocerol<sup>™</sup> Chemical Foaming Agents (CFA) Avient helped the customer achieve their sustainability targets through significant energy savings in production and finished part weight reduction. Hydrocerol improved productivity up to 20% due to lower cycle times and processability on different injection molding units. Using Hydrocerol with core-back molding technology, a process in which the mold is opened slightly to further reduce pressure and allow the foam core to expand, Avient helped the customer leverage density reduction to lower finished part weight. Added during processing, Hydrocerol is heat activated and releases gas to form a cellular foam structure, keeping the outer skin solid without voids.

#### The Impact

Weight reduction is important to meet the stringent emission reduction targets. Every saved pound contributes to lower fuel consumption and cuts CO<sub>2</sub> emissions. Hydrocerol plays a critical role in an Avient-wide program to support a sustainable plastics industry. The car producer reduced the dashboard weight by 20% and improved the part bending strength, thus enhancing the vehicle safety in case of a collision. Hydrocerol is also used in other automotive applications as air ducts, wheel covers and other structural parts.



# Advancing Development of Treated Bed Nets for Malaria Control

#### The Challenge

According to the <u>World Health Organization</u>, every year there are more than 200 million new cases of malaria, with children under 5 the most vulnerable group affected by the disease. Long-lasting insecticidal treated nets (LLINs) are a form of individual protection to fight malaria, but insecticide resistance threatens to undermine net effectiveness. <u>IVCC</u> was founded to find solutions to the growing threat of insecticide resistant mosquitoes. IVCC and Avient joined forces to step up the global fight to eradicate malaria.

## The Solution

IVCC's strategy to deliver effective control of malaria-transmitting mosquitoes focuses on discovering new insecticides for protecting against malaria. Avient and IVCC created a new medium scale masterbatch production laboratory in China to support research and development into non-registered novel active ingredients for incorporation into long lasting treated nets. Avient has extensive global ability in the formulation development and manufacturing of ground-breaking material solutions to support malaria control, including a technologically advanced anti-mosquito masterbatch for use in long lasting treated nets.

## The Impact

The pioneering facility supplies a platform to scale-up the formulation development and accelerate the process of launching innovative long lasting treated nets for protection against malaria together with innovation partners. The novel insecticides in development are formulated tightly into the masterbatch, allowing best bio-efficiency performance with a permanent but slow release to the surface—just enough to kill any mosquito by contact. This facility supports the creation and field testing of novel active ingredients in LLINS alone or in combinations.

\*Photo courtesy Disease Control Technologies, LLC

# Lightweighting for Commercial Trucks and Trailers

## The Challenge

Reducing weight in transportation can increase safety, improve fuel efficiency, and reduce carbon emissions. According to the American Chemistry Council, plastic components make up 50 percent of a vehicles volume, but only 10 percent of its weight. One respected truck manufacturer chose Avient to help them reach their lightweight goals.

## The Solution

This customer used <u>Polystrand™ continuous fiber reinforced</u>. <u>thermoplastic (CFRTP) tapes and laminates</u> in the trailer space of their heavy truck applications. These tapes and laminates combined high strength, unidirectional fibers and engineered thermoplastic resins to help reduce weight while maintaining exceptional strength and impact resistance.

## The Impact

Using Polystrand materials extended the life of truck trailers and reduced weight to improve fuel economy. The solution increased loading per square foot and provided a moisture and debris barrier, and because they are thermoplastic, these CFRTP materials will be more easily recycled compared to alternative materials.



# Improving the Performance of Protective Face Masks

## The Challenge

The COVID-19 pandemic caused a need for greater numbers of personal protective equipment like face masks more than ever before, which resulted in a global shortage that stood at unprecedented levels. Although industry leaders retooled to produce more masks, manufacturers and suppliers still struggled to bridge the gap between demand and supply.

N95 masks, for example, rely on multi-layer construction, with a middle layer made from melt-blown non-woven material. This layer filters out aerosols and particulates containing bacteria and viruses to protect the wearer and those around them. Avient helped one customer improve their protective masks to better satisfy global demands.

## The Solution

MaglQ<sup>™</sup> Non-Woven Electret Plus improved the dielectric properties in N95 face masks, extending filtration efficiency and the length of time masks will hold a charge. This masterbatch was necessary for the manufacture of melt-blown non-woven polypropylene used to make the protective face masks with long-lasting filtration properties.

## The Impact

By introducing additives with charge storage properties, "charge traps" were created to capture the electret charge being applied to melt-blown non-woven material. With proper ingredient selection and processing, MagIQ<sup>™</sup> Non-Woven Electret Plus helped the middle layer of these protective masks effectively trap particles as small as 0.3 microns.



# **Management Approach: Product Stewardship**



Protecting associates, customers and the environment by providing safe products is a priority for Avient. We review the safety of our products from our raw material suppliers through product development and manufacturing to end applications at the customer.

Product Stewardship supports the Avient portfolio by providing information related to the safe use, handling of products, and complying with global and local regulations. Continuous customer communications on product safety related to new and existing applications are an integral part of understanding the health and safety impacts of our product portfolio from product development to final disposal. Where it makes sense, we have gone beyond basic legal requirements, such as Responsible Care certification and implementation of the <u>Product Safety Code</u>. For 2020, there have been zero incidences of non-compliance with both legally required and voluntary labeling standards and zero incidences of product recalls in the markets we serve for this reporting period.

#### Strategy

Avient is committed to global standards for product stewardship. We are actively involved in various associations including the <u>American Chemistry Council (ACC)</u>, <u>European MasterBatchers and Compounders (EuMBC)</u> and <u>Titanium Dioxide Manufacturers Association (TDMA)</u>. Industry best practices and efforts to minimize impacts of our products on human health and the environment are based on a combination of lessons learned through these outreach programs and compliance.

Product Stewardship uses the American Chemistry Council's prioritization tool and associated risk assessment methodology to identify, document and communicate environmental, health and safety impacts of our products. Only 5% or less of our products by total sales revenue are classified as Global Harmonized System (GHS) category 1 and 2. These classifications and other relevant pieces of information, like form, contribute to the overall prioritization. These classifications and other relevant pieces of information, contribute to the overall prioritization. Given the nature of the many solid polymers that we manufacture, hazards are encapsulated and not biologically available for exposure when used as intended. The majority of our products are not labeled or transported as hazardous materials. Despite this, we are committed to the process and have completed 30% of prioritized risk assessments. As a result of these assessments, we may publish additional product stewardship summaries to update our associates and customers on current data associated with intended use and material handling considerations.

We maintain data related to the environmental, health and safety of our products in our product stewardship database. The information is reviewed and updated continuously. Through this data, we create safety data sheets, customer certification statements for appropriate use and product safety improvements.



In many instances, we have gone beyond basic legal requirements, such as our achieving Responsible Care® certification and implementation of the Product Safety Code. There have been zero incidences of non-compliance with these legal, voluntary or labeling requirements for this reporting period.

Avient is proud to be actively involved with the ACC, EuMBC and TDMA associations.



# **Global Chemical Management**

The current and future focus is on continued Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) assessments and communication on the safe handling of these substances. Many other countries are following suit on the EU REACH chemicals regulation. In late 2020, we successfully completed the pre-registration for both Turkey REACH (KKDIK) and Eurasia REACH (EAEU-REACH).

We also completed notifications associated with our European portfolio as it relates to the Poison Control Center Notifications. We continue to monitor risk assessments associated with the U.S. Environmental Protection Agency's (EPA) Toxic Substance Control Act (TSCA) inventory reset rule. At this time, we believe we have no materials subject to EPA risk assessments.

Management and monitoring these global inventory changes and other emerging issues by our regional product stewardship experts ensures a quick evaluation and proactive response to potential regulatory risks. This commitment to managing and monitoring these business activities is demonstrated through our <u>Global Chemical Management Policy</u>.

REACH reclassifications of substances as the result of European Chemical Agency (ECHA) review continues to be a challenge for Avient. In 2021, a raw material authorization project has been established to formalize and standardize a global reclassification methodology as a result of continued REACH dossier evaluations and Substances of Very High Concern (SVHC). In this way, we will continually monitor and measure hazardous components and products within the portfolio. Changes associated with REACH data evaluation has the potential to change the approval and intended use for critical raw materials within sensitive applications, like food, drug or medical. It is expected that this process will drive opportunities for sustainable replacement initiatives. By design, this project feeds into to another sustainability sub-committee and business unit technology initiatives regarding development of sustainable solutions.



# **Product Excellence**

Avient subscribes to the ISO9001 standard for Quality Management. External thirdparty certification of these management systems are an important part of ensuring our products are both safe and produced in alignment with industry standard best practices.

Avient has 103 facilities with 73% of all our manufacturing sites worldwide certified to Quality and Environmental Management Systems and standards. Combined, these facilities have a total of 205 certifications to an ISO or Management System and standards. For this reporting period, there have been no major non-conformances associated with these management systems. There have been zero product recalls associated with the quality of Avient products. For our sensitive applications, in addition to ISO9001, we have implemented ISO 13485 and Good Manufacturing Processes (GMP). 100% of our facilities producing those sensitive applications and warehouses are GMP audited within a 3-year period. There were no significant audit findings for those facilities audited in this reporting period.

Avient recognizes that given our location in the supply chain we are well positioned to enable sustainability along the value chain, through innovation at the earliest stages of the product life cycle.

In 2021, we anticipate formalizing and standardizing our approach to Life Cycle Analysis (LCA) and Product Carbon Footprint (PCF). Our goal in 2021 is to develop processes and procedures and a position statement on critical customer information, and fully prioritize the product portfolio in all critical markets/materials.

ZERO 75 Major Non-Conformances at ISO Sites SO Certified



Product

Recalls

STIVER

# Management Approach: Supplier Collaboration

Avient's value extends not only to consumers through specialty products, but beyond the boundaries of our own processes and operations. Strong, transparent relationships with suppliers are key to our success.

Our <u>Supplier Code of Conduct</u> drives interactions with our suppliers and expectations for doing business. In 2020, we updated our Supplier Code of Conduct to align more closely with <u>International Labor</u> <u>Organization (ILO)</u> standards. It includes requirements for child and forced labor, the right to collective bargaining, non-discrimination, employee health and safety, conflict minerals OECD due diligence and ethical treatment of the environment.

In addition, our ColorMatrix Europe business continues to adhere to our established <u>policy and supplier audit program on human trafficking</u>. None of our ColorMatrix suppliers has been found to engage in human trafficking during this reporting period.



# **Supplier Evaluation**

We seek to collaborate with excellent organizations that espouse our values and principles to bring innovation, sustainable materials and efficient processes to Avient and our customers. We are going beyond simple economics and consistency of supply to evaluate our suppliers. In 2020, we partnered with EcoVadis to further evaluate our prioritized suppliers.



We evaluated our top tier suppliers which represents **OTOIOFOURTOTALDIRECTSPEND** for sourcing in this reporting period.

