

Sustainability for a Better Tomorrow



2019 Sustainability Report



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Message from the CEO

Creating A World-Class, Sustainable Organization

The COVID-19 pandemic has served as both a test and learning opportunity for much of the world. Our heartfelt sympathies are offered to all those who have been impacted by the virus, and our gratitude is extended to all those on the frontlines and others supporting the response and recovery efforts.

Avient is an essential supplier to many of the world's crucial products and services. Organizations such as ours have worked hard to protect our people, serve our customers and keep the world working and healthy. The crisis has been challenging for everyone, but I believe this experience and learning will ultimately make us a stronger and more sustainable world in the future.

Last year, we published our first ever <u>Sustainability Report</u>. Our stakeholders' feedback, insights and interest were very much appreciated, and we have taken it all into consideration as we compiled the pages that follow in this, our most recent report for 2019.

We have four sustainability cornerstones. They are People, Products, Planet and Performance. We have increased reporting and transparency in each, to incorporate recent best practices.

For example, we've expanded the framework beyond solely the <u>Global Reporting</u>. <u>Initiative (GRI) index</u>, to also include that of the <u>Sustainability Accounting Standards</u>. <u>Board (SASB)</u> and commencing alignment to the recommendations of the <u>Task</u>. <u>Force on Climate-related Financial Disclosures (TCFD)</u>. Last year, we made our <u>CDP</u> report public for the first time. In multiple instances, we have communicated internal performance data and are now publishing our sustainability goals. Also, based on your feedback and for ease of navigation and validation, we've added hyperlinks throughout the report as well.

But the purpose of this report is not just ESG compliance and reporting. We published this report to offer a comprehensive look at Avient—one that highlights



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

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 a great place to work for our associates.

I would like to thank you for taking time to read our 2019 Sustainability Report and better understand the work our incredible 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 creating a world-class sustainable organization.

Robert M. Patterson Chairman, President and Chief Executive Officer

Message from the Governance and Corporate Responsibility Committee Avient Board of Directors

Dear Avient Stakeholder,

As the Board committee responsible for oversight on matters related to governance and corporate responsibility, we appreciate that you have chosen to read Avient's 2019 Sustainability Report.

Avient has responsibilities related to environmental, social and governance matters, and these are areas that we have historically addressed. However, we recently made some changes to our committee's charter to better reflect this role, and accordingly have changed the name of our committee to the Governance and Corporate Responsibility Committee.

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 <u>Avient's 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.

With Avient's broad global reach and diverse workforce, the company holds an influential position whereby its activities and decisions can have meaningful impact in these areas. As you will read in this Sustainability Report, the company's actions are doing just that.

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,



Sandra Beach Lin



Richard Fearon



Gregory Goff



Kerry Preete



Dr. Patricia Verduin

Members of the Governance and Corporate Responsibility Committee Avient Board of Directors

Sustainability Goals

We are proud to announce the following Sustainability Goals at Avient. We commit to each of these objectives and will aggressively pursue their attainment through internal rigor, investment and innovation. The positive impact of our progress and ultimate achievement will benefit the planet and the people of the world, while at the same time adding value to Avient's customers, communities, associates and shareholders.

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

Current:

- Approximately 90% of Avient's products met this criteria in 2019.
- Avient supports the Plastics Europe and American Chemistry Council commitments to enable plastics packaging to be 100% re-used, recycled or recovered by 2040.
- It is estimated that 9% of the world's plastic is recycled by end users.

By 2030, 100% of Avient's technology platform projects will deliver sustainable solutions that enable our customers' innovation goals.

Current:

• 62% of our technology projects in 2019 were related to sustainable solutions.

By 2030, Avient will reduce Scope 1 & 2 greenhouse gas emissions by 35% with 2019 as a baseline.

Current:

• In 2019, Avient Scope 1 & 2 GHG emissions totaled 100,194 MT.

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

Current:

• 2019 Waste to Landfill was 7,041 MT.

By 2030, Avient will obtain directly or contract for 40% of its electricity demand from renewable sources.

Current:

- 0.69% of Avient's electricity demand is from renewable sources in 2019.
- Approximately 20% will be contractually supported with <u>Virtual Power Purchase</u> <u>Agreement</u> from solar energy production in 2021.

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.

Current:

• 30% will be assessed by 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.

Indices

R

Historic Transformation

Avient Corporation was originally established as PolyOne Corporation in 2000 through the consolidation of two historic 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 a specialty company, 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.

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Inspired Future

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 9,100 people at manufacturing sites, distribution facilities and technical labs located in North America, South America, Europe and Asia.

Better Together: PolyOne and Clariant Masterbatch

Just a few months ago 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 legacy 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.
- **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 2019 revenues of \$2.9 billion (\$3.7 billion pro forma for the Clariant Masterbatch acquisition), provides specialized and sustainable material solutions that transform customer challenges into opportunities, bringing new products to life for a better world. Examples include:

- Barrier technologies that preserve the shelf-life and quality of food, beverages, medicine and other perishable goods through high-performance materials that require less plastic
- Light-weighting solutions that replace heavier traditional materials like metal, glass and wood, which can improve fuel efficiency in all modes of transportation



PEOPLE

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.





• Composite solutions to support accelerated growth of 5G / fiber-optic infrastructure investment as the world demands greater and faster connectivity

As of July 1, 2020, Avient employs approximately 9,100 associates and is certified ACC Responsible Care[®] and a founding member of the Alliance to End Plastic Waste. For more information, visit www.avient.com.

EGRITY



Personal

Values

HONEST

RESPECT

Our Culture

Core Values

Collaboration. Innovation. Excellence

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

Personal Values

Integrity. Honesty. Respect.

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

What We Do: Material Science

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 design expertise sees the application is designed perfectly for end use. Moreover, our experienced scientists are focused on providing unique innovations that help our customers reach their sustainability goals.

We have identified <u>eight ways to help customers solve complex sustainability</u> <u>problems</u> and have organized our portfolio accordingly; from formulating with bio-derived materials, improving recyclability, reducing material requirements, reducing weight, ensuring eco-conscious consumption, enabling renewable energy applications, reducing volatile organic compounds and reducing energy usage. 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 earlier this year.

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 help.

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



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.

Color, Additives and Inks (CA	1)	Acquired CAI Facilities from C	Clariant Masterbatch	Distribution	Specialty Engineered Materials
1. Glendale, Arizona	25. Suzhou, China	1. Phoenix, Arizona	24. Kalol, India	1. Rancho Cucamonga, California	1. Birmingham, Alabama
2. Phoenix, Arizona	26. Tianjin, China	2. Dalton, Georgia	25. Tangerang, Indonesia	2. Chicago, Illinois	2. Englewood, Colorado
3. Fort Smith, Arkansas	27. Tabor, Czech Republic	3. West Chicago, Illinois	26. Naas, Ireland	3. Eagan, Minnesota	3. Montrose, Colorado
4. Carson, California	28. Odkarby, Finland	4. Lewiston, Maine	27. Lomagna, Italy	4. Edison, New Jersey	4. North Haven, Connecticut
5. Bethel, Connecticut	29. Cergy, France	5. Holden, Massachusetts	28. Merate, Italy	5. Statesville, North Carolina	5. McHenry, Illinois
6. Kennesaw, Georgia	30. Tossiat, France	6. Albion, Michigan	29. Pogliano, Italy	6. Elyria, Ohio	6. Winona, Minnesota
7. Elk Grove Village, Illinois	31. Diez, Germany	7. Minneapolis, Minnesota	30. Butterworth, Malaysia	7. La Porte, Texas	7. Hickory, North Carolina
8. La Porte, Indiana	32. Gyor, Hungary	8. Mooresville, North Carolina	31. Santa Clara, Mexico	8. Brampton, Ontario, Canada	8. Avon Lake, Ohio
9. St. Louis, Missouri	33. Pune, India	9. Winchester, West Virginia	32. Albany, New Zealand		9. Hatfield, Pennsylvania
10. Lockport, New York	34. Milan, Italy	10. Lomas de Zamora, Argentina	33. Karachi, Pakistan		10. Changzhou, China
11. Pineville, North Carolina	35. Toluca, Mexico	11. Louvain-La-Nueve, Belgium	34. Lahore, Pakistan		11. Shenzhen, China
12. Berea, Ohio	36. Eindhoven, Netherlands	12. Suzano, Brazil	35. Konstantynow, Poland		12. Suzhou, China
13. Massillon, Ohio	37. Lima, Peru	13. Toronto, Canada	36. Riyadh, Saudi Arabia		13. Gaggenau, Germany
14. North Baltimore, Ohio	38. Kutno, Poland	14. Maipu, Chile	37. Yanbu, Saudi Arabia		14. Melle, Germany
15. Norwalk, Ohio	39. Jeddah, Saudi Arabia	15. Shanghai, China	38. Jurong, Singapore		15. Leeuwarden, Netherlands
16. Lehigh, Pennsylvania	40. Alicante, Spain	16. Guangzhou, China	39. Randburg, South Africa		16. Barbastro, Spain
17. Mountain Top, Pennsylvania	41. Barcelona, Spain	17. Cota, Colombia	40. Sant Andreu, Spain		17. Istanbul, Turkey
18. Vonore, Tennessee	42. Pamplona, Spain	18. Saint Jeoire, France	41. Malmö, Sweden		18. Leek, United Kingdom
19. Assesse, Belgium	43. Bangkok, Thailand	19. Ahrensburg, Germany	42. Tao Yuan, Taiwan		Shanghai, China (2)
20. Itupeva, Brazil	44. Knowsley, United Kingdom	20. Lahnstein, Germany	43. Phan Thong, Thailand		Pune, India (1)
21. Novo Hamburgo, Brazil	Shenzhen, China (1)	21. Guatemala City, Guatemala	44. Gaziantep, Turkey		Pamplona, Spain (1)
22. Pudong (Shanghai), China	Suwanee, Georgia (2)	22. Vashere, India	45. Gebze, Turkey		
23. & 24. Shanghai, China (3)	Pamplona, Spain (2)	23. Rania, India	46. Binh Duong, Vietnam		

Facility is not included in manufacturing plants total as it is also included as part of another segment.
 Facility is not included in manufacturing plants total as it is a design center/lab.
 There are two manufacturing plants located in Shanghai, China.

Communities Counting on Avient

Avient supported customer operations in over 120 countries around the world in 2019, 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, high-quality 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.

South

America

Argentina

Belize

Bolivia

Brazil

Chile

Peru

Colombia

Ecuador

Paraguay

Uruguay

Venezuela



North / Central

Dominican Republic

America

Costa Rica

El Salvador

Guatemala

Honduras

Jamaica

Mexico

Panama

Puerto Rico

United Sates

Trinidad, Tobago

Haiti

Canada

e Products

Message from Avient's VP of Sustainability

As I reflect on my first year as VP of Sustainability in 2019, I am incredibly proud of the achievements that our global associates have made in advancing our sustainability journey. Their passion and dedication is evident in their faces, their actions and their results. As you read through this year's report, you will see that we are making an impact in all four of our sustainability cornerstones: People, Products, Planet and Performance.