This represents an 87% participation rate in the CSR survey. In addition, 67% of these suppliers reported a Silver rating or above in their overall scorecard evaluation. We are targeting 50% of our total direct spend as a 2021 interim milestone toward our 2030 Sustainability Goal.

Our suppliers conducted a best-in-class self-assessment on environmental, social and governance requirements aligned with the UN Global Compact principles.

Over 420 supplier self-assessments were completed through our Quality Management System (QMS) process over a two-year period in 2018 and 2020 and incorporates approval criteria for our most sensitive applications. These assessments are reviewed internally for potential further action. We continue to develop our Supplier Sustainability Program designed to address quality, cost and reliability requirements, and a range of sustainability, social responsibility and environmental considerations.

Our <u>No Surprises Pledge<sup>SM</sup></u> is the overarching framework for how we engage with all our partners in the value chain. We expect our supplier base to help us achieve this pledge.

To ensure mutually beneficial and productive relationships, Avient asks all suppliers to adhere to our safety procedures and security policies within our manufacturing plants, distribution centers, as well as our sales, regional, or corporate offices.



# **Strategic Partnerships and Alliances**

#### **Alliance to End Plastic Waste**

We are proud to be a founding member of the Alliance to End Plastic Waste (AEPW). This organization is CEO led, cross-sector, not-for-profit made up of approximately 50 companies. The mission of the Alliance is clear: develop, accelerate, and deploy solutions, catalyze public and private investment, and engage communities to help end plastic waste in the environment. Our investments are focusing on infrastructure, innovation, education and clean-up initiatives.

Projects in some of the most challenging areas in need of support are well underway. Our early progress and traction is both encouraging and rewarding. To read about the Alliance's work in more detail, click here to view the 2020 Progress Report. To learn more visit; endplasticwaste.org

#### Association of Plastic Recyclers (APR)

<u>APR</u> promotes development of the plastics recycling industry by providing leadership for long-term industry growth and vitality. The organization strives to expand the post-consumer plastics recycling industry aimed at identifying and eliminating barriers to successful commercial recycling.

#### **Operation Clean Sweep**



Plastic waste in the environment is harmful to both people and wildlife. By committing to Operation Clean Sweep, Avient is

dedicated to achieving zero pellet, flake and powder loss in our manufacturing process.

## PET Container Recycling Europe (PetCore)

PetCore works with all stakeholders to ensure the sustainable growth of PET as a packaging material of choice. As a committed member, we want to further increase post-consumer PET collection and recycling.

PLASTICS RE YCLERS EUROPE

#### **Plastics Recyclers Europe (PRE)**

Plastics Recyclers Europe (PRE) is an organization representing the voice of the European plastics recyclers who reprocess plastic waste into high-quality material

destined for the production of new articles. This organization provides plastics recyclers with representation at the European level and among the leading industry organizations. It promotes the use of quality plastic recyclates and offers concrete advice on developing innovative, recyclable products and packaging.

### **Responsible Mica Initiative**

The <u>Responsible Mica Initiative (RMI)</u> is a global coalition for action—putting policy into practice comprised of multiple organizations committed to



establishing a fair, responsible and sustainable mica supply chain in the states of Jharkhand and Bihar in India that will eliminate unacceptable working conditions and eradicate child labor by 2022.

#### **UK Plastic Pact**

In January of 2019, Avient joined The UK Plastics Pact, a collaborative initiative committed to tackling plastic pollution. The Pact was developed in collaboration with the Ellen MacArthur Foundation as the first in a global network



of initiatives working toward the circular economy. We are committed to their goal of transforming the way the industry makes, uses, reuses and disposes of plastics.

#### The Microfibre Consortium (TMC)

The Microfibre Consortium (TMC) facilitates the development of practical solutions for the textile industry to minimize fiber fragmentation and release to the environment from textile manufacturing and product





# PLANET

# **Protecting Our Planet**

Avient is fully committed to protecting the environment by addressing climate change, conserving natural resources and preventing pollution. Through our environmental aspect and impact assessments within our <u>EH&S</u> MS, we have focused on the following key topics: energy, emissions and climate change, as well as effluents and waste from our operations.

Avient's Corporate EH&S Department is responsible for overseeing these areas. While this group sets and monitors performance against management system standards, the full operational responsibility lies within each business unit and operating site. To ensure performance expectations are met, each site has trained management personnel to oversee their management systems.





## Renewable Energy Update

GOAL:

Energy from Renewable Resources

60% by 2030 100% by 2050

~90,000 MT CO<sub>2</sub>e Scope 2 Emissions Reduction per Year from VPPAs

To help reduce consumption from non-renewable energy sources, Avient has leveraged a Virtual Power Purchase Agreement (VPPA) in North America. This action has resulted in rapid progress toward meeting our 2030 goal. Building off our experience in North America, we have entered into negotiations to procure 37 MW of solar energy in Europe. This agreement would be equal to approximately 90% of our annual European electricity needs. We continue to explore similar opportunities to decarbonize across our global operations.

These long term purchase agreements are significant steps toward achieving our goal of procuring at least 60% of energy from renewable sources by the end of 2030. Retained energy attribute credits from these projects will allow for the reduction of Scope 2 emissions by approximately 90,000 MT CO<sub>2</sub>e per year, a significant lowering of our carbon footprint.

In addition to the procurement of energy from renewable sources, Avient continues explore and implement on-site renewable energy opportunities globally as well as implementing numerous energy saving activities. These activities have a cumulative effect on reducing our operational energy needs and thus our impacts on the environment.

# Climate Change Energy and Greenhouse Gas (GHG) Emissions

Avient CDP Score:

Avient continuously strives for energy efficiency and global climate protection. Doing so adds value to both the world and our company. It minimizes the risk of harming human health and the environment, while also reducing potential liabilities and negative impacts on our business.

We acknowledge the implications of climate change. <u>Avient's EH&S Committee of the Board of Directors</u> provides oversight of the systems that are in place to monitor and mitigate our carbon footprint. This Committee utilizes findings from the company's <u>Enterprise Risk Management system</u> to continuously identify and monitor the company's management of the physical risks associated with climate change including extreme weather events, supply chain disruptions, and technology changes, as well as the risks associated with legal, regulatory, policy, energy transition and liability issues arising from climate change.

Avient's low carbon transition plan currently encompasses Scope 1 (direct) and Scope 2 (indirect) sources of greenhouse gas emissions. These targets are in line with prevailing climate science limits that keep global warming well below 2 degrees Celsius as detailed by the Paris Agreement and the <u>Science-Based Target Initiative (SBTi)</u>. Beyond our stated 2030 goal, we are dedicated to our operations being carbon neutral by 2050. Furthermore, Avient is evaluating its Scope 3 emissions to refine our climate strategy and align with science based targets built around scenario analyses as recommended by the <u>Task Force on Climate-related Financial Disclosures (TCFD)</u>.

Avient actively manages direct and indirect energy consumption for existing operations and considers the GHG impacts of investments and acquisitions. To strengthen our oversight of this key topic, Avient recently formed a Planet Sub-Committee of the Sustainability Council. This committee is comprised of operational and sourcing leaders from our various regions and is tasked with enabling sustainable performance through improvements in the areas of energy efficiency, energy procurement, the expanded use of renewables, and waste minimization. This Committee ensures continual progress towards our 2030 Sustainability Goals.

Most of Avient's GHG emissions are attributable to the consumption of energy. Annually, each facility is expected to complete an energy saving activity, and facilities can use an Energy Saving Projects & Idea Tool to capture information on savings and impact realized. This tool combines information, advice, best practices, and successful optimization projects, as well as key figures and tools that support energy efficiency, enabling users to systematically improve the efficiency of operations. We were able to further optimize the resource and energy consumption of our production through initiating 74 energy saving projects around the world in 2020. For detailed information on our energy and carbon performance, risks and opportunities presented by climate change, and associated governance systems, we invite you to read our most recent <u>Climate Change Report</u> submitted to <u>CDP</u>. Avient leverages CDP's Climate Change Report as its primary mechanism to publicly disclose progress against TCFD recommendations. Our performance on both energy consumption and GHG emissions is provided in graphics at right.

GHG Emissions (MT)







\*To facilitate year over year comparisons, 2019 and 2020 metrics for Planet categories have been presented on a pro forma basis inclusive of the acquisition of the Clariant Masterbatch business.

#### Water Intensity and Biodiversity

While water management is a critical and highly-influential topic in some industrial sectors, Avient's operations are not water intensive. Normal manufacturing processes are "dry" and water use is limited to sanitary applications and process cooling, with closed loop recycling processes cooling dominating. Further, the vast majority of Avient sites are generally comparably smaller scale and located in urban or suburban areas. As such, we manage both water and biodiversity responsibly, and in accordance with applicable laws, but these topics do not reach the threshold of materiality compared with other operational areas.

Information on water withdrawal, recycling/reuse, and discharge is provided in the <u>Metrics section</u> of this report.

# **Conventional Air Emissions**

Our efforts to reduce air emissions—particulate matter, nitrogen oxides (NOx), Sulfur oxides (SOx), volatile organic compounds (VOCs) and hazardous air pollutants (HAPs)—are supported by capital investments, integration of cost-effective technologies and innovative operating practices. Regular monitoring of our emissions to air from all of our sites is a part of environmental management at Avient.

Our atmospheric protection activities are based on a comprehensive analysis of our emissions. Parameters tracked for air emissions include greenhouse gases, nitrogen oxides, sulfur oxides, volatile organic compounds and hazardous air pollutants.

All Avient manufacturing facilities strictly comply with applicable regulatory requirements regarding emissions limits and hold valid air permits where required. While conventional air emissions are a critical and a highly-influential topic in some industrial sectors, as a specialty formulator of purchased materials, <u>Avient's conventional air emission</u> <u>levels are de minimis and not material</u>. Regardless, over the years, Avient has still implemented many measures and infrastructure to reduce emissions. Dust/mist/fume extraction systems are common, fuel consuming equipment is being retrofitted with high efficiency units, and the use of volatile compounds has been continually reduced.

# Climate Action: Innovation and Investments for the Future

At Avient, we recognize that sustainable business practices can positively impact the issue of climate change. We are committed to doing our part in what must be a multi-faceted, global approach throughout supply chains and all stakeholders to successfully address the issue.

We have set <u>2030 Sustainability Goals</u> to guide us in this regard, and we further strengthened our commitment longerterm, by embarking on achievement of operational carbon neutrality and 100% renewable energy by 2050. In parallel, we have also begun to map our activities to the <u>United Nations Sustainable Development Goals (SDGs</u>), specifically including #13 Climate Action.

As you have read in this report, our investments, aligned with achieving these goals, are well underway. Of equal importance, our investments in material innovation within our <u>sustainable solutions portfolio</u> enables others to achieve their goals, and further reduce the impacts of climate change.

Given our unique position as a manufacturer and formulator, we are not only mitigating climate change through our own responsible business practices, but we are also enabling other companies and consumers to do so as well.