We are very proud to announce our <u>Sustainability Goals</u> in this report, which will help drive our activities related to climate change, product innovation, supplier engagement and overall corporate responsibility.

Safety remains our top priority. In the last two years, we achieved a 110% increase in consecutive injury free days, and reported an injury rate of 0.56 for 2019, far better than the industry average. And we've been even safer in 2020 thus far with an injury rate as of June 30th of 0.18. Safety is about commitment and respect for all associates, and our employee resource groups, like PRIDE at Avient, LEAD by Women, and HYPE are supportive of our culture of trust. These efforts continue to thrive and drive a diverse and inclusive organization.

Climate change is one of the defining issues of our time, and at Avient, we take our role in addressing this global matter seriously. We are actively working to increase the amount of renewable energy we use in our operations, as well as support energy from green sources, which we've done with our recent <u>Virtual Power Purchase Agreement</u>. Under this agreement, we have supported the creation of solar infrastructure approximating 20% of our current energy needs. Our goal is to increase this to greater than 40% by 2030. Another highlight was delivered by our <u>Lean Six Sigma (LSS)</u> associates who executed 46 waste reduction projects which helped enable 52% of our total waste to be recycled or reused in 2019. In addition, our LSS energy savings projects led to a cumulative annual CO₂e avoidance of over 6,800 MT per year. These efforts are just a few examples of how we're meeting our commitments as an <u>ACC Responsible Care®</u> company.

The ongoing Coronavirus pandemic highlighted both the fragility and interdependence of our planet. It also shed light on the sustainable value of plastics for the health and safety of society, with applications such as single use protective equipment, reliable medical devices, and clean food and beverage packaging. However, these benefits come with a duty to make sure plastic—or any waste for that matter—does not end up where it should not be in our environment. That's why Avient is especially proud of our founding membership in the <u>Alliance to</u> <u>End Plastic Waste</u>—a cross value chain, cross continent organization empowering some of the world's leading companies to join together with a common goal: end plastic waste in the environment. It will take collective action to meet these challenges, and as you will read in this Report, we are together making progress.

Innovation is our lifeblood at Avient, and through our material science and market expertise, we are developing breakthrough technologies that enable our customers' sustainability goals. We've defined our sustainability portfolio into <u>eight primary</u> <u>ways we can help</u>—from improving recyclability to support a Circular Economy, to lightweighting alternatives that preserve energy, to enabling renewable energy infrastructure that conserves resources. Inspiring examples of these applications are highlighted throughout our Report. Further, this portfolio of solutions is constantly evolving to meet our customers' needs, and has grown at a compounded <u>annual growth rate of 14% since 2016</u>.

We have made steady progress in creating a world-class, sustainable organization. But the work isn't over—in many respects, it's just beginning. Continual, sustainable improvement is essential, and so our goals will continue to evolve. I look forward to communicating our progress as we move forward on this important journey!

Walter Ripple

Vice President of Sustainability



Avient's 4 Ps of Sustainability

As Avient has evolved into a specialty company, we've continued to refine and increase our sustainability efforts. Like all that we do, we start by putting our customers first, then we look inward to make a difference.

Our guiding principle is to enable our customers' innovation and sustainability goals through worldclass products and services, and this is captured in both our <u>Sustainability</u> <u>Promise</u> and <u>No Surprises PledgeSM</u>.

Introduced in 2018, People, Products, Planet and Performance are the four cornerstones of our sustainability endeavors. As this Sustainability Report captures, we're proud to be making significant contributions in each, while at the same time setting and communicating new goals for the future.







PERFORMANCE

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PEOPLE

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

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.

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</u> <u>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.







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 actions focused on protecting the health and safety of our associates, families, customers and communities.

We consistently monitored and adhered to all local government requirements and conditions everywhere we operate. We mobilized regional COVID Task Forces and collaboratively developed procedures and 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.





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 2019, we maintained world-class performance for our industry, with a recordable incident rate of 0.56. As of June 30th, 2020 performance has further improved to 0.18. Until that number is zero, we have more work to do. Additional detail, systems, and performance metrics are provided in the <u>Occupational Health & Safety section</u> of this report.

Injury Incidence Rate





Photo Caption: December 2019—Associates at our Bangkok, Thailand facility participate in their Safety, Quality & Sustainability Day activities

Continuous Improvement

Prior to, and including 2019, 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 are audited as a part of our integration process to bring new sites in line with our high standards and policies.

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, in 2019, Avient developed an EH&S Maturity Road Map Standard. 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 risk-prioritized approach to continuous improvements is outlined. Facility maturity is assessed during each internal audit with audit actions designed to facilitate increased management system maturity. Site EH&S Maturity Road Maps are reviewed by the Corporate EH&S team semi-annually to ensure continuous improvement.

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 well-being 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, 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.



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.



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</u>. Regulations (GDPR), 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 Against Terrorism</u> (<u>CTPAT</u>), the supply chain security program under U.S. Customs and Border Protection, and a member of the <u>Canadian Border Services Agency Partners in</u> <u>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 2019, 100% of our associates completed web-based cybersecurity training to help them identify and respond to potential cybersecurity risks and reinforce safe behaviors.

100% of associates

completed web-based cybersecurity training in 2019

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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 PolyMasters, as well as an open-enrollment program for leaders of people globally. In 2019, we sought to broaden our culture of learning in our manufacturing footprint. With the launch of the <u>ENGAGE</u> initiative, we brought classroom experiences focused on our products and customers, to over 50 sites and 2,300 production associates. Further, our associates accessed training and professional development courses through Avient Academy, and in 2019, 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.









Photo caption: Throughout 2019, associates around the world leveraged Avient's robust training courses and workshops to improve skills and build our culture.

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 2019, Avient associates completed over 30,000 hours of training through these various delivery methods.

In 2019, Avient launched LinkedIn Learning as a global eLearning platform, integrating on-demand, virtual content with Avient Academy, to support individual development. Additionally, we executed upon our five-year ethics training program, which encompasses topics such as <u>Avient's Code of Conduct</u>, Harassment & Discrimination, Anti-bribery & Corruption, 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 2019, 67% 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 14 weeks, which is well below the U.S. Bureau of Labor Statistics average of 25 weeks.







Operational and Commercial Excellence Training

Lean Six Sigma (LSS) and Customer Centric Selling (CCS) are two shining examples of the types of technical training that drives career development and ultimately sustainability at Avient.



LSS or "lean" philosophy and its application foundationally underpin our culture. LSS is a technical methodology that drives process improvement, eliminates waste and drives performance. The impact can be seen throughout our businesses, functions and operations. More than 3,000 active associates have been trained in LSS and at any given time there are approximately 400 process improvement projects underway. Each year a new, highly selective group of associates enter into our LSS Black Belt program, where they embark on intense training and practical experience. Upon successful completion of strict criteria and quantified project impact, graduates receive the Black Belt certification, then deploy into our organization where they continue to utilize their skills.

CUST 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.

Associates Trained in LSS (Cumulative)



LSS Projects Completed (Cumulative)



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 PolyMasters programs.

Avient NEXTGEN Building tomorrow's leaders today.

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.

POLYMASTERS

In 2010, PolyMasters 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 PolyMasters 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 PolyMasters 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.



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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.



ENGAGE

In 2019, we launched the ENGAGE initiative, a series of experiences focused on associates at our manufacturing locations. Graduates of the aforementioned <u>NextGen program</u> traveled to our sites globally to meet with associates on the plant floor, with the goal of building pride in Avient and recognizing the contributions of local teams. Leaders facilitated an interactive classroom experience, where associates learned more about everyday products that are made with Avient material and gained an understanding of the role that we all play in creating value for our customers. In this first wave of ENGAGE experiences, we reached over 2,300 associates at 50 locations. Looking forward, we are preparing for the next round of ENGAGE visits, which will be expanded to include our office locations.



"It was very enriching for our operations team to understand how each product they produce is used by customers and helps sustainability." –Gisele Bertolucci, Plant Manager, Itupeva, Brazil

"It truly helped with morale and helps with creating a sense of pride in where we work—and the contributions we make to the world."—Tim Patterson, Maintenance Supervisor, St. Louis, Missouri





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.

"As a co-op, I never expected a company to put so many resources toward my training, mentorship and travel. My projects made an impact, and I am still able to see that impact today, as a full-time associate. I chose to continue with Avient because of our incredible safety culture and the potential to apply that mindset toward environmental stewardship."



-Bridget Moyer, Associate Engineer, Sustainability





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.

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</u> organization for having 30% female board members, exceeding their goal of 20%. And 55% of our CEO's senior leadership is 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. 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.

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. "Not only is it the right thing to do, it's the smart thing to do."

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."

"More than half of our executive leadership team are female or minorities. 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."

Diversity by Level Female + Minority

Executive	55%	
Management	32%	
Professionals	46%	
Production Associates	25%	
All Avient Associates	35%	



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.

Two years ago we earned a score of 90/100 on the <u>Corporate Equality Index (CEI)</u>. The CEI is the United States' premier report on corporate policies and practices relating to LGBTQ workplace equality, administered by the Human Rights Campaign Foundation. After receiving our score, members of PRIDE at Avient set a clear action plan to improve in opportunity areas that were identified. With their efforts, Avient was able to make the list of HRC's Best Places to Work for LGBTQ Equality.

We continue to make great progress. In 2019, we were extremely proud to have achieved an important milestone on our journey: receiving a score of 100% on the CEI—in just our second year participating! Our perfect score reflects Avient's clear commitment to workplace equality, with respect to policies, benefits and practices.

Last year, the PRIDE team also developed the Ally Campaign, which allows our associates to share their perspectives as allies/supporters of the LGBTQ community. In addition, PRIDE launched a mental health training series, which included training classes on topics such as mindfulness and suicide prevention.

"Avient is the first place I've ever worked that I've felt comfortable enough hanging up a picture of my wife at my desk. That might not seem like a big deal to most people but it is for me. The freedom to be my true self, without worry, allows me to put all my energy into

my job." —Jeannette Rogers, CRM Associate, Corporate Marketing, PRIDE at Avient Committee Chair





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	 Connect LGBTQ associates and supporters to advance Avient's diversity and inclusion vision Build awareness and support for inclusion regarding orientation Promote Avient externally as an inclusive company 		
	 Internal programming, networking & education Participation and networking in external LGBTQ organizations and events Engage in Human Rights Campaign Corporate Equality Index process 		
Key Tactics	Engage in Human Rights Campaign Corporate		
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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 2019, HYPE launched the Hype High 5 social community to share relevant content and thought leadership for young professional development. This digital platform also helped build and expand the growing HYPE network.

"Inclusion means being given the opportunity to contribute to the organization, and a good example is how everyone embraced HYPE after we pitched the idea. Over the last two years, I've networked and interacted with a lot of people through HYPE."- Elvis Cudjoe, Sr. R&D Engineer, HYPE Committee Leader





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	
Key Tactics	 Career path mapping Job/function overviews Networking, mentoring, shadowing Programming—New Professional 101 		
 EDUCATING YOUNG PROFESSIONALS ON AVIENT BENEFITS AND LIFE SKILLS 			
	AND GR NETWO	DIGITAL RMS TO BUILD OW THE RK OF YOUNG SSIONALS	

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 5,000 associates have participated in at least one of the 80+ 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.



"Diversity and Inclusion continues to gain tremendous momentum at Avient, and for all the right reasons. We're a stronger company because of the increased awareness and leadership opportunities that we've created—which in the end benefits all of our stakeholders."—Lisa Kunkle, Senior Vice President, General Counsel and Secretary, and Co-Chair of LEAD by Women





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

5000+

PARTICIPANTS SINCE 2017 80+

GLOBAL EVENTS HELD SINCE 2017



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

Workforce Demographics

Diversity by Level

Female + Minority

Executive	55%	
Management	32%	
Professionals	46%	
Production Associates	25%	
All Avient Associates	35%	

Board of Di	rectors	O Female
Female	30%	
Male	70%	Male O
Under 30	0%	
30-50	10%	
Over 50	90%	

Global Associates by Age

Under 30	15%
30–50	56%
Over 50	29%



Turnover

Total Global Turnover = 13.9%

	Salaried	Hourly	Total
U.S. & Canada	11.3%	25.0%	16.8%
Europe/Middle East/Africa	7.9%	8.0%	8.0%
Asia	12.4%	17.6%	14.7%
Latin America	14.6%	22.1%	17.9%
Global	10.7%	18.4%	13.9%

	Salaried	Hourly	Total
Under 30	19.8%	35.2%	27.3%
30-50	10.1%	17.5%	13.1%
Over 50	8.1%	10.9%	9.3%

	Salaried	Hourly	Total
Female	10.2%	17.6%	11.1%
Male	10.9%	18.4%	14.8%

New Hires

New Hires as a % of Total Employee Population = 18%

	Female + Minority	Under 30 New Hires	30–50 New Hires	Over 50 New Hires
Direct (Hourly)	38%	50%	41%	9%
Indirect (Salaried)	41%	34%	50%	16%
Total	39%	44%	44%	12%

Employee Representation

As of December 31, 2019, approximately 1% of our employees were represented by labor unions under collective bargaining agreements. Additional information can be found in our <u>Position Statement on Human Rights</u>.

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.

Flex Fridays

In 2019, we offered Flex Fridays, an adapted schedule that allows associates to have up to six Fridays out of work during the summer without using vacation time. Associates work with their supervisor to create a flexible schedule that will allow them to complete their work hours.



Community Service

In addition, we launched a new, 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 support and 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 scheduled work day. Avient associates performed more than 4,500 hours of community service through this program in 2019. Read more and see some examples in our Planet section of this Sustainability Report.



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 four-pillar strategy. It's the highest honor a non-sales associate can receive at our company.



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

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.

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 2019, eligible female associates in the U.S. took an average of 29 days of Paid Parental Leave after their STD benefits were exhausted. Eligible male associates took an average of 15 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. In 2019, access to Virgin Pulse was expanded globally, with over 1,700 associates participating in wellness challenges.


A Great Place to Work

With all the time, effort and resources we invest to build our culture and support our associates, we have been honored to receive awards that showcase our company and people. In 2018, we were very proud to be certified as a Great Place to Work® by the <u>Great Place to Work Institute</u> in the U.S.

As a next step in our engagement journey, we conducted a pulse engagement survey in 2019. This shorter, more focused survey was intended to provide actionable insights to managers in key focus areas. We mapped these survey questions back to core areas of prior surveys, and achieved improvements in critical areas such as trusting in our managers and team collaboration. Great Place To Work® Certified SEP 2018-SEP 2019 USA















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Innovation: The Lifeblood of a Specialty Organization

Innovation is the lifeblood of any specialty company. 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 2019, our Vitality Index reached 37%, 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





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>[™].
- 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 PledgeSM

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 PledgesM 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.

How Our Products Enable Sustainability

Plastics increase quality of life by providing convenience, health, safety and sustainability benefits in nearly every end market. Their tremendous growth over the last few decades in fact has been primarily driven by the sustainable capabilities plastics offer over alternative materials. When compared to traditional materials, plastics are lighter, safer, consume less energy to make, and are less expensive to produce and transport. Avient offers a broad portfolio of technologies to help our customers be more sustainable.

Avient has defined our Sustainability Portfolio in the eight ways we help our customers meet their innovation and sustainability goals through material science. This portfolio has grown at a compounded <u>annual growth rate of 14%</u> <u>since 2016</u>, and the megatrends of the future indicate continued growth and demand.

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 increase post-consumer recycled content, formulate with bio-based materials, use less material during production, reduce energy required for production, and build alternative energy applications to name a few. In fact, in 2019 approximately 60% of the revenue generated from sustainable solutions came from products designed for resource conservation.



Eight ways we help customers meet their sustainability goals through material science:



Reduced Energy Use



Volatile Organic Compound Reduction



Recyclability



Bio-derived Content



Eco-conscious



Renewable Energy Applications



Reduced Material Requirements

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.	Edgetek™ LD Density Modified Formulations
		Complēt™ & Onforce™ Long Fiber Reinforced Thermoplastics
Reduced Material Requirements	Conserves Earth's resources, enabling more efficient production, reducing part weight or material consumption.	<u>ColorMatrix™ Amosorb™ Oxygen Scavenger for PET</u>
		<u>OnCap™ Multi-Purge Additives</u>
Reduced Energy Use	Reduces energy consumption (e.g., reduces re-heat energy requirements, enables faster cycle times).	OnCap [™] CTR Process Optimization Additives
		<u>ColorMatrix™ Joule™ & Smartheat™ Infrared Absorber</u>
Volatile Organic Compound Reduction	Allows for the replacement of components or systems that emit VOC's.	OnFlex™LO Low VOC/ Fog Thermoplastic Elastomers
		<u>OnColor™ FX Special Effect Colorants</u>
Renewable Energy Applications	Used in renewable energy applications (e.g., solar, wind).	Syncure [™] Cross Linked Polyethylene Formulation
		<u>Glasforms™ Pultrusion Technologies</u>
Recyclability	Contains Recycle Content: Incorporates post-consumer or post-industrial recycle content.	OnColor™IR Sortable Black for Recyclable Packaging
	Enhances recyclability: Improves the ability of materials to be recycled (e.g., improved properties, color, etc.).	Nymax [™] PIR Post-Industrial Recycled Nylon Formulations
Bio-derived Content	Based in whole or in part on bio-derived resources, or enable bio-based materials to perform at a level comparable to conventional polymers.	OnColor™ Naturals—Colorants for Recyclable Packaging
		<u>reSound[™] OM Thermoplastic Elastomers</u>
Eco-Conscious	Offers alternatives to traditional materials such as lead, bisphenol-A (BPA), phthalates, halogens or thermoset rubbers.	ECCOH™ Low Smoke and Fume Non-Halogen Formulations
	Helps improve quality of human life in areas such as disease prevention, vital drug delivery, exposure to potentially hazardous substances, and promotion of health and safety. Reduces waste to benefit the environment (e.g., food waste).	Zodiac™ Aquarius™ Water Based Screen Printing Inks
		<u>MagIQ™ Non-Woven Electret Plus Technology</u>

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

(Source: <u>https://www.ellenmacarthurfoundation.org/circular-economy/concept</u>)



Circular Economy Highlighted Solutions:

ColorMatrix[™] Amosorb[™] Oxygen Scavenger for PET

Creates an active barrier against oxygen ingress to help enhance product protection and extend shelf life. Our latest grades offer 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.

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[™] Joule[™] & Smartheat[™] 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%.

Nymax[™] PIR Post-Industrial Recycled Nylon Formulations

Formulated with > 20% post-industrial recycled nylon, this solution enables landfill waste reduction of over 21 million pounds by providing an alternative use for post-industrial reclaimed nylon.

ColorMatrix™ Ultimate™ UV Light Barrier & OnCap™ Light Shield UV and Visible Light Barrier Masterbatches

Additive for PET that effectively blocks ultraviolet light transmission, protecting products and brand integrity during storage, transportation and in the retail environment. Recognized by Association of Plastics Recyclers and the European PET Bottle Platform for having no negative impact on the recycling stream.

ColorMatrix[™] Triple A[™] Acetaldehyde Scavenger for PET

Additive for PET that helps reduce acetaldehyde levels that can cause off-tastes in beverage containers.

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.

<u>ColorMatrix[™] Amosorb[™] Additives</u> protect ingredients and reduce spoilage while also helping to preserve the ability of the material to be reclaimed and used in a new bottle.

OnColor™ 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.

ColorMatrix™ Optica™ Toners For PET improves clarity and color tone and increases the amount of post-consumer recycled (PCR) content while maintaining aesthetics.

ColorMatrix[™] rePrize[™] IV Builder helps improve the physical and aesthetic properties of the reclaimed plastics.

ColorMatrix[™] Smartheat[™] Infrared Absorbers are additives that reduce the amount of energy required during bottle manufacture.



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.

Versaflex[™] HC Thermoplastic Elastomers 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 on hospital surfaces.

NEU[™] Custom Capabilities offer engineered thermoplastic material solutions that support patient comfort and clinician sanitary needs.



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.

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

OnColor[™] FX[™] 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.

Complett & Onforce Long Fiber Reinforced Thermoplastics 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[™] 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*.

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.



*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</u> <u>Formulations</u>, which provide high-performance, UL 4703 and VW 1-compliance and eliminates the need to use two separate insulation and jacketing formulations. <u>Smartbatch™ 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™ Low Smoke and Fume, Non-Halogen</u> <u>Formulations</u>.

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



5G as a Sustainability Enabler

Among many learnings, the COVID-19 pandemic has highlighted the need for better, faster and more reliable technology. 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 5th 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.

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™ 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>Complet™ & 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-derived 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[™] 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 by 33%. 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.

Winning Smiles with Antimicrobial Additives

The Challenge

Personal care products have the potential to be exposed to harmful microbes. Antimicrobial additives work to resist, inhibit and prevent the growth of microbes including bacteria and mold. A well-known manufacturer of private label toothbrushes and dental care products for national drug store chains chose Avient to enhance the performance of their toothbrushes.

The Solution

Our teams researched the best combination of additive and carrier resin for the application. Because the toothbrushes were molded in both clear and opaque resins, the team had to explore two different avenues—one that preserved clarity and one that retained opacity. In a relatively short time, the Avient team was able to formulate additives that performed well at lower let-down ratios.

As an added benefit, Avient designed a universal carrier that enabled the manufacturer to use the same additives across a variety of olefins, elastomers, and other resins. These customized additives are now a part of our broader <u>WithStand[™] antimicrobial</u> <u>additive</u> family.

The Impact

WithStand[™] additives provided a low let-down ratio that resulted in a 30% cost savings per year. Coupled with their ability to be used across a variety of different resins, These antimicrobial additives provided significant value while protecting against microbial degradation, mold and mildew. These additives also helped to reduce odor, reduce staining, reduce discoloration, and improve mechanical properties.