This is a distinction we are proud of, and we will uphold this important responsibility to continually serve in both capacities.

# Waste: Preventing, Minimizing, Eliminating

Avient is committed to eliminating or reducing waste generated by our operations and enabling our customers to meet their waste minimization goals.

Our efforts are aimed at reducing the quantity of hazardous and non-hazardous waste generated. Our waste management approach adds value by reducing the risk of environmental harm, as well as costs associated with waste management. These efforts are in line with our commitment to sustainability and strengthen the health of our communities and operations around the world.

The prevention of waste takes priority over recycling or disposal, and every effort is made during the development and manufacturing of products to ensure that as little waste as possible is generated. Unavoidable waste from business, development, and production activities is reused where possible, recycled, or disposed of properly. The amounts and type of waste generated by each facility and how it is managed is tracked by our waste management systems. Disposal includes energy recovery processes to gain benefits where possible, and proper disposal is proven and documented in internal records.

We regularly conduct risk based audits to inspect external waste disposal and recycling companies to ensure the proper disposal of waste. In this way, we also keep today's waste from becoming tomorrow's contamination.



**Metric Tons** 

0





\*To facilitate year over year comparisons, 2019 and 2020 metrics for Planet categories have been presented on a pro forma basis inclusive of the acquisition of the Clariant Masterbatch business.

2020\*





#### IN EXCESS OF PERMITTED LEVEL **TO THE ENVIRONMENT SINCE 2013**

# **Eliminating Plastic Waste**

Plastic is a miraculous, versatile material that positively impacts our world. It's in equipment that helps save lives, keeps food safe from spoilage, lowers the use of fossil fuels, and makes alternative energy possible.

But some plastics are also in places they shouldn't be, like in our oceans and rivers. They find their way to landfills instead of being recycled. Avient is committed to eliminating plastic waste through innovation, broad stakeholder engagement, and strong partnerships and alliances.

We are continuously making a positive impact through our innovative portfolio of technologies that enable our customers to improve plastic recyclability and reduce the amount of material required for packaging.

However, no one company or country can solve the plastics waste problem. That's why Avient joined the <u>Alliance to End Plastic Waste</u> as a founding member and is collaborating with over 80 member companies to promote infrastructure, education and engagement, innovation, and clean up efforts to keep plastic waste in the right place.



The alliance has brought together people, businesses, governments, and organizations to find new ways to rethink, recover, and recycle plastic waste with the goal of protecting the natural resources and ecosystems that communities everywhere depend on.

Members of the alliance have already collectively committed more than \$1.5 billion to fund those activities. Solutions to address the challenge of post-consumer plastic waste will require collective support, innovation and collaboration on a global basis—from resin producers, waste management companies, consumer brands and retailers to nongovernmental organizations, governments and consumers.

We will continue to invest and work aggressively to eliminate plastic waste in the environment to deliver critical sustainability and performance benefits to people and communities around the world and live up to our promise of meeting the needs of the present without compromising future generations' ability to meet their needs. To learn more visit: <u>2020 AEPW Progress Report</u>





# **Clean-Up and Remediation**

If soil and groundwater contamination occurs at active or former Avient sites, proper remediation measures are reviewed based on current legal and technical standards and undertaken as necessary.

A worldwide network of experts ensures proper remedial solutions are implemented. These solutions strive to maximize the conservation of natural resources, climate protection efforts, costs and social responsibility. This means making customized decisions on a case-by-case basis. Relevant sites are documented in a contaminated site database. In 2020, ongoing remediation work on behalf of Avient continued on schedule, and planning was concluded on future remediation projects.



#### Waste Partnerships and Impact

In addition to being a founding and active member of the <u>Alliance</u> <u>to End Plastic Waste</u>, Avient's global operations



participate in <u>Operation Clean Sweep</u>. Operation Clean Sweep's overarching goal is to ensure that every plastic resin handling operation achieves zero loss of pellet, flake, and powder. This greatly helps to protect the environment and save valuable resources. Operation Clean Sweep companies greatly help to prevent plastics from making their way into the ocean, promoting safety, health and cleanliness for marine life.

We recognize the importance of responsibly managing plastic pellet loss within our operations. In addition to ongoing operator training, we conduct regular assessments of our management system procedures to ensure they are effective, and implement improvement measures if needed. On a daily basis, plant personnel monitor structural controls and work practices at our facilities via routine daily rounds. When a loss of containment is discovered, loose pellets are promptly contained and cleaned up. Pellet recovery equipment, such as skimmers and sieves, are in place to recover pellets captured in our drainage systems.



# World Clean Up Day

As a founding member of the Alliance to End Plastic Waste, Avient was challenged to participate in the "All Together Global Clean Up" in honor of World Clean Up Day. The concept was simple: pick up pieces of litter in local communities and track the quantity using a convenient mobile app called Litterati. This activity was especially important to us since it marked our first major engagement initiative together as Avient.

The Alliance set a goal for Avient to collect 1,000 pieces of litter, which we accomplished in less than 24 hours. And that number kept growing. From Ohio, to Germany to Thailand (and so many other places in between), our associates were in neighborhoods, parks and beaches, making them cleaner for community members.

By the end of the campaign, Avient collected over 17,000 pieces of litter, and left the earth a little more beautiful. We can't wait to make our mark again during the next challenge!



## World Clean Up Day















#### Photos:

1. The team in Lahnstein, Germany participated in the fun and organized a local event. "It was a really rewarding experience and it was fun! Our teams are motivated to do the right thing," said Rebecca Smalley, Customer Service Specialist, Lahnstein, Germany.

2. Adam Reckless, Plant Manager, Norwalk, Ohio, Color, Additives and Inks recalled, "Participating in World Clean Up Day was a great opportunity to spend more time outside, and seeing less waste in the environment shows that it really can make a difference!"

3. (Left to right) Suntaree Anukul, HR Generalist, Wanchinee Yisarakoon, Senior EH&S specialist and Wipasiri Pramool, Administrator, enjoy their time outdoors at a World Clean Up Day event in Bangkok, Thailand.

4. "Keeping our environment and planet clean is our daily responsibility to ensure a great place to live for future generations," shared Michael Adam, Global Technology Director, Color, Additives and Inks in Pommerloch, Luxembourg.

5. Manfred Holz, Site and Production Manager, Ahrensburg, Germany, is ready to make his neighborhood cleaner and more sustainable.

6. "Cleaning up the environment was something I had been thinking about for a long time, and the World Clean Up Day helped me get motivated to do so," reported Larissa Caliatto, Quality and EH&S Supervisor, Itupeva, Brazil. "It was an incredible experience. While it was sad to see the amount of waste on the streets, being able to clean up our community was gratifying. I want to participate in environmental cleaning more often. Challenge accepted!"

7. Associates in Suzhou, China participate in our first-annual World Clean Up Day festivities and beautified their local neighborhood.

#### Sustainability Report | 2020 71

# **Community Service**

Giving back to the communities where we work and live is an integral part of our culture. We even provide all associates with 16 hours of paid time off every year to volunteer for a cause they care about. In 2020, a year where our communities needed support more than ever before, our associates demonstrated their passion for service by organizing food drives, building bookshelves, sewing blankets for the homeless and donating masks, just to name a few examples.

In addition, numerous leaders in our company serve on non-profit Boards of Trustees, helping them toward sustainability in their operations and mission to serve.

These endeavors, as well as our charitable contributions, are focused on helping the underserved and more challenged neighborhoods which include communities with diverse populations.

#### **Charitable Contributions**

<u>United Way</u> remains our largest philanthropic endeavor, and our associates continue to give generously. Since 2007, we have raised more than \$15 million for United Way chapters throughout North America. In addition we contributed to many non-profit organizations where we have associates who serve on Boards, or that have been determined to be of need in the local communities around the world where we operate.



## **Political Contributions**

Avient does not fund political parties or members of government. In the United States, employees at Avient have made use of their right to establish a Political Action Committee (PAC), which is a voluntary, federally registered employee association that collects donations for political purposes and decides how these are used, in accordance with U.S. law. The Avient PAC Committee, comprised of Avient PAC Members, meets, discusses key topics and decides the annual budget. Avient PAC aligns with candidates who support laws and regulations consistent with sustainable business practices and Avient's interests, represent a state or district where an Avient facility is located and/or are active members or leadership of key committees/positions. Our discussions with legislators provide awareness on Avient's role and contributions to the science that enables sustainability and a circular economy, as well as the importance of maintaining a cost and regulatory environment that allows companies to best operate, invest and grow.

In 2020, Avient PAC contributed \$16,500 to federal candidates in the U.S. and \$12,000 to state candidates in Ohio. No political contributions are made outside the U.S. Avient PAC's Federal Election Commission filings, including listings of contributions, are publicly available at <u>www.fec.gov</u>. State of Ohio filings and contributions are publicly available at <u>www.ohiosos.gov</u>.


## **Community Engagement**

## Sustainably Serving Those in Need

The Sourcing Team in Shanghai, China hosted a creative engagement event for a great cause. Associates from Avient Distribution, Marketing, and HR donated personal belongings for a charity auction. The auction's funds were donated to the Tencent Charity Foundation, an organization that helps children dealing with health issues such as cleft conditions and eye disease.

## Bridging the Digital Divide

Living through the COVID-19 pandemic has proved how critical technology is to education and remote work. In conjunction with our United Way campaign, Avient associates on our Avon Lake, Ohio campus organized a unique and sustainable donation drive with PCs for People, an organization that refurbishes computers for distribution. In total, Avient donated over 100 computers, keeping them out of landfills and instead put them into the hands of underserved students and those working from home.

## Making Safety & Health More Accessible

Access to protective facemasks during this time was a struggle around certain parts of the world. Our team in Brazil partnered with AcroBrasil, an organization that helps those living in poverty, to donate 1,000 facemasks to the Sao Paulo area, helping our fellow citizens in that community stay safe and healthy.

## **Promoting the Power of Reading**

Avient's Community Service Team organized take home kits for associates to build bookshelves for children and sew blankets for the homeless. Fifty bookshelves were donated to Ready-Set-Go, a United Way collaborative that focuses on improving kindergarten readiness for children. The Community Service Team also collected and donated over 1,000 children's books and over 100 fleece blankets were sewn for a local homeless shelter.

## Simple Ways We Say Thanks

Our associates always recognize how critical and brave front-line workers are. To show gratitude, our team in Winona, Minnesota organized a catered lunch for the Winona Community Occupational Health Department. This organization has supported the community by continuing to provide health services to the public during the pandemic.

## Helping Out with Hunger

The COVID-19 pandemic has greatly affected food insecurity for those in need. Our associates in Hatfield, Pennsylvania felt compelled to step in and help. They hosted a food drive to support Manna, an organization dedicated to ending hunger and building community. Dozens of boxes of canned and non-perishable food were donated, and the organization was extremely grateful.