Lighter Weight, Greater Durability for Luxury Vehicles

The Challenge

A leading supplier of advanced automotive technologies approached Avient to create a new olefinic material for an HVAC damper. The part would remove weight and withstand copper deposits in a luxury vehicle for an exclusive German automaker.

HVAC doors are typically produced by injection molding two parts that provide structural strength and air sealing performance. However, in this case, designers wanted to reduce the thickness of the part wall significantly to achieve a relative weight saving of 90 percent. In addition to the lighter weight requirement, the material needed to resist warpage after molding, a common issue for thin walled plastic parts.

The Solution

Avient engineered a new customized formulation for the part using <u>Maxxam[™] Polyolefin Formulations</u>. Maxxam[™] formulations are based on polypropylene and polyethylene resins and can be filled and reinforced to satisfy the required performance characteristic.

The Impact

Designers were able to achieve a relative weight saving of 90 percent without compromising performance. This formulation provided both the processability required for extremely short cycle injection-compression molding, as well as including an additive to stabilize the material when in contact with copper. This additive will protect the door from cracking as it comes into contact with copper particles over time. In addition, the new material provides anti-static properties and low VOC levels, which helps the system adhere to regulations such as the Vehicle Interior Air Quality (VIAQ) standard.

Closing the Packaging Loop with Post-consumer Recycled PET

The Challenge

PET is a popular material choice for food and beverage packaging, affording high clarity with design flexibility. Additionally, it can be easily recycled multiple times unlike alternative packaging materials. Additives are often included in PET packaging to help protect contents and extend shelf life, but they can decrease packaging clarity. This in turn affects consumer perceptions of product appearance and brand value.

To support the shift toward a circular economy, governments are legislating increased levels of recycled material in single-use packaging. For example, an EU directive for use of recycled PET (rPET) in beverage bottles will increase from 25 percent in 2025 to 30 percent in 2030. As a result, brand owners want to ensure the oxygen scavengers used in their PET bottles maintain efficacy with increasing levels of rPET.

The Solution

<u>ColorMatrix™ Amosorb™ 4020G</u> is a non-nylon based, low-haze oxygen scavenger for polyethylene terephthalate (PET) rigid packaging. The new 4020G grade offers up to 50 percent lower haze and reduced impact on the PET recycle stream compared to previous grades, while maintaining the same reliable active oxygen scavenging performance.

The Impact

Avient's solution provides our customers with the robust barrier properties required for PET rigid containers, but with negligible effects on efficacy for rPET. This solution improves the viability of rPET by reducing haze and reducing yellowing by 50 percent during the mechanical recycling process.



Improving the Performance of Protective Face Masks

The Challenge

The COVID-19 pandemic caused a need for greater numbers of N95 respirators and surgical masks than ever before, which resulted in a global shortage that stands 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 and surgical masks both 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

<u>MaglQ[™] Non-Woven Electret Plus</u> improved the dielectric properties in this customer's 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 longlasting 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[™] Non-Woven Electret Plus helped the middle layer of these protective masks effectively trap particles as small as 0.3 microns.



Renewable Energy from Floating Solar Panels

The Challenge

Non-renewable energy sources, like coal and oil, are limited in supply and often contribute to increased carbon emissions. Renewable resources on the other hand replenish naturally, and can reduce pollution, mitigate climate change, and support better health outcomes for humans. Solar power is one of the most powerful alternative energy sources. According to the <u>U.S. Office of Energy</u> <u>Efficiency & Renewable Energy</u>, the amount of sunlight that strikes the earth's surface in an hour and a half is enough to handle the entire world's energy consumption for a full year.

Avient worked with a progressive customer who designed floating solar panels that float on large bodies of water, and require very demanding weather resistance in harsh environments. In some cases, one float generates enough energy to power 375 homes for a year*. However, this alternative energy solution has its challenges. Existing industry solutions failed to protect panels from outdoor exposure and harsh weather conditions.

The Solution

Smartbatch[™] Color and Additive Concentrates offered unparalleled UV weathering protection color concentrates for our customer's solar power stations. These concentrates are a combination of color with a functional performance-enhancing or processing additive, in one solution.

The Impact

Smartbatch[™] enhanced the customer's power generation efficiency by 10%, while providing shielding to prevent algae growth. It helped them reduce their carbon footprint by reducing evaporation. Fixed in idle waters in Taiwan in this case, Avient's integrated colorant and anti-UV solution is expected to provide 25 years of weathering resistant performance.

*1 float = 10kgs, 1 MW= 3,100~3,700 floats (3.5 MT MB)





Enabling Recyclability in Dairy Packaging

The Challenge

As with most industries, sustainability is consistently taking the mainstage for food and beverage packaging companies, and encouraging responsible business goals.

Some single use applications contain various layered components, making it difficult for waste facilities to effectively separate and recycle the packaging. This kind of layered packaging is common in dairy products because it keeps the liquid inside while keeping bacteria outside. If a product is not recycled into the same product, it is down-cycled into a lower value product.

So when a particular customer came to Avient wanting to displace non-recyclable dairy packaging, we accepted the challenge.

The Solution

<u>ColorMatrix[™] Lactra[™] SX Light Blocking Additives for PET</u> provided high-performance light blocking technology and enabled a recyclable alternative to long-life dairy packaging. This additive is particularly suitable in packaging for ultra-high temperature (UHT) liquid dairy products, as these types of products have a longer shelf life, making them more susceptible to light-induced oxidation due to ambient storage conditions.

The Impact

UHT dairy products require special packaging consideration for long ambient shelf life. Lactra[™] SX provided the customer with highperformance light blocking capabilities, which enabled them to meet their sustainability goal of creating more recyclable package.



Lightweighting for Heavy Trucks

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 lightweight their heavy truck applications.

The Solution

This customer used <u>Polystrand</u>[™] continuous fiber reinforced thermoplastic (CFRTP) tapes and laminates 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

Polystrand[™] extended the life of the trucks by 20–25%, 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.



Enabling Cleaner and Safer Automotive Parts

The Challenge

Paint adds a great surface finish to automobile parts, but painting also adds cost, time, and other logistics requirements. Avient collaborated with a leading global automotive OEM and its injection molder to eliminate paint from a new vehicle's interior.

The Solution

To support the transition to molded-in-color (MIC) parts, the customer specified Avient's metallic-effect <u>Smartbatch™ FX</u> masterbatch colorants for two PC/ABS side panels on the center console of a compact SUV.

The Impact

By using Smartbatch[™] FX, the molder was able to produce parts ready for assembly with no secondary processing required. Suitable for standard injection molding machinery, Smartbatch[™] FX reduced the cost per part by 30 percent or more compared to painted parts. Lowered energy requirements versus painting and the reduction of VOCs also made this masterbatch a more environmentally sustainable solution.





In many instances, we have gone beyond basic legal requirements, such as 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.

Management Approach: Product Stewardship

Protecting associates, customers and the environment by providing safe products is a priority for Avient. Our materials and solutions are part of a complex, global system involving a diverse group of suppliers and customers. Understanding, communicating and minimizing environmental, health and safety impacts of our products is executed through strong and open collaboration across this value chain and product lifecycle.

Product Stewardship supports the Avient portfolio by providing information related to the safe use, handling of products, and compliance 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.

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 13% of our 2019 revenue were from products classified as <u>Global Harmonized System (GHS)</u> category 1 and 2.



These classifications and other relevant pieces of information, like form, 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 prioritized risk assessments on 27% our GHS category 1 and 2 products.

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 and product safety improvements.

Global Chemical Management

European Union Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)-Phase 3 was completed in 2018. The focus in 2019 and forward is on continued assessment and communication on the safe handling of these substances. Many other countries are following suit on the EU REACH chemicals regulation, and so are we. Last year we completed the pre-registration for Korea REACH (K-REACH). And we prepared for pre-registration of substances associated with our portfolio in both Turkey and Eurasia. 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 the 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 response to potential regulatory risks. REACH reclassifications of substances as result of European Chemicals Agency (ECHA) review continues to be a challenge for Avient. This has the potential to change the approval and intended use for critical raw materials within sensitive applications, like food, drug or medical. However, these regulatory changes/risks often drive opportunity for sustainable replacement initiatives, for which Avient is well positioned.



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Product Excellence

Avient subscribes to the ISO9001 standard for Quality Management. External third-party 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 78 facilities worldwide certified to the ISO9001 standard. For this reporting period, there have been no major nonconformances associated with these management systems. There have been no 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 three-year period. There were no significant audit findings for those facilities audited in this reporting period.

In total, Avient has over 140 third-party certifications across multiple disciplines in 2019. All of these systems play an integral part in consistency of supply, quality and safety of our products. These certifications are created and maintained via disciplined, sustainable processes that establish baseline expectations for our personnel, performance and remain evergreen.

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 2020, we began to prioritize key products associated within our food and beverage markets. This allows us to understand sensitive applications and potential impacts on the end-consumer. In addition, it allows us to work with key stakeholders upstream and downstream already engaged in this activity. In 2021, we anticipate formalizing and standardizing our approach to Life Cycle Analysis (LCA) and fully prioritizing the product portfolio in all critical markets/materials. **78** FACILITIES ISO9001 Certified ZERO Major Non-Conformances at ISO Sites

Indices

HOT

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 2019, we updated our Supplier Code of Conduct to align more closely with <u>International Labor Organization</u> (<u>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</u> <u>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 leveraged industry leader EcoVadis to further evaluate our prioritized suppliers. Our suppliers conducted a self-assessment on environmental, social and governance requirements aligned with the UN Global Compact principles. We evaluated our top tier suppliers which represents 28% of our total sourcing costs.

In addition, our <u>No Surprises PledgeSM</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 also 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.

Over 330 supplier self-assessments were completed through our Quality Management System (QMS) process over a two-year period in 2018 and 2019 and have incorporated 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.



Strategic Partnerships and Alliances

Alliance to End Plastic Waste

We are proud to be a founding member of the <u>Alliance to End Plastic Waste (AEPW)</u>. This organization is CEO led, crosssector, 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 Annual Report. In addition, we've provided summaries of a few of the projects in the AEPW Projects in the Planet section of this report. Or, to learn more visit: <u>endplasticwaste.org</u>

Operation Clean Sweep

Plastic waste in the environment is harmful to both people and wildlife. By committing to <u>Operation Clean Sweep</u>, Avient is dedicated achieving zero pellet, flake and powder loss in our manufacturing process.

UK Plastic Pact

In January of 2019, Avient joined The <u>UK Plastics Pact</u>, 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.

PET Container Recycling Europe (PetCore)

<u>PetCore</u> 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.

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.



ALLIANCE TO



THE UK

PAC

PLASTICS





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.





Success Story: Renewable Energy VPPA

To help reduce consumption from non-renewable energy sources, Avient was proud to sign a Virtual Power Purchase Agreement (VPPA) in early 2020 to procure 36 MW of renewable energy capacity from a solar array in Texas.

This purchase is equal to our annual electricity needs in the U.S. and Canada. The project follows other investments in wind turbines and solar panels at our Belgium facility as well as a solar panel system at our facility in India.