# PERFORMANCE

## **Performance Overview**

The fourth "P" of our sustainability cornerstones is Performance. While our work in People, Product and Planet are vitally important commitments, ultimately, they must yield financial performance and growth to create a truly world-class sustainable organization.

We are forever committed to achieving "the right results, the right way." To do so, we maintain strict adherence to areas like policies, audit, governance, and global training for our associates on ethics and our <u>Code of Conduct</u>.

Since it was established in 2006, the combined efforts to execute Avient's four-pillar strategy have been highly successful. Our specialty transformation has created unmistakable value over that period. More recently, with the divestiture of the PP&S segment in 2019 and the acquisition of Clariant Masterbatch in 2020, we have fundamentally repositioned our portfolio to that of a true specialty enterprise—from which we can springboard to even greater heights in the future.

Still, the repercussions of the current health pandemic has made for a difficult 2020 for all companies—and it did for Avient as well. Yet we were one of a select group of companies that grew adjusted EPS in 2020 because of our prior and strategic shift to high growth end markets. As you read earlier in our Sustainability Report, we were quickly deemed an essential business and continued to run our operations and serve

#### **Adjusted EPS Growth**



customers around the world. Though it was a challenging year, we look forward to what the future holds as commerce and consumerism recover in 2021.

Suffice it to say, the Avient team has worked tirelessly to make the best of an unprecedented situation, and we will continue to dedicate ourselves to live our culture and execute our strategy. Delivering to our full potential on our fourth P of Performance is an unwavering commitment—just as it is in the other three.

<sup>(1)</sup> 2019 and 2020 figures are pro forma to include a full year of the acquired Clariant Masterbatch business

<sup>(2)</sup>2021 EPS figure reflects management guidance as of July 30, 2021 earnings call

## A Specialty Transformation Poised for Future Growth

#### Adjusted EBITDA\* from Specialty Platform



\* Adjusted EBITDA is EBITDA excluding corporate costs and special items \*\* 2020 Pro Forma for Clariant Masterbatch acquisition

**Building & Construction** 





\*\* 2020 Pro Forma for Clariant Masterbatch acquisition

## Sustainable Solutions Performance

As highlighted in our Products section, Avient has a highly-technical and broad portfolio of material solutions that help our customers—and our planet be more sustainable.

In 2020, we further evaluated our applications and revenue from our sustainable solutions, since the publishing of our last report and the acquisition of Clariant Masterbatch. Updated revenue performance is provided herein. It is clear that these materials have and will continue to comprise a growing portfolio for our company, as demand increases across the globe and canvasses many end markets. Our innovation efforts and collaboration with customers have increased in lockstep. As a result, Avient revenue from sustainable solutions has more than doubled compared to 2016.

For pro forma 2020, we delivered \$790 million in sustainable solutions sales, as defined using criteria aligned with the <u>FTC 2012 Guide for the Use of</u> <u>Environmental Marketing Claims</u>. And we did so while also yielding sustainable benefits in these eight key areas where our material science is having the most impact.

As we look to the future, we expect these eight areas to gain even more importance—and acceptance—among our customers and their end users. We also expect it will further the win-win benefit trend for both our planet and Avient.

#### Revenue from Sustainable Solutions\* 2016–2020



\*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 Masterbatch business

## The Highest Ethical Standards

At Avient, we strive to create a world-class sustainable organization, by conducting business in a way that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Knowing that the judgments and decisions we make as individuals affect the way Avient is viewed in the marketplace and in the communities where we work, we let our personal values of Integrity, Honesty and Respect shape the way we do business. These values are based on high ethical standards, and demand honesty and integrity in our business dealings.

We strive to uphold a consistent global standard of ethical conduct, while respecting the cultures and business practices of the countries and local communities with which we interact. As a testament to its importance, Clariant Masterbatch sites were fully integrated into our Ethics and Compliance program on day one.

Our <u>Code of Conduct</u> establishes a clear set of ethical and behavioral standards for our business conduct. Our internal Ethics Committee and the Audit Committee of our Board provide oversight and direction for the training and education of the Code and other ethics related matters and reviews trends in ethical and legal matters affecting Avient.

## TRANSLATED IN OVER 20 LANGUAGES

We also recognize that our responsibility extends beyond our operational and process boundaries to our supplier partners. Our <u>Supplier Code of Conduct</u> requires all of our suppliers and their employees, personnel agents, and subcontractors to fully comply with applicable laws and regulations and adhere to internationally recognized environmental, social, corporate governance and management system standards.



## **Compliance and Training Programs**

Compliance oversight is provided by a combination of the VP, Internal Audit & Corporate Ethics Officer, Legal, the Audit Committee of the Board of Directors, and our internal Ethics Committee, which is comprised of executive and business leaders across all business segments and each region globally. The Audit Committee and Ethics Committee formally meet bi-annually. The VP Internal Audit and Corporate Ethics Officer has direct access to both committees and provide regular updates throughout the year.

Our compliance program is designed to promote and sustain a culture of excellence in all that we do and we perform internal audits to ensure compliance. To provide assurance and guide continuous improvement for our program, our anti-bribery, anti-corruption program was externally assessed in 2018 and again in 2020, as part of our due diligence on Clariant Masterbatch.

To set clear expectations and understanding, our policies, along with the training and communication of these policies are provided in over 20 languages and disclosed on our website. Code of Conduct training is an annual mandatory requirement for all our associates. In addition, we reinforce important topics such as anti-bribery, anti-corruption, antitrust, harassment and discrimination, conflict of interest, insider trading and information security, with supplemental training. Further, based on assessment of global risk, we select certain specific countries or functional groups within Avient for focused training or audits.

## **Ethics Hotline and Reporting**

An independently managed <u>Ethics Hotline</u>, with multi-language capabilities, is available globally via Web or by phone, 24/7. The Hotline is available to anyone within or outside Avient. The service aims to collect questions or concerns related to our business, people or products. Those who file reports can remain anonymous.

We promote the availability of our Hotline through a number of avenues, including our annual <u>Code of Conduct</u> trainings, new-hire onboarding, Hotline posters which are displayed at all Avient locations, and ongoing associate communications. Additionally, during our Internal Audit team's site engagements across the globe, we reinforce awareness and importance of the Hotline.

Avient does not tolerate retaliation against any individual who, in good faith, seeks advice, raises a concern, reports misconduct or provides information in an investigation related to a suspected Code of Conduct violation.

All reports, received through the Hotline or other sources, are investigated by an independent and objective team which includes Legal, Compliance and Human Resources. Standardized processes and forms are used to ensure a thorough review and resolution of ethics related reports. Investigations into ethics related matters have led to disciplinary action, including termination. Twice a year, the VP, Internal Audit & Corporate Ethics Officer, presents the number of ethics reports, report trends, substantiated reports, and a comparison of our ethics data vs. a benchmark to both the Audit and Ethics Committees.

"Ethics is everything at Avient. We work extensively to train our associates to understand and recognize their responsibility to ethical business practices. We then maintain our internal and external compliance controls to both monitor and continually improve in every regard. It's an integral component in creating a world-class sustainable organization."

-George Inglis Jr., VP, Internal Audit and Corporate Ethics Officer



## Do you have an ethics concern? ETHICS MATTERS

Don't keep it to yourself. Talk to your human resources representative or supervisor.

Or contact the Ethics Hotline:

Online at: avient.ethicspoint.com

By Phone 1-877-228-5410

## Enterprise Risk Management (ERM)

The ERM process is collaborative across Avient's functions in order to identify Avient's risks. Once risks are identified the likelihood of occurrence and potential impact of each risk is evaluated and assessed considering "before" and "after" mitigating activity. The prioritized risks are reviewed annually with executive management to ensure our risk identification and responses remain up-to-date, mitigation actions remain effective, and that new and emerging risks are considered. More information regarding risks is available in our <u>Annual Report</u> on Form 10-K.

Avient's management presents the ERM analysis to Avient's Board of Directors on an annual basis. Sustainability-related risks are included and evaluated as part of the ERM process, and address potential issues related to People, Products, Planet and Performance.

## **ERM Topic Areas:**

Business Continuity	IT systems
Crisis & Incident Management	M&A Execution
Cyber Security	M&A Integration
Data Privacy	Market Intelligence**
Geopolitical Risks	Quality Systems
Global Market Competitiveness	Raw Material Sourcing
Increasing & Changing Regulation*	EH&S Performance
Intellectual Property Protection & Maintenance	Talent Retention & Development and Benefits
Innovation Effectiveness	

\* Includes product and environmental regulations impacting the polymer industry \*\* Includes consumer preference changes driving brand owner requirements



## **Board of Directors Governance**

The primary responsibility for corporate governance at Avient rests with our <u>Board of</u> <u>Directors</u>. Our Board believes that corporate governance is enhanced when a substantial majority of the Directors are independent and when all Directors have demonstrated substantial professional accomplishment and leadership in their careers.



For example, our <u>Governance and Corporate Responsibility Committee</u> provides oversight and guidance with regard to how the Board and management evaluate and integrate corporate responsibility and sustainability into the Company's business strategy and decision-making. And, our Environmental, Health and Safety Committee exercises oversight with respect to the Company's environmental, health, safety, physical security and product stewardship policies and practices and reviews with management risks and exposures regarding environmental, health and safety concerns, including potential risks related to climate change impacts on the physical environment. In addition, the Board has adopted a set of <u>corporate governance guidelines</u> that help define its responsibilities and guide its conduct.

Our Board consists of 12 Directors, who each bring a unique set of qualifications pertaining to corporate governance and Avient's business. The Governance and Corporate Responsibility Committee of the Board regularly reviews criteria for Board membership to ensure an appropriate mix of skills, experience, and diversity. Mandatory membership criteria include high ethical standards, integrity, judgment, and an ability to devote sufficient time to the affairs of our Company. Our Board also represents a balanced mix of fresh perspectives from our newer Directors and more seasoned perspectives from our longer tenured Directors.

Diversity is a key focus area for our global associates and that extends to our Board as well. We were very pleased to again be recognized last year for our Board diversity by <u>2020 Women on Boards</u>, exceeding their required criteria. Forty-two percent of our Directors are female or racially diverse.

To further its commitment to maintaining a diverse board, our Board recently revised the charter for the Governance and Corporate Responsibility Committee to include (and require that any search firm it engages to include) qualified female and racially/ethnically diverse persons, in the initial pool from which Director nominees are chosen.



"Avient fully understands and values the responsibility of creating a sustainable global business. Through ethical, strategic and innovative business practices, the company continues to make important contributions to the sustainability goals of customers and communities worldwide."

*— Richard Fearon, Lead Director, Avient Corporation, Board of Directors* 

#### **AVERAGE TENURE**



AVERAGE AGE



**RACIAL DIVERSITY** 

17%

## **Board of Directors**



Robert M. Patterson Chairman, President and Chief Executive Officer, Avient Corporation



**Gregory J. Goff** Former Chairman, President and Chief Executive Officer, Andeavor



**Ernest Nicolas** Senior Vice President and Chief Supply Chain Officer, Rockwell Automation



**Richard Fearon** Lead Director, Avient Corporation Retired Vice Chairman and Chief Financial and Planning Officer, Eaton



William R Jellison Retired Vice President, Chief Financial Officer, Stryker Corporation



Kerry J. Preete Retired Executive Vice President, Chief Strategy Officer, Monsanto Company



Robert E. Abernathy Retired Chairman and Chief Executive Officer, Halyard Health, Inc.