The renewable power purchase in Texas, USA helps Avient take a significant step toward achieving our goal of procuring at least 40% of energy from renewable sources by 2030. Avient retained the Renewable Energy Credits (RECs) which allowed for the reduction of Scope 2 emissions by 45,000 MT CO_2 e per year—a significant lowering of its carbon footprint.



GOAL: **40**%

Energy from Renewable Resources by 2030 45,000 MT CO₂e

Scope 2 Emissions Reduction per Year from VPPA

Energy, Greenhouse Gas (GHG) Emissions and Climate Change

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 monitor the company's management of the physical risks associated with climate change, as well as the risks associated with legal, regulatory, policy, energy transition and liability issues arising from climate change.

Avient is working to develop a low carbon transition plan that encompasses Scope 1 (direct) and Scope 2 (indirect) sources of greenhouse gas emissions. While 2030 goals around the reduction of absolute Scope 1 & 2 emissions and green energy procurement are in place, Avient will strive to further refine our climate strategy and targets based on 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 Global Energy Management Committee. 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, and the expanded use of renewables.

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 60 energy saving projects around the world in 2019. For detailed information on our energy and carbon performance, we invite you to read our most recent report submitted to <u>CDP</u>. Our performance on both energy consumption and GHG emissions is provided in graphics at right.

GHG Emissions (MT)



*Excludes divested PP&S segment and is consistent with the GHG Protocol Corporate Accounting and Reporting Standard.

Total Energy



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 process 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 and discharge is provided in the <u>Goals &</u> Metrics section of this report.

Total Water Withdrawal Intensity (m3/MT Production)

1.91 20% REDUCTION SINCE 2016

Conventional Air Emissions

Our efforts to reduce air emissions—particulate matter, nitrogen oxides (NOx), Sulphur 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, sulphur 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. Over the years, Avient has 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. Our performance on conventional air emissions is provided in the graphs you see below.

Top Four Hazardous Air Pollutants (HAPs) in MT



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 production waste is 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 audits to inspect external waste disposal companies to ensure the proper disposal of waste. In this way, we also keep today's waste from becoming tomorrow's contamination.



Total Waste Intensity



Total Waste **52%** RECYCLED OR BENEFICIALLY REUSED IN 2019



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 approximately 50 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.



FOUNDING MEMBER









INFRASTRUCTURE INNOVATION

EDUCATION

CLEAN UP



Alliance to End Plastic Waste: Projects In Motion

To learn more visit: 2020 AEPW progress report

Grameen Creative Lab—Zero Plastic Waste Cities

Rapid urbanization and population growth is often met with lacking infrastructure to manage waste. For example, Puduncherry, India generates 350 tons of solid waste daily, but regular garbage collection is limited to public bins or for individuals who can afford private services. This means two-thirds of collected waste ends up in landfills. Grameen Creative Lab collaborated with the Alliance to launch the Zero Plastic Waste Cities project, which implements a social business model to build sustainable waste management systems. In two test cities, Puduncherry, India and Tan An, Vietnam, waste will be collected from communities, sorted into various outputs, and converted into reusable sources of plastic. This final output will be leveraged by local community members as a source of income.

Project Jembrana

The Balinese province of Jembrana is home to about 160,000 people, but has a limited plastic waste management system. Moreover, the district's Ijo Gading River is the island's largest contributor to ocean plastic. That's why the Alliance has chosen to support a new waste management system in Jembrana—to empower the local community to collect, sort, and sell their own plastic waste. This self-sufficient system provides jobs in the community, rids over 150,000 residents of their waste, and prevents 1,500 tons of plastic waste from leaking into the environment every year.

Plug and Play (PNP)—End Plastic Waste Innovation Platform

Did you know that 14% of plastic packaging is collected for recycling? Despite this statistic, plastic is the most effective and commonly-used material in packaging, especially in consumer goods. To help solve this problem, the Alliance teamed up with Plug and Play to create the End Plastic Waste Innovation Platform. This platform will support start-ups across the world in collecting, managing, and sorting plastic waste, recycling and processing technologies, and creating value from post-recycled plastics. The Top 10 start-ups from each region are selected for 90-day incubation periods, where they have access to world class resources and expertise from Plug & Play, the Alliance and AEPW member companies.

ASASE—Closing the Loop

Ghana's rapid economic growth has made it one of the leading countries in Africa. Ghana's capital, Accra, currently faces a sorting dilemma of plastic waste, due to a lack of recycling infrastructure. In order to support Ghana's continual sustainable development, the Alliance partnered with the ASASE foundation to focus on creating and stimulating a circular economy, led by women entrepreneurs. The Closing The Loop initiative aims to help Ghanaian women build and boost their own plastic recycling businesses, enabling communities to take ownership of recycling while capitalizing on the profits of clearing plastic waste. Accra will also gain recycling plants, which will help convert plastic waste into community needs, such as pavement blocks, basins and liners.

THE O GRAMEEN CREATIVE O LAB

SOCIAL BUSINESS





PLUGANDPLAY





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 2019, 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. 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 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.



Earth Day Photo Contest

To celebrate Earth Day this year, we challenged our Avient associates to share photos they have taken that depict and celebrate the Earth's beauty. We were overwhelmed with the response received, as well as the magnificence and diversity captured in the images. So much so, we wanted to share some with readers of our Sustainability Report.

Take a virtual tour across lands and oceans through this sampling of images, compliments of Avient's own talented shutterbugs:

Location: Capitol Reef National Park, Utah Photo Credit: Bridget Moyer, Associate Engineer, Sustainability
Earth Day Photo Contest







Photos, clockwise from top: Location: Shipwreck Beach, Hawaii Photo Credit: Hannah Edwards, Senior Financial Analyst

Location: Stevens Pass, Washington State Photo Credit: Sheryl DeAugustine, Account Manager, SEM

Location: San Juan Mountain Range, Colorado Photo Credit: Beau Fauscette, Sales and Customer Service Manager, Gordon Composites

Earth Day Photo Contest



Location: Antelope Canyon, Arizona Photo Credit: Nanette Wiedl, Product Specialist, SEM



Location: Kuppenheim, Germany Photo Credit: Tobias Werner, (former Avient associate)

Community Service

Our community service work extends well beyond our important clean-up efforts. In fact, we provide every Avient associate 16 hours of paid time off each year to volunteer for a cause they are most passionate about. 2019 saw our employees giving of their time and talents around the world to help build libraries, mentor youth, organize blood drives, and teach financial literacy skills, just to name a few.

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 2006, we have raised more than \$14 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. 16HRS Annual paid time off to volunteer



Community Engagement

Avon Lake, United States

Our Avon Lake Community Service Team plans quarterly community service events for any associate to participate. In 2019, local associates served 1,235 volunteer hours, collaborated with 16 organizations and held 17 events to provide opportunities for associates to donate their time.

For example, volunteers for the Bags of Love Project event, an organization supporting children recently diagnosed with Type 1 diabetes, assembled supply kits for 300 young children. The kits included alcohol wipes, medical alert bracelets, ice packs, Type 1 Diabetic information and a personal note from Avient volunteers, encouraging children to stay strong.



Knowsley, United Kingdom

Our Knowsley, United Kingdom's Charity, Community & Celebration Committee plans quarterly community service events, where our associates work hard to make a difference to the lives of more than 8,000 people who live in the local area. For example, volunteers participated in a "Sleep Out" event to raise awareness and donations for local homeless communities. Members from Avient's Charity, Community & Celebration Committee spent the night outside in a hand-made cardboard train and raised funds for programs that help the homeless community improve their well-being.

Joy Roberts, Global Product Manager, said, "It was eye-opening to spend an evening from the perspective of a homeless person and learn how difficult their lives are. I am so glad we were able to support them and hopefully educate our greater community about this cause."



Itupeva, Brazil

In conjunction with the local team's Global Safety Day event, the Itupeva team organized a competition to see which teams could collect the most donations for supplies for NGO Yarns Enchanted, a local shelter for the elderly.

"Every year, we always host a fundraising campaign during safety week, and this year we received the most engagement from all associates," shared Gisele Bertolucci, Operations Manager, South America. "The fun nature of the competitiveness brought great results, where nearly all associates contributed."



Avon Lake, Ohio

A joint effort between Avient's IT and Global Trade teams led to a cleaner and more beautiful beachfront for Cleveland, Ohio residents. The two teams spent an afternoon picking up debris from Edgewater Beach, collecting 40 bags of waste.

"If you really want to understand the plastic waste problem, there is no better way to do it than to be part of the solution," said Ray Kling, Senior Manager, IT.



Pune, India

The Pune team has been a wonderful partner in helping a local school enhance its education ability and delivery. We were proud to donate computers to establish its first computer lab, as well as its first classroom LCD screens, which now benefit the learning process of over 150 students.

"The faculty and students were extremely appreciative of these donations and could not wait to get started using them!" said Shubham Asawale, Sales Associate, Engineered Materials. "It feels wonderful to contribute something that will improve the quality of education for children in rural areas of Pune."



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 <u>Avient's</u>. <u>four-pillar strategy</u> 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 is making for a difficult 2020 for all companies—and it has for Avient as well. As you read earlier in our Sustainability Report, we were quickly deemed an essential business and continued to run our operations and serve customers around the world. Yet, it's been a challenging year thus far and likely will continue to be until commerce and consumerism is normalized.

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.

EBITDA as % of Revenue

2019 Pro Forma
15.2%
15.2%
6.4%
11.1%

A Specialty Transformation Poised for Future Growth

Adjusted EBITDA* from Specialty Platform



* Adjusted EBITDA is EBITDA excluding corporate costs and special items

** 2019 Pro Forma for PP&S Divestiture and Clariant Color & Additive Masterbatch business acquisition with synergies



** 2019 Pro Forma for PP&S Divestiture and Clariant Color & Additive Masterbatch business acquisition with synergies

Sustainable Products Performance

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

These sustainable solutions have comprised 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, revenue from sustainable solutions has increased at a compounded annual growth rate of 14% since 2016.

In 2019, we delivered \$410 million in sustainable solutions sales, as defined using criteria aligned with the <u>FTC 2012</u>. <u>Guide for the Use of Environmental Marketing Claims</u>. And we did so while also yielding sustainable benefits in each of the eight key areas where our material science can have the most impact.

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

Revenue from Sustainable Solutions* 2016–2019



*Avient Sustainable Solutions definitions aligned with FTC 2012 Guide for the Use of Environmental Marketing Claims ("Green Guides")

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.

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.

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. Our compliance program is designed to promote and sustain a culture of excellence in all that we do.

We provide training and communication that set clear expectations on our policies and ethical behaviors expected while providing a clear process for seeking guidance when needed. Avient associates receive Code of Conduct training annually, and the Code is available in over 20 languages.

On a quarterly basis, salaried associates are required to take trainings that educate and reinforce important topics, such as anti-bribery, anti-corruption, antitrust, FCPA, harassment & discrimination, conflict of interest, insider trading and information security. Annually, we conduct training for hourly associates.





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 Code of Conduct 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 visits 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.

Our Code of Conduct and Ethics Hotline are available publicly at: <u>www.avient.com/investors/governance</u>



"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.cor 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 <u>10-K</u>.

Avient's Chief Financial Officer presents Management's 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.

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

ERM Topic Areas:

Business Continuity

Crisis & Incident Management

Cyber Security

Data Privacy

Divestment Execution

Geopolitical Risks

Global Market Competitiveness

Increasing & Changing Regulation*

Intellectual Property Protection & Maintenance

Innovation Effectiveness

IT systems

M&A Execution

M&A Integration

Market Intelligence**

Quality Systems

Raw Material Sourcing

EH&S Performance

Talent Retention & Development and Benefits

Board of Directors Governance

The primary responsibility for corporate governance at Avient rests with our <u>Board of 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.

Our Board also believes that good corporate governance is achieved through effective oversight of management and the business affairs of the company. To accomplish this oversight, the Board has assigned responsibilities among committees of the Board and has documented those responsibilities in committee charters. All of our Board committees play some role in sustainability for the Company.

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 environmental. 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 10 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.

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 for our Board diversity by <u>2020 Women on Boards</u>, with 30% of our Board being women.



"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 6.5 years

AVERAGE AGE

GENDER DIVERSITY
30% women



Policies & Guidelines

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.

Quality Policy

Corporate Governance Guidelines
Code of Conduct
Product Stewardship Policy
Safety and Health Policy
Environmental Policy
<u>Security Policy</u>
Conflict Minerals Policy
Compensation Committee Charter
Governance and Corporate Responsibility Committee Charter
Audit Committee Charter
Code of Ethics—Applicable to Avient Senior Officers
Position Statement on Human Rights

Supplier Code of Conduct

California Transparency in Supply Chains Act Disclosure

Privacy Policy

GOALS & METRICS

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Sustainability Goals

We are proud to announce the following Sustainability Goals at Avient. We commit to each of these objectives and will aggressively pursue their attainment through internal rigor, investment and innovation. The positive impact of our progress and ultimate achievement will benefit the planet and the people of the world, while at the same time adding value to Avient's customers, communities, associates and shareholders.

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

Current:

- Approximately 90% of Avient's products met this criteria in 2019.
- Avient supports the Plastics Europe and American Chemistry Council commitments to enable plastics packaging to be 100% re-used, recycled or recovered by 2040.
- It is estimated that 9% of the world's plastic is recycled by end users.

By 2030, 100% of Avient's technology platform projects will deliver sustainable solutions that enable our customers' innovation goals.

Current:

• 62% of our technology projects in 2019 were related to sustainable solutions.

By 2030, Avient will reduce Scope 1 & 2 greenhouse gas emissions by 35% with 2019 as a baseline.

Current:

• In 2019, Avient Scope 1 & 2 GHG emissions totaled 100,194 MT.

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

Current:

• 2019 Waste to Landfill was 7,041 MT.

By 2030, Avient will obtain directly or contract for 40% of its electricity demand from renewable sources.

Current:

- 0.69% of Avient's electricity demand is from renewable sources in 2019.
- Approximately 20% will be contractually supported with <u>Virtual Power Purchase</u> <u>Agreement</u> from solar energy production in 2021.

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.

Current:

• 30% will be assessed by 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.

People and Planet Data and Metrics

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

People and Planet Data and Metrics

Category	2016	2017	2018	2019
ENERGY				
Total Energy (GJ)	677,579	775,091	869,390	899,679
Energy Intensity (MWh/MT Production)	0.99	0.86	0.91	0.85
Renewable Energy (%)	0	0	0.49	0.69
Total Self-Generated Energy (GJ)	0	0	3808	4588
Energy Saving Activities (#)	NA	26	45	60
Cumulative Annual Savings from Energy Saving Activities (MWh)	0	1,507	2,609	6,879
PERCENT ENERGY (%)				
Purchased Electricity				73.18
Purchased Natural Gas				25.80
Purchased Steam				0.00
Purchased Diesel Fuel				1.02
EMISSIONS				
Greenhouse Gas Emissions (MT Scope 1 GHG)	33,362	21,527	11,882	12,767
Greenhouse Gas Emissions (MT Scope 2 GHG)	238,100	244,927	85,112	87,427
Greenhouse Gas Emissions (MT Scope 3 GHG)	NA	NA	193,483	584,622
Greenhouse Gas Emissions (MT Scope 1 & 2 GHG)	254,995	275,811	96,994	100,194
Greenhouse Gas Emissions Intensity (MT 1&2 GHG/ MT Production)	0.43	0.35	0.38	0.34
Greenhouse Gas Emissions Intensity (MT 1&2 GHG/\$B Revenue)	76,346	84,674	36,723	37,872
Cumulative Annual GHG Emissions Avoidance from ESAs (MT)	0	1,548	2,609	6,879
Reportable Releases (Above Permitted Limits)	0	0	0	0

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Category	2016	2017	2018	2019
EMISSIONS OF SOx/NOx/VOC/HAPS				
SOx (MT)	0.04	0.05	0.06	0.06
NOx (MT)	0.05	0.05	0.06	0.06
VOC (MT)	30.28	32.18	31.14	29.22
Top 4 Hazardous Air Pollutants (MT)	0.49	0.58	0.60	0.55
Particulate Matter (MT)	23.29	24.70	23.76	22.21
WASTE				
Total Waste (MT)	11,234	12,453	13,396	13,273
Total Waste Intensity (Kg Waste/MT Production)	17.23	20.18	17.79	19.70
Total Waste Intensity (MT Waste/\$B Revenue)	993	1,572	1,357	2,008
Percent of Total Waste Recycled/ Beneficially Reused (%)	67.31	57.07	62.65	51.87
Percent of Total Waste Landfilled (%)	29.55	40.77	35.11	43.88
Total Hazardous Waste (MT)	NA	NA	674.35	730.26
Waste Minimization Projects (#)	NA	47	44	68
WATER				
Total Water Withdrawal (1000 m3)	498	662	666	565
Total Water Withdrawal Intensity (m3/MT Production)	2.58	2.64	2.57	1.91
Total Water Related NoV (#)	0	0	0	0
Withdrawal & Consumed from High Water Stress Areas (% of Total)	NA	NA	NA	22.1

INDICES

HOME | Contents | Message from the CEO | Who We Are | People | Products | Planet | Performance | Goals & Metrics | Indices

GRI Standard	Disclosure Title	Avient Disclosures				
General Disclosure	General Disclosures					
Organizational Pro	Organizational Profile					
102-1	Name of the organization	About Avient—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	PolyOne 2019 Annual Report—Form <u>10-K</u> Cover Page				
102-4	Location of operations	About Avient—Where We Are: Global Locations PolyOne 2019 Annual Report—Form <u>10-K</u> Page 11				
102-5	Ownership and legal form	PolyOne 2019 Annual Report—Form <u>10-K</u> Cover Page				
102-6	Markets served	About Avient—Communities Counting on Avient				
102-7	Scale of the organization	Performance—Performance Overview PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 2–10 & 15				
102-8	Information on employees and other workers	People—All Sections PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 2 & 4 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 PolyOne 2019 Annual Report—Form <u>10-K</u> Page 3				
102-10	Significant changes to the organization and its supply chain	About Avient—Better Together: PolyOne and Clariant Masterbatch PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 2 & 16–17				
102-11	Precautionary Principle or approach	About Avient—Avient's 4 Ps of Sustainability PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 6–10				
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, Community Service, Community Engagement				

GRI Standard	Disclosure Title	Avient Disclosures
General Disclosure	S	
Organizational Pro	file	
102–13	Membership of associations	American Chemistry Council Plastics Industry Association Alliance To End Plastic Waste Operation Clean Sweep The UK Plastics Pact PetCore Europe Association of Plastic Recyclers
Strategy		
102–14	Statement from senior decision-maker	<u>Message from the CEO</u> <u>PolyOne 2019 Annual Report</u> —Letter To Our Shareholders
102-15	Key impacts, risks, and opportunities	Products—Innovation: The Lifeblood of a Specialty Organization Performance—Enterprise Risk Management (ERM) PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 6–10
Ethics & Integrity		
102–16	Values, principles, standards, and norms of behavior	About Avient—Who We Are Performance—The Highest Ethical Standards PolyOne 2019 Annual Report—Creating a World-Class, Sustainable Organization
102–17	Mechanisms for advice and concerns about ethics	Performance—Ethics Hotline and Reporting
Governance		
102–18	Governance structure	Performance—Board of Directors People—Management Approach EH&S PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 11–13 & 69 <u>PolyOne 2019 Proxy Statement</u> Pages 33–39 <u>https://www.avient.com/investors/governance</u>
102–20	Executive-level responsibility for economic, environmental, and social topics	Message from the Governance and Corporate Responsibility CommitteePerformance—Board of DirectorsPeople—Management Approach EH&SPolyOne 2019 Annual Report—Form 10-K Pages 11-13 & 69PolyOne 2019 Proxy Statement Page 34https://www.avient.com/investors/governance

GRI Standard	Disclosure Title	Avient Disclosures			
General Disclosure	General Disclosures				
Governance					
102–22	Composition of the highest governance body and its committees	Message from the Governance and Corporate Responsibility CommitteePerformance—Board of DirectorsPolyOne 2019 Annual Report—Form 10-K Pages 11-13 & 69PolyOne 2019 Proxy StatementPages 33-39https://www.avient.com/investors/governance			
102–23	Chair of the highest governance body	Message from the Governance and Corporate Responsibility Committee Performance—Board of Directors PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 11–13 & 69 <u>PolyOne 2019 Proxy Statement</u> Pages 33–34 <u>https://www.avient.com/investors/governance</u>			
102–24	Nominating and selecting the highest governance body	Performance—Board of Directors PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 11–13 & 69 <u>PolyOne 2019 Proxy Statement</u> Pages 37–38 <u>https://www.avient.com/investors/governance</u>			
102–25	Conflicts of interest	Performance—Board of Directors 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 PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 11–13 & 69 <u>PolyOne 2019 Proxy Statement</u> Pages33–39 https://www.avient.com/investors/governance			
102–27	Collective knowledge of highest governance body	Performance—Board of Directors PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 11–13 & 69 <u>PolyOne 2019 Proxy Statement</u> Pages 12–15 <u>https://www.avient.com/investors/governance</u>			
102–28	Evaluating the highest governance body's performance	Performance—Board of Directors PolyOne 2019 Proxy Statement Pages 38–39 https://www.avient.com/investors/governance			
102–29	Identifying and managing economic, environmental, and social impacts	Performance—Board of Directors People—Management Approach EH&S https://www.avient.com/investors/governance			