HOME

Contents

**Neil Green** Executive Vice President and Chief Digital Officer, Otis Worldwide Corporation





**Sandra B. Lin** Retired President, Chief Executive Officer and Director, Calisolar Inc. (now Silicor Materials Inc.)



**Patricia Verduin, Ph.D.** Chief Technology Officer, Colgate-Palmolive Company

William A. Wulfsohn Former Chairman and Chief Executive Officer, Ashland Global Holdings, Inc.



rporation

## **Policies & Guidelines**

**Global Policy on Anti-Bribery and Anti-Corruption** 

In addition to our <u>Code of Conduct</u>, our corporate governance policies show our commitment to honest, ethical business practices and compliance with applicable law. These documents and policies are the principles and guidelines that we follow to ensure effective corporate governance practices within Avient.

<u>Global Policy on Antitrust</u>
Governance and Corporate Responsibility Committee Charter
Position Statement on Human Rights
Privacy Policy
Product Stewardship Policy
Quality Policy
Responsible Care Policy
Safety and Health Policy
Security Policy
Supplier Code of Conduct

## METRICS

## **People and Planet Data and Metrics**

Category	2016	2017	2018	2019	2020
Total TRIR (# - Direct)	0.74	0.69	0.51	0.56	0.50
Total TRIR (# - Contractors)	0.00	0.00	0.00	0.00	0.00
Recordable Injuries (Total #)	51	43	35	36	37
Recordable Illnesses (Total #)	0	0	0	0	0
Total LTIR (# - Direct)	0.29	0.20	0.13	0.29	0.24
Total LTIR (# - Contractors)	0.00	0.00	0.00	0.00	0.00
Total Fatality Rate (# - Direct)	0.00	0.00	0.00	0.00	0.00
Total Fatality Rate (# - Contractors)	0.00	0.00	0.00	0.00	0.00
Process Safety Incident Count (#)	0	0	0	0	0.00
Process Safety Total Incident Rate (#)	0.00	0.00	0.00	0.00	0.00
Process Safety Incident Severity Rate (#)	0.00	0.00	0.00	0.00	0.00
Residual Risk Reduction (# of assessments)	NA	NA	13,267	7,102	4,258
Residual Risk Point Reduction (#)	NA	NA	1,035,177	864,997	1,009,830
EH&S Internal Audits (#)	40	53	53	58	37
Workers covered by an EH&S Management Systems (%)	100	100	100	100	100
Workers covered by an internally audited EH&S MS (%)	100	100	100	100	100
Facilities w/ an externally certified EH&S MS (%)*	20	24	30	35	74
Suppliers w/ an externally certified EH&S MS (% of surveyed)	NA	NA	NA	NA	81
Transport Incidents (# - US DOT 5800/EU ADR)	0	0	0	0	0
Capital Invested in EH&S (\$MM USD)	5.305	5.201	8.858	7.870	4.910

\*Includes Responsible Care Management System, Responsible Care 14001, ISO 14001, ISO 45001, ISO 50001, & OHSAS 18001. Certificates can be found at: <u>https://www.avient.com/company/policies-and-governance/global-iso-certificate-library</u>

## People and Planet Data and Metrics

Category	2016	2017	2018	2019*	2020*
ENERGY <sup>1</sup>					
Total Energy (GJ)	677,579	775,091	869,390	1,523,524	1,547,647
Energy Intensity (MWh/MT Production)	0.99	0.86	0.91	0.95	0.98
Renewable Electricity (%)	0	0	0.49	0.69	31
Total Self-Generated Energy (GJ)	0	0	3808	4588	5001
Energy Saving Activities (#)	NA	26	45	60	74
Annual Savings from Energy Saving Activities (Cumulative MWh)	0	1,507	4,116	11,570	16,978
PERCENT ENERGY (%)					
Purchased Electricity				73.18	75.11
Purchased Natural Gas				25.80	21.02
Purchased Steam				0.00	0.00
Purchased Diesel Fuel				1.02	3.87
EMISSIONS					
Greenhouse Gas Emissions (MT Scope 1 GHG)	33,362	21,527	11,882	18,749	21,092
Greenhouse Gas Emissions (MT Scope 2 GHG)	238,100	244,927	85,112	155,086	87,776
Greenhouse Gas Emissions (MT Scope 3 GHG) <sup>2,3</sup>	NA	NA	193,483	564,359	1,440,584
Greenhouse Gas Emissions (MT Scope 1 & 2 GHG)	254,995	275,811	96,994	173,835	108,868
Greenhouse Gas Emissions Intensity (MT 1&2 GHG/ MT Production)	0.43	0.35	0.38	0.39	0.25
Greenhouse Gas Emissions Intensity (MT 1&2 GHG/\$B Revenue)	76,346	84,674	36,723	43,666	28,778
Annual GHG Emissions Avoidance from ESA & WMP (Cumulative MT)	0	1,548	6,668	13,558	19,746
Reportable Releases (above permitted limits)	0	0	0	0	0
EMISSIONS OF SOx/NOx/VOC/HAPS					
SOX	0.04	0.05	0.06	0.08	0.08
NOX	0.05	0.05	0.06	0.09	0.08
VOC	30.28	32.18	31.14	43.58	40.26
Top 4 Hazardous Air Pollutants Particulate Matter	0.49	0.58	0.60	0.98	1.00
Particulate Matter	23.29	24.70	23.76	33.78	30.99

Category	2016	2017	2018	2019*	2020*
WASTE					
Total Waste (MT)	11,234	12,453	13,396	26,065	23,709
Total Waste Intensity (Kg Waste/MT Production)	17.23	20.18	17.79	58.27	54.16
Total Waste Intensity (MT Waste/\$B Revenue)	993	1,572	1,357	6,547	6,267
Waste Minimization Projects (#)	NA	47	44	68	59
Percent of Total Waste Recycled/Beneficially Reused (%)	67.31	57.07	62.65	48.79	47.43
Percent of Total Waste Landfilled (%)	29.55	40.77	35.11	45.82	41.82
Total Waste Landfilled (MT)	3,320	5,077	4,703	11,943	9,915
Total Non-Hazardous Waste (MT)	NA	NA	12,722	24,135	21,823
HAZARDOUS WASTE					
Hazardous Waste US & Canada (%)	NA	NA	NA	1.0	1.3
Hazardous Waste Latin America (%)	NA	NA	NA	6.4	6.9
Hazardous Waste Europe (%)	NA	NA	NA	51.4	60.2
Hazardous Waste Asia Pacific (%)	NA	NA	NA	35.6	26.4
Hazardous Waste Middle East & Africa (%)	NA	NA	NA	5.6	5.2
Total Hazardous Waste (MT)	NA	NA	674.35	1,930	1,886
WATER					
Total Water Withdrawal (1000 m3)	498	662	666	1,159	1,309
Total Water Withdrawal Intensity (m3/MT Production)	2.58	2.64	2.57	2.59	2.99
Total Wastewater Discharge (1000 m3)	NA	NA	NA	691	553
Wastewater Recycled (% of Total)	NA	NA	NA	40.38	57.75
Total Water Related NoV (#)	0	0	0	0	0
Withdrawal & Consumed from High Water Stress Areas (% of Total)	NA	NA	NA	39.3	40.8

\* Includes full calendar year data for Clariant Masterbatch acquired sites unless otherwise noted at the metric level. <sup>1</sup>Refer to <u>CDP Climate Change Report</u> for additional detail and finalized Energy/Emissions information. <sup>2</sup>Not all Scope 3 emissions from Clariant Masterbatch acquired sites available at the time of this report.

 $^{\scriptscriptstyle 3}$  Year-over-year change due to increased data coverage and revised emission factors.

Revised 29-Apr-2021

## 

GRI Standard	Disclosure Title	Avient Disclosures
General Disclo	sures	
Organizationa	l Profile	
102-1	Name of the organization	About Us—Who We Are
102-2	Activities, brands, products, and services	Products—All Sections Avient products are not banned in any market.
102-3	Location of headquarters	About Us—Historic Transformation, Inspired Future About Us—Where We Are: Global Locations Avient 2020 <u>Annual Report</u> —Form 10-K Cover Page
102-4	Location of operations	<u>About Us—Where We Are: Global Locations</u> Avient 2020 <u>Annual Report</u> —Form 10-K Page 14
102-5	Ownership and legal form	Avient 2020 <u>Annual Report</u> —Form 10-K Cover Page
102-6	Markets served	About Us—Communities Counting on Avient
102-7	Scale of the organization	Performance—Performance Overview Avient 2020 <u>Annual Report</u> —Form 10-K Pages 2–10
102-8	Information on employees and other workers	People—All Sections Avient 2020 <u>Annual Report</u> —Form 10-K Pages 4–5 Currently we report on the number of associates. A majority of our associates have full time contracts.
102-9	Supply chain	Products—Management Approach: Supplier Collaboration/Supplier Evaluation Avient 2020 <u>Annual Report</u> —Form 10-K Page 4
102–10	Significant changes to the organization and its supply chain	About Us—Better Together: PolyOne and Clariant Masterbatch Avient 2020 <u>Annual Report</u> —Form 10-K Pages 2 & 19–20
102–11	Precautionary Principle or approach	About Us—Who We Are Avient 2020 <u>Annual Report</u> —Form 10-K Pages 9–13
102-12	External initiatives	About Avient—Who We Are People—Security; A Great Place to Work Products—Management Approach: Product Stewardship; Strategic Partnerships and Alliances Planet—Eliminating Plastic Waste
102-13	Membership of associations	United Nations Global Compact American Chemistry Council Plastics Industry Association Alliance To End Plastic Waste Operation Clean Sweep UK Plastics Pact PetCore Europe Association of Plastic Recyclers (APR) Plastics Recyclers Europe (PRE) Responsible Mica Initiative (RMI) Microfibre Consortium (TMC)
Strategy		
102-14	Statement from senior decision-maker	Message from the CEO Avient 2020 <u>Annual Report</u> —Letter To Our Shareholders