GRI Standard	Disclosure Title	Avient Disclosures		
General Disclosures				
Governance				
102-30	Effectiveness of risk management processes	Performance—Board of Directors, Enterprise Risk Management PolyOne 2019 Proxy Statement Page 34 https://www.avient.com/investors/governance		
102-31	Review of economic, environmental, and social topics	Performance—Board of Directors, Enterprise Risk Management PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 11–13 & 69 <u>PolyOne 2019 Proxy Statement</u> Pages 33–39 <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 CommitteePerformance—Board of DirectorsPolyOne 2019 Annual Report—Form 10-K Pages 11-13 & 69PolyOne 2019 Proxy Statement Pages 33-39https://www.avient.com/investors/governance		
102-33	Communicating critical concerns	Performance—Board of DirectorsPolyOne 2019 Annual Report—Form 10-K Pages 11-13 & 69PolyOne 2019 Proxy Statement Page 35Code of Conducthttps://www.avient.com/investors/governance		
102-34	Nature and total number of critical concerns	PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 56–57		
102–35	Renumeration Policies	PolyOne Notice of 2019 Annual Meeting of Shareholders PolyOne 2019 Proxy Statement Pages 44–56		
102-36	Process for determining renumeration	PolyOne 2019 Proxy Statement Pages 44–56		
102–37	Stakeholders' involvement in renumeration	PolyOne 2019 Proxy Statement Page 46		
102–38	Annual total compensation ratio	PolyOne 2019 Proxy Statement Page 69		
Stakeholder Enga	gement			
102-40	List of stakeholder groups	Throughout Avient 2019 Sustainability Report		
102-41	Collective bargaining agreements	PolyOne 2019 Annual Report—Form <u>10-K</u> Page 4		
102-42	Identifying and selecting stakeholders	Throughout Avient 2019 Sustainability Report		
102-43	Approach to stakeholder engagement	Throughout Avient 2019 Sustainability Report		

GRI Standard	Disclosure Title	Avient Disclosures
General Disclosure	s	
Stakeholder Engag	ement	
102-44	Key topics and concerns raised	About Avient—Communities Counting on Avient <u>People—All Sections</u> <u>Products—Management Approach: Product Stewardship, Management Approach:</u> <u>Supplier Collaboration</u> <u>Planet—All Sections</u>
Reporting Practice		
102-45	Entities included in the consolidated financial statements	PolyOne 2019 Annual Report—Form <u>10-K</u> Segments included: Color, Additives, and Inks, Specialty Engineered Materials, and Distribution
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 Avient People Products Planet Performance Avient 2019 Annual Report—Form <u>10-K</u>
102-48	Restatements of information	Products—excludes all Performance Products and Solutions segment; adjusted information based on more detailed portfolio analysis, such as deleting smartbatch sales and including sustainable inks; added new application areas that were not included in previous report such as applications for sustainable healthcare and minimizing food waste. Planet—Data excludes divested Performance Products and Solutions segment.
102-49	Changes in reporting	PolyOne acquired Clariant Masterbatch on July 1, 2020 and combined to create the current company, Avient. Data from Clariant Masterbatch is excluded from this report as it is outside of the reporting period. Data and information from PolyOne's Performance Products and Solutions segment was not included as it was divested in 2019.

GRI Standard	Disclosure Title	Avient Disclosures
General Disclosur	es	
Reporting Practic	e	
102-50	Reporting period	January 1, 2019 through December 31, 2019
102–51	Date of most recent report	This is Avient's 2 nd sustainability report; the first was published under the name PolyOne in 2019.
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 Topic Di	isclosures	
GRI 201: Economic	c	
1.1	Management approach—GRI 103	Performance—Performance Overview
201-1	Direct economic value generated and distributed	PolyOne 2019 Annual Report—Form <u>10-K</u> Page 18
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> PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 6–9
201-3	Defined benefit plan obligations and other retirement plans	PolyOne 2019 Annual Report—Form <u>10-K</u> Pages 27 & 44
GRI 205: Anti-Corr	uption	
1.1	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 Code of Conduct https://www.avient.com/investors/governance
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 2019. <u>Code of Conduct</u> <u>https://www.avient.com/investors/governance</u>

GRI Standard	Disclosure Title	Avient Disclosures
Economic Topic Di	sclosures	
GRI 206: Anti-Com	petitive Behavior	
1.1	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 2019.
Environmental Top	pic Disclosures	
GRI 301: Materials		
301-1	Materials used by weight or volume	<u>About Avient—What We Do: Material Science</u> PolyOne 2019 Annual Report—Form <u>10-K</u> Page 3
301–2	Recycled input materials used	Products—How Our Products Enable Sustainability & Our Solutions…In 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		
1.1	Management approach—GRI 103	Planet—Protecting Our Planet & Energy, Greenhouse Gas (GHG) Emissions and Climate Change https://www.avient.com/company/sustainability/planet/environmental-stewardship
302-1	Energy consumption within the organization	Planet—Protecting Our Planet & Energy, Greenhouse Gas (GHG) Emissions and Climate Change Goals & Metrics—People and Planet Data and Metrics
302–2 Energy consumption outside of the organization		Planet—Protecting Our Planet & Energy, Greenhouse Gas (GHG) Emissions and Climate Change Goals & Metrics—People and Planet Data and Metrics
302–3	Energy intensity	Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change Goals & Metrics—People and Planet Data and Metrics
302-4	Reduction of energy consumption	Planet—Protecting Our Planet & Energy, Greenhouse Gas (GHG) Emissions and Climate Change Goals & Metrics—People and Planet Data and Metrics
302–5	Reductions in energy requirements of products and services	Products—How Our Products Enable Sustainability Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change

GRI Standard	Disclosure Title	Avient Disclosures			
Environmental Top	Environmental Topic Disclosures				
GRI 303: Water and	Effluents				
303-1	Interactions with water as a shared resource	Planet—Water Intensity and Biodiversity https://www.avient.com/company/sustainability/planet/environmental-stewardship			
303-3	Water withdrawal	Planet—Water Intensity and Biodiversity Goals & Metrics—People and Planet Data and Metrics			
GRI 305: Emissions					
1.1	Management approach – GRI 103	Planet—Protecting Our Planet & Energy, Greenhouse Gas (GHG) Emissions and Climate Change			
305-1	Direct (Scope 1) GHG emissions	Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change Goals & Metrics—People and Planet Data and Metrics			
305-2	Energy indirect (Scope 2) GHG emissions	Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change Goals & Metrics—People and Planet Data and Metrics			
305-3	Other indirect (Scope 3) GHG emissions	Goals & Metrics—People and Planet Data and Metrics			
305-4	GHG emissions intensity	Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change Goals & Metrics—People and Planet Data and Metrics			
305-5	Reduction of GHG emissions	Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change Goals & Metrics—People and Planet Data and Metrics			
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Planet—Conventional Air Emissions Goals & Metrics—People and Planet Data and Metrics			
GRI 306: Waste					
1.1	Management approach—GRI 103	Planet—Waste: Preventing, Minimizing, Eliminating, 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—Waste: Preventing, Minimizing, Eliminating, Eliminating Plastic Waste, & Clean-Up and Remediation			
306-2	Management of significant waste-related impacts	Planet—Waste: Preventing, Minimizing, Eliminating, Eliminating Plastic Waste, & Clean-Up and Remediation			

GRI Standard	Disclosure Title	Avient Disclosures
Environmental To	pic Disclosures	
GRI 306: Waste		
306–3	Waste generated	<u>Planet—Waste: Preventing, Minimizing, Eliminating</u> <u>Goals & Metrics—People and Planet Data and Metrics</u>
306-4	Waste diverted from disposal	<u>Planet—Waste: Preventing, Minimizing, Eliminating</u> <u>Goals & Metrics—People and Planet Data and Metrics</u>
306-5	Waste directed to disposal	<u>Planet—Waste: Preventing, Minimizing, Eliminating</u> <u>Goals & Metrics—People and Planet Data and Metrics</u>
GRI 307: Environm	iental Compliance	
1.1 Management approach—GRI 103		People—Management Approach: EH&SProduct—Management Approach: Product StewardshipPlanet—Protecting Our PlanetPolyOne 2019 Annual Report—Form 10-K Page 5https://www.avient.com/company/sustainability/planet/environmental-stewardship
307-1	Non-compliance with environmental laws and regulations	Product—Management Approach: Product Stewardship
GRI 308: Supplier I	Environmental Assessment	
1.1	Management approach—GRI 103	Product—Management Approach: Supplier Collaboration Supplier Code of Conduct
308-1	New suppliers that were screened using environmental criteria	Product—Management Approach: Supplier Collaboration
308–2	Negative environmental impacts in the supply chain and actions taken	Product—Management Approach: Supplier Collaboration
Social Topic Disclo	osures	
GRI 401: Employm	lent	
1.1	Management approach—GRI 103	People—Management Approach: Training and Development, Management Approach: Diversity & Inclusion
401-1	New employee hires and employee turnover	People—Talent Acquisition and Campus Recruiting, Workforce Demographics PolyOne 2019 Annual Report—People We hired 949 new associates in 2019.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People—Associate Benefits, Health and Wellness
401-3	Parental leave	People—Health and Wellness

GRI Standard	Disclosure Title	Avient Disclosures
Social Topic Disclo	osures	
GRI 403: Occupati	onal Health & Safety	
1.1	Management approach—GRI 103	People—Management Approach EH&S PolyOne 2019 Annual Report—Form <u>10-K</u> Page 5 <u>Avient's Position on Human Rights</u> <u>https://www.avient.com/company/sustainability/planet/environmental-stewardship</u>
403-1	Occupational health and safety management system	PeopleManagement Approach EH&SPlanetProtecting Our PlanetPolyOne 2019 Annual ReportForm 10-K Page 5https://www.avient.com/company/sustainability/planet/environmental-stewardship
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	PeopleManagement Approach EH&SProductsManagement Approach: Product Stewardship, Management Approach:Supplier CollaborationPolyOne 2019 Annual Report
403-8	Workers covered by an occupational health and safety management system	People—Management Approach EH&S PolyOne 2019 Annual Report—Form <u>10-K</u> Page 5
403-9	Work-related injuries	People—Management Approach EH&S PolyOne 2019 Annual Report—Form <u>10-K</u> Page 5
403–10	Work-related ill health	People—Management Approach EH&S PolyOne 2019 Annual Report—Form <u>10-K</u> Page 5
GRI 404: Training	& Education	
1.1	Management approach—GRI 103	People—Management Approach: Training and Development