GRI Standard	Disclosure Title	Avient Disclosures		
General Disclo	General Disclosures			
Strategy				
102-15	Key impacts, risks, and opportunities	Products—Innovation: The Lifeblood of a Specialty Organization Performance—Enterprise Risk Management (ERM) Avient 2020 <u>Annual Report</u> —Form 10-K Pages 9–13		
Ethics & Integr	ity			
102-16	Values, principles, standards, and norms of behavior	About Us—Who We Are Performance—The Highest Ethical Standards Avient 2020 <u>Annual Report</u> —Creating a World-Class, Sustainable; Vision and Strategy		
102–17	Mechanisms for advice and concerns about ethics	Performance—Ethics Hotline and Reporting		
Governance				
102-18	Governance structure	Performance—Board of Directors Governance <u>People—Management Approach: EH&amp;S</u> Avient 2020 <u>Annual Report</u> —Form 10-K Pages 15–16 & 70 and <u>Proxy Statement</u> Pages 23–28 <u>https://www.avient.com/investors/governance</u>		
102-20	Executive-level responsibility for economic, environmental, and social topics	<u>Message from the Governance and Corporate Responsibility Committee</u> <u>Performance—Board of Directors Governance</u> Avient 2020 <u>Annual Report</u> —Form 10-K Pages 15–16 & 70 and <u>Proxy Statement</u> Page 24 <u>https://www.avient.com/investors/governance</u>		
102-22	Composition of the highest governance body and its committees	Message from the Governance and Corporate Responsibility Committee Performance—Board of Directors Governance Avient 2020 <u>Annual Report</u> —Form 10-K Pages 15–16 & 70 and <u>Proxy Statement</u> Pages 23–28 <u>https://www.avient.com/investors/governance</u>		
102-23	Chair of the highest governance body	Message from the Governance and Corporate Responsibility Committee Performance—Board of Directors Governance Avient 2020 <u>Annual Report</u> —Form 10-K Pages 15–16 & 70 and <u>Proxy Statement</u> Pages 23–24 <u>https://www.avient.com/investors/governance</u>		
102-24	Nominating and selecting the highest governance body	Performance—Board of Directors Governance Avient 2020 <u>Annual Report</u> —Form 10-K Pages 15–16 & 70 and <u>Proxy Statement</u> Pages 26–27 <u>https://www.avient.com/investors/governance</u>		
102-25	Conflicts of interest	Performance—Board of Directors Governance Code of Conduct https://www.avient.com/investors/governance		
102-26	Role of highest governance body in setting purpose, values, and strategy	Performance—Board of Directors Governance Avient 2020 <u>Annual Report</u> —Form 10-K Pages 15–16 & 70 and <u>Proxy Statement</u> Pages 23–29 <u>https://www.avient.com/investors/governance</u>		
102–27	Collective knowledge of highest governance body	Performance—Board of Directors Governance Avient 2020 <u>Annual Report</u> —Form 10-K Pages 15–16 & 70 and <u>Proxy Statement</u> Pages 14–18 <u>https://www.avient.com/investors/governance</u>		

GRI Standard	Disclosure Title	Avient Disclosures
General Disclos	sures	
Governance		
102–28	Evaluating the highest governance body's performance	Performance—Board of Directors Governance Avient 2020 <u>Proxy Statement</u> Page 28 <u>https://www.avient.com/investors/governance</u>
102-29	Identifying and managing economic, environmental, and social impacts	Performance—Board of Directors Governance People—Management Approach: EH&S https://www.avient.com/investors/governance
102-30	Effectiveness of risk management processes	Performance—Board of Directors Governance; Enterprise Risk Management (ERM) Avient 2020 <u>Proxy Statement</u> Page 24 <u>https://www.avient.com/investors/governance</u>
102-31	Review of economic, environmental, and social topics	Performance—Board of Directors Governance; Enterprise Risk Management (ERM) Avient 2020 <u>Annual Report</u> —Form 10-K Pages 15–16 & 70 and <u>Proxy Statement</u> Pages 23–29 <u>https://www.avient.com/investors/governance</u>
102-32	Highest governance body's role in sustainability reporting	Message from the Governance and Corporate Responsibility Committee Performance—Board of Directors Governance Avient 2020 <u>Annual Report</u> —Form 10-K Pages 15–16 & 70 and <u>Proxy Statement</u> Pages 23–29 <u>https://www.avient.com/investors/governance</u>
102-33	Communicating critical concerns	Performance—Board of Directors Governance Avient 2020 <u>Annual Report</u> —Form 10-K Pages 15–16 & 70 and <u>Proxy Statement</u> Page 25 <u>Code of Conduct</u> <u>https://www.avient.com/investors/governance</u>
102-34	Nature and total number of critical concerns	Avient 2020 <u>Annual Report</u> —Form 10-K Page 57
102-35	Renumeration Policies	Avient 2020 Proxy Statement Pages 34–47
102-36	Process for determining renumeration	Avient 2020 Proxy Statement Pages 34–47
102-37	Stakeholders' involvement in renumeration	Avient 2020 <u>Proxy Statement</u> Page 36
102-38	Annual total compensation ratio	Avient 2020 <u>Proxy Statement</u> Page 62
Stakeholder Er	gagement	
102-40	List of stakeholder groups	Throughout Avient 2020 Sustainability Report
102-41	Collective bargaining agreements	People—Workforce Demographics Approximately 1% of North American associates are covered by collective bargaining agreements. Freedom of association and collective bargaining in Position on Human Rights <u>https://www.avient.com/</u> <u>company/policies-and-governance/avients-position-human-rights</u>
102-42	Identifying and selecting stakeholders	Throughout Avient 2020 Sustainability Report
102-43	Approach to stakeholder engagement	Throughout Avient 2020 Sustainability Report
Reporting Prac	tice	
102-45	Entities included in the consolidated financial statements	Avient 2020 <u>Annual Report</u> —Form 10-K Page 3 We operate in three reportable segments: (1) Color, Additives and Inks; (2) Specialty Engineered Materials; and (3) Distribution.

GRI Standard	Disclosure Title	Avient Disclosures
General Disclo	sures	
Reporting Pra	ctice	
102-46	Defining report content and topic boundaries	The information in this report applies to Avient and all owned facilities, joint ventures, and operating companies globally within the reporting period, unless otherwise stated. In the case of our associates, all information pertain only to employees of Avient and its operating subsidiaries, unless otherwise noted. Environmental data covers all sites owned or operated by Avient in the reporting period.
102-47	List of material topics	About Us People Products Planet Performance Avient 2020 <u>Annual Report</u> —Form 10-K
102-48	Restatements of information	2019 and 2020 data includes full calendar year data for Clariant Masterbatch acquired sites unless otherwise noted at the metric level.
102-49	Changes in reporting	PolyOne acquired Clariant MasterBatch on July 1, 2020 and combined to create the current company, Avient. 2019 and 2020 data includes full calendar year data for Clariant Masterbatch acquired sites unless otherwise noted at the metric level.
102-50	Reporting period	January 1, 2020 through December 31, 2020
102-51	Date of most recent report	This is Avient's 3 <sup>rd</sup> sustainability report.
102-52	Reporting cycle	At minimum, biennial
102-53	Contact point for questions regarding the report	https://www.avient.com/contact-us-now
102-54	Claims of reporting in accordance with the GRI standards	This report has been prepared in accordance with the GRI Standards: Core Option.
Economic Topi	c Disclosures	
GRI 201: Econo	omic	
103-1, 2 and 3	Management approach—GRI 103	Performance—Performance Overview
201-1	Direct economic value generated and distributed	Avient 2020 <u>Annual Report</u> —Form 10-K Page 20
201–2	Financial implications and other risks and opportunities due to climate change	<u>Products—How Our Products Enable Sustainability</u> <u>Performance—Enterprise Risk Management (ERM)</u> Avient 2020 <u>Annual Report</u> —Form 10-K Pages 9–13
201-3	Defined benefit plan obligations and other retirement plans	Avient 2020 <u>Annual Report</u> —Form 10-K Pages 27 & 44
GRI 205: Anti-O	Corruption	
103-1, 2 and 3	Management approach—GRI 103	Performance—The Highest Ethical Standards Code of Conduct
205-1	Operations assessed for risks related to corruption	Products—Management Approach: Supplier Collaboration Performance—The Highest Ethical Standards; Enterprise Risk Management (ERM) Code of Conduct https://www.avient.com/investors/governance

GRI Standard	Disclosure Title	Avient Disclosures		
Economic Topic	c Disclosures			
GRI 205: Anti-C	orruption			
205-2	Communication and training about anti-corruption policies and procedures	Performance—The Highest Ethical Standards Code of Conduct https://www.avient.com/investors/governance		
205-3	Confirmed incidents of corruption and actions taken	There were no incidents of corruption in 2020. <u>Code of Conduct</u> <u>https://www.avient.com/investors/governance</u>		
GRI 206: Anti-C	ompetitive Behavior			
103-1, 2 and 3	Management approach—GRI 103	Code of Conduct		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions were brought against Avient for anti-competitive behavior, anti-trust, or monopoly practices in 2020.		
Environmental	Topic Disclosures			
GRI 301: Materi	als			
301-1	Materials used by weight or volume	<u>About Avient—What We Do: Material Science</u> Avient 2020 <u>Annual Report</u> —Form 10-K Page 3		
301–2	Recycled input materials used	Products—How Our Products Enable Sustainability; Our SolutionsIn Action: Case Studies		
301-3	Reclaimed products and their packaging materials	Products—How Our Products Enable Sustainability; Our SolutionsIn Action: Case Studies		
GRI 302: Energy	<b>y</b>			
103-1, 2 and 3	Management approach – GRI 103	Planet—Protecting Our Planet; Climate Change https://www.avient.com/company/sustainability/planet/environmental-stewardship		
302-1	Energy consumption within the organization	<u>Planet—Protecting Our Planet;</u> <u>Climate Change</u> <u>Metrics and Index—People and Planet Data and Metrics</u>		
302-2	Energy consumption outside of the organization	<u>Planet—Protecting Our Planet;</u> <u>Climate Change</u> <u>Metrics and Index—People and Planet Data and Metrics</u>		
302-3	Energy intensity	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics		
302-4	Reduction of energy consumption	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics		
302-5	Reductions in energy requirements of products and services	Products—How Our Products Enable Sustainability Metrics and Index—People and Planet Data and Metrics		
GRI 303: Water	GRI 303: Water and Effluents			
303-1	Interactions with water as a shared resource	Planet—Climate Change: Water Intensity and Biodiversity https://www.avient.com/company/sustainability/planet/environmental-stewardship		
303-3	Water withdrawal	Planet—Climate Change: Water Intensity and Biodiversity Metrics and Index—People and Planet Data and Metrics		