GRI Standard	Disclosure Title	Avient Disclosures
Social Topic Disclo	osures	
GRI 404: Training	& Education	
404-1	Average hours of training per year per employee	People—Management Approach: Training and Development In 2019, associates received an average of 5.4 hours of training. 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: Diversity	and Equal Opportunity	
1.1	Management approach—GRI 103	People—Management Approach: Diversity & Inclusion
405–1	Diversity of governance bodies and employees	People—Workforce Demographics
GRI 406: Non-disc	rimination	
1.1	Management approach—GRI 103	People—Management Approach: Diversity & Inclusion
GRI 407: Freedom	of Association and Collective Bargaining	
1.1	Management approach—GRI 103	Product—Management Approach: Supplier Collaboration Avient's Position on Human Rights Supplier Code of Conduct
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Product—Management Approach: Supplier Collaboration To our knowledge, Avient's operations are compliant with statutory requirements related to the right to freedom of association and collective bargaining. Suppliers are expected to comply with our <u>Supplier Code of Conduct</u> .
GRI 408: Child Lab	or	
1.1	Management approach—GRI 103	Product—Management Approach: Supplier Collaboration Avient's Position on Human Rights Supplier Code of Conduct
408-1	Operations and suppliers at significant risk for incidents of child labor	Product—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 Standard	Disclosure Title	Avient Disclosures
Social Topic Disclo	osures	
GRI 412: Human R	ights Assessment	
412-2	Employee training on human rights policies or procedures	Performance—The Highest Ethical Standards
GRI 413: Local Cor	nmunities	
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	<u>Planet—Community Service, Community Engagement</u> To our knowledge, within Avient's operations there are no significant actual or potential negative impacts on local communities.
GRI 414: Social Su	pplier Assessment	
1.1	Management approach—GRI 103	Product—Management Approach: Supplier Collaboration Supplier Code of Conduct
414-1	New suppliers that were screened using social criteria	Product—Management Approach: Supplier Collaboration
414-2	Negative social impacts in the supply chain and actions taken	Product—Management Approach: Supplier Collaboration
GRI 415: Public Po	licy	
415-1	Political contributions	Planet—Community Service
GRI 416: Custome	r Health and Safety	
1.1 Management approach—GRI 103		Product-Management Approach: Product Stewardship
416-1	Assessment of the health and safety impacts of product and service categories	Product—Management Approach: Product Stewardship
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<u>Product—Management Approach: Product Stewardship</u> PolyOne 2019 Annual Report—Form <u>10-K</u> Page 57
GRI 417: Marketing	g and Labeling	
1.1	Management approach—GRI 103	Product-Management Approach: Product Stewardship
417-1	Requirements for product and service information and labeling	Product-Management Approach: Product Stewardship
417-2	Incidents of non-compliance concerning product and service information and labeling	Product—Management Approach: Product Stewardship
417-3	Incidents of non-compliance concerning marketing communications	Product—Management Approach: Product Stewardship

GRI Standard	Disclosure Title	Avient Disclosures	
Social Topic Disclo	sures		
GRI 418: Customer	GRI 418: Customer Privacy		
1.1	Management approach—GRI 103	People—Security	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There have been zero substantiated complaints concerning breaches of customer privacy and losses of customer data for this reporting period.	
GRI 419: Socio Economic Compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	PolyOne 2019 Annual Report—Form <u>10-K</u> Page 57 To our knowledge, within Avient's operations, there is material compliance with all applicable laws and regulations in the social and economic areas.	

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: 12,767 MT Part of this metric was omitted due to lack of availability (percentage covered under emissions- limiting regulations). <u>Goals & Metrics—People and Planet Data and Metrics</u>	
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 and 2 greenhouse gas emissions by 35% with 2019 (100,194 MT) as a baseline. Avient is working to develop a low carbon transition plan that encompasses Scope 1 (direct) and Scope 2 (indirect) sources of greenhouse gas emissions. While 2030 goals around the reduction of absolute Scope 1 & 2 emissions and green energy procurement are in place, Avient will strive to further refine our climate strategy and targets based on scenario analyses as recommended by the Task Force on Climate-related Financial Disclosures (TCFD). Part of this metric was omitted due to lack of availability (an analysis of performance against those targets). Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change Goals & Metrics—Sustainability Goals 	
Air Quality			
Air emissions of the following pollutants: (1) NOx (excluding N ₂ O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	RT-CH-120a.1	 NOx: 0.06 MT SOx: 0.06 MT VOCs: 29.22 MT HAPs: 0.55 MT Goals & Metrics—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	 Total energy: 899,679 GJ % Grid electricity: 99.99% % renewable: 0.69 Total self-generated: 4588 GJ <u>Goals & Metrics—People and Planet Data and Metrics</u> 	

Accounting or Activity Metric	Code	Avient Disclosures
Water Management		
(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	 Total water withdrawn: 565,000 m3 Percentage of total water withdrawn and consumed from regions of high water stress: 22.1% Part of this metric was omitted due to lack of availability (total water consumed). <u>Goals & Metrics—People and Planet Data and Metrics</u>
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	RT-CH-140a.2	Reportable releases (above permitted limits): 0 Goals & Metrics—People and Planet Data and Metrics
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 process 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 and discharge is provided in the Appendix of this report.
Hazardous Waste Management		
Amount of hazardous waste generated, percentage recycled	RT-CH-150a.1	730.26 MT of hazardous waste was generated. Part of this metric was omitted due to lack of availability (percentage of hazardous waste recycled). <u>Goals & Metrics—People and Planet Data and Metrics</u>
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. Message from the Governance and Corporate Responsibility Committee. Part of this metric was omitted due to availability (direct and clear discussion that community interests are stakeholder interests).

Accounting or Activity Metric	Code	Avient Disclosures
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	 TRIR: 0.56 Fatality rate for contractors and direct employees is both 0.00 Goals & Metrics—People and Planet Data and Metrics
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 actions focused on protecting the health and safety of our associates, families, customers and communities. We consistently monitored and adhered to all local government requirements and conditions everywhere we operate. We mobilized regional COVID Task Forces and collaboratively developed procedures and took action accordingly. Part of this metric was omitted due to availability (chronic health risks unrelated to COVID-19). <u>People—COVID-19 Protecting our People as an Essential Business</u>
Product Design for Use-phase Efficiency		
Revenue from products designed for use-phase resource efficiency	RT-CH-410a.1	\$410 million Performance—Sustainable Products 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	 1. 13% of 2019 revenue were from products classified as GHS category 1 or 2 2. 27% 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).

Accounting or Activity Metric	Code	Avient Disclosures			
Safety & Environmental Stewardship of Chemicals	Safety & Environmental Stewardship of Chemicals				
Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	RT-CH-410b.2	European Union Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)- Phase 3 was completed in 2018. The focus in 2019 and forward is on continued assessment and communication on the safe handling of these substances. Many other countries are following suit on the EU REACH chemicals regulation, and so are we. Last year we completed the pre- registration for Korea REACH (K-REACH). And we prepared for pre-registration of substances associated with our portfolio in both Turkey and Eurasia. 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 the 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 response to potential regulatory risks. REACH reclassifications of substances as result of European Chemicals Agency (ECHA) review continues to be a challenge for Avient. This has the potential to change the approval and intended use for critical raw materials within sensitive applications, like food, drug or medical. However, these regulatory changes/risks often drive opportunity for sustainable replacement initiatives, for which Avient is well positioned. <u>Products—Global Chemical Management</u>			
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. Pg 75 Part of this metric was omitted due to lack of availability (internal positions related to government relations). Planet—Community Service			

Accounting or Activity Metric	Code	Avient Disclosures
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>Goals & Metrics—People and Planet Data and Metrics</u>
Number of transport incidents	RT-CH-540a.2	0 Goals & Metrics—People and Planet Data and Metrics
Activity Metric	'	
Production by reportable segment	RT-CH-000.A	Revenue by Geography and End Market: Geography: 49% U.S./Canada, 27% Europe, 15% Asia, 9% Latin America End Market: 20% Packaging, 18% Consumer, 12% Healthcare, 12% Transportation, 11% Industrial, 9% Wire and Cable, 7% Textile, 5% Building and Construction, 4% Electrical and Electronics, 2% Appliance 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—Energy, Greenhouse Gas (GHG) Emissions and Climate Change 2019 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 2019 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	2019 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	2019 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	2019 CDP Climate Change Response—C3.1a, C3.1g			
Risk Management				
Describe the organization's processes for identifying and assessing climate-related risks	<u>Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change</u> 2019 CDP Climate Change Response—C2.2, C2.2a, C2.2b			
Describe the organization's processes for managing climate-related risks	<u>Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change</u> 2019 CDP 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	Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change 2019 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—Energy, Greenhouse Gas (GHG) Emissions and Climate Change</u> 2019 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	Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change 2019 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	<u>Planet—Energy, Greenhouse Gas (GHG) Emissions and Climate Change</u> <u>Goals & Metrics—Sustainability Goals</u> 2019 CDP Climate Change Response—C4			

Reconciliation of Non-GAAP Financial Measures

Reconciliation of Non-GAAP Financial Measures (Unaudited)

(Dollars in millions)

We define EBITDA as earnings before interest (net of interest income), taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA adjusted to add back the special items indicated in the table below. EBITDA and Adjusted EBITDA are not measures of performance or liquidity under GAAP, and we caution investors that amounts presented in accordance with our definitions of EBITDA and Adjusted EBITDA may not be comparable to similar measures disclosed by other companies, because not all companies calculate EBITDA and Adjusted EBITDA in the same manner. We present EBITDA because we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. We present Adjusted EBITDA because we believe that it is a further supplemental measure of our performance and liquidity. EBITDA and Adjusted EBITDA and Adjusted EBITDA and Adjusted EBITDA because we believe that it is a further supplemental measure of our performance and liquidity. EBITDA and Adjusted EBITDA and Adjusted EBITDA because we believe that it is a further supplemental measure of our performance and liquidity. EBITDA and Adjusted EBITDA and Adjusted EBITDA should not be considered in isolation or as substitutes for operating income, net income or cash flow statement data prepared in accordance with GAAP. Please see the table below for the reconciliation of EBITDA and Adjusted EBITDA to the comparable GAAP measure of net income.

Adjusted EBITDA is calculated as follows:

As of December 31, 2019	Sales		Operating Income	Depreciation & Amortization	Adjusted EBITDA	
Legacy Color, Additives and Inks	\$	1,003.8	\$ 147.4	\$ 43.2	\$	190.6
Specialty Engineered Materials		745.7	83.7	29.5		113.2
Distribution		1,192.2	75.4	0.5		75.9
Corporate and Eliminations		(79.0)	(149.7)	4.9		(144.8)
Total	\$	2,862.7	\$ 156.8	\$ 78.1	\$	234.9
Special items, before tax ⁽¹⁾						61.7
Other income, net						12.1
Net income attributable to non-controlling interests						(0.2)
Legacy Avient Total	\$	2,862.7	\$ 156.8	\$ 78.1	\$	308.5
Clariant Masterbatch	\$	1,123.1	\$ 65.9	\$ 24.3	\$	90.2
Special items, before tax ⁽¹⁾						43.3
Net income attributable to non-controlling interests						(0.6)
Clariant Masterbatch Total	\$	1,123.1	\$ 65.9	\$ 24.3	\$	132.9
Avient Pro Forma Total	\$	3,985.8	\$ 222.7	\$ 102.4	\$	441.4

(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, including adjustments related to contingent consideration; employee separation costs resulting from personnel reduction programs, plant realignment costs, executive separation agreements; asset impairments; 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. Tax adjustments include the net tax benefit/(expense) from one-time income tax items, the set-up or reversal of uncertain tax position reserves and deferred income tax valuation allowance adjustments.



2019 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're 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 forwardlooking 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 or its affiliates. Sustainability metrics represent 2019 data or 12-month approximate values based on available data from reporting facilities and are often made in reliance on third-party supplier information.