GRI Standard	Disclosure Title	Avient Disclosures
Environmenta	l Topic Disclosures	
GRI 305: Emiss	ions	
103-1, 2 and 3	Management approach—GRI 103	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics
305-1	Direct (Scope 1) GHG emissions	<u>Planet—Protecting Our Planet; Climate Change</u> <u>Metrics and Index—People and Planet Data and Metrics</u>
305-2	Energy indirect (Scope 2) GHG emissions	<u>Planet—Protecting Our Planet;</u> <u>Climate Change</u> <u>Metrics and Index—People and Planet Data and Metrics</u>
305-3	Other indirect (Scope 3) GHG emissions	Metrics and Index—People and Planet Data and Metrics
305-4	GHG emissions intensity	<u>Planet—Protecting Our Planet;</u> <u>Climate Change</u> <u>Metrics and Index—People and Planet Data and Metrics</u>
305-5	Reduction of GHG emissions	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics
GRI 306: Waste	2	
103-1, 2 and 3	Management approach—GRI 103	Planet—Eliminating Plastic Waste; Clean-Up and Remediation https://www.avient.com/company/sustainability/planet/environmental-stewardship
306-1	Waste generation and significant waste-related impacts	Planet—Eliminating Plastic Waste; Clean-Up and Remediation
306-2	Management of significant waste-related impacts	Planet—Eliminating Plastic Waste; Clean-Up and Remediation
306-3	Waste generated	Planet—Eliminating Plastic Waste Metrics and Index—People and Planet Data and Metrics
306-4	Waste diverted from disposal	<u>Planet—Eliminating Plastic Waste</u> <u>Metrics and Index—People and Planet Data and Metrics</u>
306-5	Waste directed to disposal	Planet—Eliminating Plastic Waste Metrics and Index—People and Planet Data and Metrics
GRI 307: Enviro	onmental Compliance	
103-1, 2 and 3	Management approach—GRI 103	People—Management Approach: EH&S Products—Management Approach: Product Stewardship Planet—Protecting Our Planet Avient 2020 <u>Annual Report</u> —Form 10-K Page 7 <u>https://www.avient.com/company/sustainability/planet/environmental-stewardship</u>
307-1	Non-compliance with environmental laws and regulations	Products—Management Approach: Product Stewardship
GRI 308: Suppl	lier Environmental Assessment	
103-1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Supplier Collaboration Supplier Code of Conduct
308-1	New suppliers that were screened using environmental criteria	Products—Management Approach: Supplier Collaboration
308-2	Negative environmental impacts in the supply chain and actions taken	Products—Management Approach: Supplier Collaboration

GRI Standard	Disclosure Title	Avient Disclosures
Social Topic Di	sclosures	
GRI 401: Emplo	yment	
103-1, 2 and 3	Management approach—GRI 103	People—Management Approach: Training and Development; Diversity & Inclusion: Leading from the Top; and Management Approach: Diversity & Inclusion
401-1	New employee hires and employee turnover	<u>People—Talent Acquisition and Campus Recruiting;</u> <u>Workforce Demographics</u> Avient 2020 <u>Annual Report</u> —People We hired 508 new associates in 2020
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People—Associate Benefits/Awards and Recognition Programs; Health and Wellness
401-3	Parental leave	People—Health and Wellness
GRI 403: Occup	oational Health & Safety	
103-1, 2 and 3+A119:C129	Management approach—GRI 103	<u>People—Management Approach: EH&amp;S</u> Avient 2020 <u>Annual Report</u> —Form 10-K Page 7 Avient's <u>Position on Human Rights</u> <u>https://www.avient.com/company/sustainability/planet/environmental-stewardship</u>
403-1	Occupational health and safety management system	<u>People—Management Approach: EH&amp;S</u> <u>Planet—Protecting Our Planet</u> Avient 2020 <u>Annual Report</u> —Form 10-K Page 7 <u>https://www.avient.com/company/sustainability/planet/environmental-stewardship</u>
403-2	Hazard identification, risk assessment, and incident investigation	People—Management Approach: EH&S Planet—Clean-Up and Remediation
403-3	Occupational health services	People—Occupational Safety & Health
403-4	Worker participation, consultation, and communication on occupational health and safety	People—Management Approach: EH&S
403-5	Worker training on occupational health and safety	People—Management Approach: EH&S Management Approach: Training and Development
403-6	Promotion of worker health	People—Occupational Safety & Health; Health and Wellness
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People—Management Approach: EH&S Products—Management Approach: Product Stewardship; Management Approach: Supplier Collaboration Avient 2020 <u>Annual Report</u> —Form 10-K Page 7
403-8	Workers covered by an occupational health and safety management system	People—Management Approach: EH&S Avient 2020 <u>Annual Report</u> —Form 10-K Page 7
403-9	Work-related injuries	People—Management Approach: EH&S Avient 2020 <u>Annual Report</u> —Form 10-K Page 7
403-10	Work-related ill health	People—Management Approach: EH&S Avient 2020 <u>Annual Report</u> —Form 10-K Page 7
GRI 404: Traini	ng & Education	
103-1, 2 and 3	Management approach—GRI 103	People—Management Approach: Training and Development

GRI Standard	Disclosure Title	Avient Disclosures									
Social Topic Dis	sclosures										
GRI 404: Trainii	ng & Education										
404-1	Average hours of training per year per employee	People—Management Approach: Training and Development In 2020, associates received 30,000 hours of training; has approximately 8,400 associates, which is an estimated 3.6 hrs of training per associate. Associates receive additional training based on their role, such as Lean Six Sigma, Customer Centric Selling, and Core Leadership.									
404-2	Programs for upgrading employee skills and transition assistance programs	People—Management Approach: Training and Development									
404-3	Percentage of employees receiving regular performance and career development reviews	People—Career Training and Performance Feedback									
GRI 405: Divers	ity and Equal Opportunity										
103-1, 2 and 3	Management approach—GRI 103	People—Management Approach: Diversity & Inclusion; Diversity and Inclusion: Leading from the Top									
405-1	Diversity of governance bodies and employees	People—Workforce Demographics; Management Approach: Diversity & Inclusion; Diversity and Inclusion: Leading from the Top; Performance—Board of Directors Governance									
GRI 406: Non-d	iscrimination										
103-1, 2 and 3	Management approach—GRI 103	People—Management Approach: Diversity & Inclusion									
406-1	Incidents of discrimination and corrective actions taken	People—Management Approach: Training and Development; Management Approach: Diversity & Inclusion; Performance—Board of Directors Governance									
GRI 407: Freedo	om of Association and Collective Bargaining										
103-1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Supplier Collaboration Avient's <u>Position on Human Rights</u> <u>Supplier Code of Conduct</u>									
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Products—Management Approach: Supplier Collaboration To our knowledge, within Avient's operations the right to freedom of association and collective bargaining continue to remain compliant with all statutory requirements. Suppliers are expected to comply with our <u>Suppli</u> <u>Code of Conduct</u> .									
GRI 408: Child I	abor										
103-1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Supplier Collaboration Avient's <u>Position on Human Rights</u> Supplier Code of Conduct									
408-1	Operations and suppliers at significant risk for incidents of child labor	Products—Management Approach: Supplier Collaboration To our knowledge, within Avient's operations there is no significant risk of child labor. Suppliers are expected to comply with our <u>Supplier Code of Conduct</u> .									
GRI 409: Forced	d or Compulsory Labor										
103-1, 2 and 3	Management approach – GRI 103	Products—Management Approach: Supplier Collaboration Avient's <u>Position on Human Rights</u> Supplier Code of Conduct									
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Products—Management Approach: Supplier Collaboration To our knowledge, within Avient's operations there is no significant risk of incidents of forced or compulsory labor. Suppliers are expected to comply with our <u>Supplier Code of Conduct</u> .									

GRI Standard	Disclosure Title	Avient Disclosures									
Social Topic Dis	sclosures										
GRI 412: Humar	n Rights Assessment										
412-2	Employee training on human rights policies or procedures	Performance—The Highest Ethical Standards									
GRI 413: Local O	Communities										
413-1	Operations with local community engagement, impact assessments, and development programs	Planet—Community Service; Community Engagement									
413-2	Operations with significant actual and potential negative impacts on local communities	Planet—Community Service; Community Engagement To our knowledge, within Avient's operations there are no significant actual or potential negative impacts on local communities.									
GRI 414: Social	Supplier Assessment										
103-1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Supplier Collaboration Supplier Code of Conduct									
414-1	New suppliers that were screened using social criteria	Products—Management Approach: Supplier Collaboration									
414-2	Negative social impacts in the supply chain and actions taken	Products—Management Approach: Supplier Collaboration									
GRI 415: Public	Policy										
415-1	Political contributions	Planet—Community Service									
GRI 416: Custor	ner Health and Safety										
103-1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Product Stewardship									
416-1	Assessment of the health and safety impacts of product and service categories	Products—Management Approach: Product Stewardship									
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Products—Management Approach: Product Stewardship Avient 2020 <u>Annual Report</u> —Form 10-K Page 5									
GRI 417: Market	ting and Labeling										
103-1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Product Stewardship									
417-1	Requirements for product and service information and labeling	Products—Management Approach: Product Stewardship									
417-2	Incidents of non-compliance concerning product and service information and labeling	Products—Management Approach: Product Stewardship									
417-3	Incidents of non-compliance concerning marketing communications	Products—Management Approach: Product Stewardship									
GRI 418: Custor	ner Privacy										
103-1, 2 and 3	Management approach—GRI 103	People—Security									
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	It is currently unknown if there are substantiated complaints concerning breaches of customer privacy and losses of customer data for this reporting period.									
GRI 419: Socio I	Economic Compliance										
419-1	Non-compliance with laws and regulations in the social and economic area	Avient 2020 <u>Annual Report</u> —Form 10-K Page 57 To our knowledge, within Avient's operations, there is material compliance to all applicable laws and regulations in the social and economic areas.									

## Sustainability Accounting Standards Board (SASB) Chemicals Standard Index

Accounting or Activity Metric	Code	Avient Disclosures							
Greenhouse Gas Emissions									
Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	RT-CH-110a.1	Scope 1: 21,092 MT Metrics and Index—People and Planet Data and Metrics							
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	RT-CH-110a.2	By 2030, Avient will reduce Scope 1 & 2 greenhouse gas (GHG) emissions by 60% with 2019 as a baseline and achieve operational carbon neutrality by 2050. 2030 Sustainability Goals							
Air Quality	1								
Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	RT-CH-120a.1	1. NOx: 0.08 MT 2. SOx: 0.08 MT 3. VOCs: 40.26 MT 4. HAPs: 1.00 MT Metrics and Index—People and Planet Data and Metrics							
Energy Management									
(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	RT-CH-130a.1	<ol> <li>Total energy: 1,547,647 GJ</li> <li>% Grid electricity: 98.76%</li> <li>% Renewable: 31</li> <li>Total self-generated: 5001 GJ</li> <li>Metrics and Index—People and Planet Data and Metrics</li> </ol>							
Water Management	1								
(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	RT-CH-140a.1	<ol> <li>Total water withdrawn: 1,309 m3</li> <li>Percentage of total water withdrawn and consumed from regions of high water stress: 40.8% Metrics and Index—People and Planet Data and Metrics</li> </ol>							
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	RT-CH-140a.2	Reportable releases (above permitted limits): 0 <u>Metrics and Index—People and Planet Data and Metrics</u>							
Description of water management risks and discussion of strategies and practices to mitigate those risks	RT-CH-140a.3	While water management is a critical and highly-influential topic in some industrial sectors, Avient's operations are not water intensive. Normal manufacturing processes are "dry" and water use is limited to sanitary applications and process cooling, with closed loop recycling processes cooling dominating. Further, the vast majority of Avient sites are generally comparably smaller scale and located in urban or suburban areas. As such, we manage both water and biodiversity responsibly, and in accordance with applicable laws, but these topics do not reach the threshold of materiality compared with other operational areas. Planet—Climate Change							
Hazardous Waste Management									
Amount of hazardous waste generated, percentage recycled	RT-CH-150a.1	1886 MT of hazardous waste was generated. 43% of hazardous waste recycled or beneficially reused. <u>Metrics and Index—People and Planet Data and Metrics</u>							

## Sustainability Accounting Standards Board (SASB) Chemicals Standard Index

Accounting or Activity Metric	Code	Avient Disclosures							
Community Relations									
Discussion of engagement processes to manage risks and opportunities associated with community interests	RT-CH-210a.1	We provide oversight and guidance with regard to how the Board and management evaluate and integrate corporate responsibility and sustainability into Avient's business strategy, decision-making and stakeholder communication. This includes equal opportunity and respect for all people regardless of religious beliefs, age, race, gender, or sexual orientation, as fully explained in Avient's <u>Code of Conduct</u> and its <u>Position on Human Rights</u> . This also includes being a passionate steward of our natural resources for the long-term health and vitality of our planet. <u>Message from the Governance and Corporate Responsibility Committee</u> Part of this metric was omitted due to availability (direct and clear discussion that community interests are stakeholder interests).							
Workforce Health & Safety									
(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	RT-CH-320a.1	1. TRIR: 0.50 2. Fatality rate for contractors and direct employees is both 0.00 <u>Metrics and Index—People and Planet Data and Metrics</u>							
Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	RT-CH-320a.2	As a global organization, Avient recognized the early risks associated with the COVID-19 pandemic. And we took action. Our early and consistent approach focused on protecting the health and safety of our associates, families, customers and communities. We consistently monitored and adhered to local government requirements and conditions everywhere we operate. We mobilized regional COVID Task Forces and collaboratively developed procedures then took action accordingly. Part of this metric was omitted due to availability (chronic health risks unrelated to COVID-19). <u>People—Safety First/COVID-19</u>							
Product Design for Use-phase Efficiency	'								
Revenue from products designed for use-phase resource efficiency	RT-CH-410a.1	\$790 million Performance—Sustainable Solutions Performance							
Safety & Environmental Stewardship of Chemicals									
(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	RT-CH-410b.1	<ol> <li>&lt;5% of 2020 revenue were from products classified as GHS category 1 or 2</li> <li>30% of GHG products have completed prioritized risk assessments         <u>Products—Management Approach: Product Stewardship</u>         Part of this metric was omitted due to availability (percentage of products that contain GHG category 1 and 2 substances).</li> </ol>							
Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	RT-CH-410b.2	The current and future focus is on continued Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) assessments and communication on the safe handling of these substances. Many other countries are following suit on the EU REACH chemicals regulation. In late 2020, we successfully completed the pre-registration for both Turkey REACH (KKDIK) and Eurasia REACH (EAEU-REACH). We also completed notifications associated with our European portfolio as it relates to the Poison Control Center Notifications. We continue to monitor risk assessments associated with the U.S. Environmental Protection Agency's (EPA) Toxic Substance Control Act (TSCA) inventory reset rule. At this time, we believe we have no materials subject to EPA risk assessments. REACH reclassifications of substances as the result of European Chemical Agency (ECHA) review continues to be a challenge for Avient. In 2021, a raw material authorization project has been established to formalize and standardize a global reclassification methodology as a result of continued REACH dossier evaluations and Products within the portfolio. Changes associated with REACH data evaluation has the potential to change the approval and intended use for critical raw materials within sensitive applications, like food, drug or medical. It is expected that this process will drive opportunities for sustainable replacement initiatives. By design, this project feeds into to another sustainability sub-committee and business unit technology initiatives regarding development of sustainable solutions.							

## Sustainability Accounting Standards Board (SASB) Chemicals Standard Index

Accounting or Activity Metric	Code	Avient Disclosures						
Genetically Modified Organisms								
Percentage of products by revenue that contain genetically modified organisms (GMOs)	RT-CH-410c.1	This metric was omitted due to lack of applicability.						
Management of the Legal & Regulatory Environment								
Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	RT-CH-530a.1	Avient does not fund political parties or members of government. In the United States, employees at Avient have made use of their right to establish a Political Action Committee (PAC), which is a voluntary, federally registered employee association that collects donations for political purposes and decides how these are used, in accordance with U.S. law. <u>Planet—Community Service</u>						
Operational Safety, Emergency Preparedness & Response								
Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	RT-CH-540a.1	1. PSIC: 0 2. PSTIR: 0.00 3. PSISR: 0.00 <u>Metrics and Index—People and Planet Data and Metrics</u>						
Number of transport incidents	RT-CH-540a.2	0 Metrics and Index—People and Planet Data and Metrics						
Activity Metric								
Production by reportable segment	RT-CH-000.A	Revenue by Geography and End Market: Geography: 50% US/Canada, 26% Europe, 16% Asia, 8% Latin America End Market: 23% Consumer, 21% Packaging, 15% Healthcare, 15% Industrial, 10% Transportation, 6% Wire and Cable, 6% Building and Construction, 4% Electrical and Electronics Part of this metric was omitted due to lack of availability (production, in units, per reportable segment). Who We Are—Revenue by Geography and End Market						

## Task Force on Climate-related Financial Disclosures (TCFD) Index

Recommended Disclosure	Avient Disclosures
Governance	
Describe the board's oversight of climate-related risks and opportunities	Message from the Governance and Corporate Responsibility Committee Planet—Climate Change 2020 CDP Climate Change Response—C1.1b
Describe management's role in assessing and managing climate-related risks and opportunities	People—Management Approach EH&S Planet—Protecting Our Planet; Climate Change 2020 CDP Climate Change Response—C1.2, C1.2a
Strategy	
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	2020 CDP Climate Change Response—C2.1, C2.2C, C2.3a, C2.4a
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	2020 CDP Climate Change Response—C2.5, C2.6
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	2020 CDP Climate Change Response—C3.1a, C3.1g
Risk Management	
Describe the organization's processes for identifying and assessing climate-related risks	<u>Planet—Climate Change</u> 2020 CDP Climate Change Response—C2.2, C2.2a, C2.2b
Describe the organization's processes for managing climate-related risks	<u>Planet—Climate Change</u> 2020 Climate Change Response—C2.2, C2.2d
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	<u>Planet—Climate Change</u> 2020 CDP Climate Change Response—C2.2, C3.1c
Metrics & Targets	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	<u>Planet—Climate Change</u> 2020 CDP Climate Change Response—C6.1, C6.2, C6.3, C6.5
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks	Metrics and Index—People and Planet Data and Metrics Planet—Climate Change 2020 CDP Climate Change Response—C6.1, C6.2, C6.3, C6.5
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Metrics and Index—People and Planet Data and Metrics 2030 Sustainability Goals 2020 CDP Climate Change Response—C4

#### Reconciliation of Non-GAAP Financial Measures (Unaudited)

(Dollars in millions, except for per share data)

Below is a reconciliation of non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with GAAP. The following pro forma adjustments are referenced by management to provide comparable business performance by incorporating the Clariant Masterbatch business in periods prior to the acquisition date (July 1, 2020). Financial information referenced here is provided to aid in reconciling back to the most comparable GAAP figures.

		Year Ended December 31, 2020									Year Ended December 31, 2019										
Reconciliation of Pro Forma Adjusted Earnings per Share		Avient		Special Items <sup>(1)</sup>		Adjusted Avient		Clariant MB Pro Forma Adjustments <sup>(2)</sup>		Pro Forma Adjusted Avient		Avient		Special Items <sup>(1)</sup>		Adjusted Avient		Clariant MB Pro Forma Adjustments <sup>(2)</sup>		Pro Forma Adjusted Avient	
Sales	\$ 3,242.		\$	_	\$	3,242.1	\$	540.4	\$	3,782.5	\$	2,862.7	\$	_	\$	2,862.7	\$	1,118.6	\$	3,981.3	
Operating income	\$	189.3	\$	73.7	\$	263.0	\$	45.0	\$	308.0	\$	156.8	\$	71.7	\$	228.5	\$	72.9	\$	301.4	
Interest expense, net		(74.6)		10.1		(64.5)		(18.1)		(82.6)		(59.5)		_		(59.5)		(33.4)		(92.9)	
Other income, net		24.3		(17.6)		6.7		_		6.7		12.1		(10.0)		2.1		_		2.1	
Income taxes		(5.2)		(41.4)		(46.6)		(6.2)		(52.8)		(33.7)		(5.9)		(39.6)		(9.1)		(48.7)	
Net income attributable to noncontrolling interests		(1.8)		_		(1.8)		_		(1.8)		(0.2)		_		(0.2)		_		(0.2)	
Net income from continuing operations attributable to Avient shareholders	\$	132.0	\$	24.8	\$	156.8	\$	20.7	\$	177.5	\$	75.5	\$	55.8	\$	131.3	\$	30.4	\$	161.7	
Weighted average diluted shares								90.6										77.7			
Impact to diluted shares from January 2020 equity offering								1.5										15.3			
Pro forma weighted average diluted shares								92.1										93.0			
Pro forma adjusted EPS							\$	1.93									\$	1.74			

(1) Special items include charges related to specific strategic initiatives or financial restructuring such as: consolidation of operations; debt extinguishment costs; costs incurred directly in relation to acquisitions or divestitures; employee separation costs resulting from personnel reduction programs, plant realignment costs, executive separation agreements; asset impairments; settlement gains or losses and mark-to-market adjustments associated with actuarial gains and losses on pension and other post-retirement benefit plans; environmental remediation costs, fines, penalties and related insurance recoveries related to facilities no longer owned or closed in prior years; gains and losses on the divestiture of operating businesses, joint ventures and equity investments; gains and losses on facility or property sales or disposals; results of litigation, fines or penalties, where such litigation (or action relating to the fines or penalties) arose prior to the commencement of the performance period; one-time, non-recurring items; and the effect of changes in accounting principles or other such laws or provisions affecting reported results.

<sup>(2)</sup> Pro forma adjustments for the periods prior to the acquisition date (July 1, 2020) and to give effects to the financing for the acquisition



2020 Sustainability Report

## Challenge Accepted.

This report contains forward-looking statements. Forward-looking statements will give current expectations or forecasts of future events and are not guarantees of future performance. They are based on management's expectation and 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 statement. Some of these risks and uncertainties can be found in the company's filings with the Securities and Exchange Commission. While Avient believes all information in this report is accurate, such information is made without any warranty or guarantee and shall establish no legal duty on the part of Avient, its subsidiaries and affiliates. Sustainability metrics represent 2020 data or 12-month approximate values based on available data from reporting facilities and are often made in reliance on third-party supplier information.

#### AVIENT.COM

