# SUSTAINABILITY FOR A BETTER TOMORROW

SUSTAINABILITY REPORT 2021



## **Interactive PDF**

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# Message from the CEO Creating A World-Class, Sustainable Organization

2021 was our first full year as Avient, and it was a record year in terms of our performance. Our success was underpinned by the 8,700 incredible associates around the world and their many contributions to our four cornerstones of sustainability: People, Products, Planet and Performance.

The purpose of our Sustainability Report is much more than ESG compliance and reporting. We publish this report to offer a comprehensive look at Avient—one that highlights examples of our commitment to safety, diversity and inclusion, equality and human rights. It highlights how our products are contributing to a more circular economy and 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 certified Great Place to Work® for our associates.

As we have performed and improved in sustainability, external stakeholders are recognizing our efforts. Our scores from ratings firms are continually improving (see page 6), and we have recently received some distinguished recognitions, such as Newsweek's Most Responsible Companies, Barron's Most Sustainable Companies, and The Wall Street Journal's 250 Best Managed Companies.

We're proud of these accolades, but we have much more to accomplish. We have set ambitious ESG goals for 2030, and we are making progress in each. Every Avient associate is accountable for these objectives, which is why we have aligned 20% of our 2022 annual incentive plan with ESG metrics (see details on page 5). The data, information and transparency offered herein further provide our many stakeholders with insights into how we are performing related to today's most pressing ESG matters. But perhaps more importantly, this Sustainability Report represents who we are and what we value...as Avient.

We are a company that I'm deeply proud to be a part of, and we are serving in an innovative industry that will continue to play a crucial role in an improved and sustainable world for many generations to come.

Chairman, President and Chief Executive Officer "Meeting the needs of the present without compromising the ability of future generations to do the same."

Robert M. Patterson

# Message from the Governance and Corporate Responsibility Committee

## Avient Board of Directors

Dear Avient Stakeholder,

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

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

As you read this report, you will note that Avient has continued to advance its policies, partnerships, investments and actions in support of ESG leadership. The company's 10-K has increased transparency and disclosures on human capital matters as well. Our recently updated <u>Corporate Governance Guidelines</u> and our Committee charter furthers our commitment to maintain diversity at the highest levels of our company. In terms of background, expertise, demographics, and perspectives, Avient's Board and leadership team are more diverse than ever before.

There are many aspects to sustainability, and they are at the core of Avient's strategy. This includes our dedicated investments in R&D to innovate the future material science needs of our customers. Sustainable product development and other commitments are outlined in Avient's <u>2030 Sustainability Goals</u>. These goals were instituted two years ago to deliver value to the company's many stakeholders, and the company's progress toward their achievement has been published for each.

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

#### Sincerely,

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



Sandra Beach Lin



**Richard Fearon** 



Gregory Goff



Neil Green



Kerry Preete



Dr. Patricia Verduin

# Our Sustainability Strategy & Employee Engagement

Sustainability is integral to achieving Avient's vision, mission and performance. The four cornerstones of our sustainability strategy enable all that we do. For 2022 we have added ESG performance metrics, which now account for 20% of our associates' Annual Incentive Plan.

## Our Sustainability Guiding Principle and Four Cornerstones

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



## ESG Metrics & Employee Incentive Compensation

	METRIC	MEASUREMENT
People	Employee Engagement Safety	GPTW Certification Safety Engagement
Products	Sustainable Solutions Circular Economy	Sustainable Solutions Sales Growth
Planet	Waste to Landfill Intensity Energy Intensity	Kg/MT Production MWH/MT Production

# Sustainability Strategy Execution & Proof of Performance

We have made significant progress in executing our sustainability strategy, as evidenced by our scores among key rating agencies and awards granted to Avient by esteemed third-party institutions.

## ESG Ratings Performance (as of 12/31/21)



## ESG Awards and Certifications



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# 2030 Sustainability Goals

Avient was proud to announce our 2030 Sustainability Goals two years ago to share our commitment to drive sustainability for all of our stakeholders. We assembled internal Sustainability teams to drive initiatives and workstreams to meet these targets, and we remain committed to aggressively pursuing their attainment through internal rigor, investment and innovation. Learn more about our approaches to accomplishing these commitments throughout this report.



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

#### Update:

• Approximately 90% of Avient's products met this criteria in 2021; however, it is estimated that only 9% of the world's plastic is recycled by end users.

By 2030 Sustain

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

#### Update:

- In 2021, our sustainable solutions portfolio grew by 16% over prior year.
- Since 2016, we have grown 12% annually.



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

#### Update:

- 44% of Avient's electricity demand globally was from renewable sources in 2021, up from 0.69% in 2019, and 31% in 2020.
- Avient became a member of the <u>RE100</u> initiative in 2021, committing to achieve 60% renewable electricity by 2030 and 100% by 2050.



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

• In 2021 we reduced our waste to landfill by 6% versus our 2019 baseline.



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

Update:

- We have reduced our Scope 1 & 2 GHG emissions by 40% in 2021 versus our 2019 baseline.
- Co

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

Update:

• 52% of our top suppliers have been assessed through the end of 2021.



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 over 65 members across the value chain. The Alliance will invest \$1.5 billion over five years in innovation, infrastructure, education and clean-up.

Update:

 The Alliance is executing on 61 projects in 31 countries, with an estimated cumulative impact of diverting and/or recycling 799 KT of plastic waste by 2025.\*

\* https://endplasticwaste.org/

# Avient Reaffirms Commitment to U.N. Global Compact

In 2021, Avient was proud to join the <u>United Nations Global Compact</u>, a voluntary leadership platform for the development, implementation and disclosure of responsible business practices. It is the largest corporate sustainability initiative in the world. "Avient is excited to reaffirm our commitment this year," said Bob Patterson, Chairman, President and CEO, Avient Corporation, "We remain focused on these SDGs and aligning our activities accordingly."



WE SUPPORT

Companies that participate align their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption, and they take action in support of matters embodied in the <u>Sustainable Development Goals</u> (SDGs).

The SDGs address global environmental, social and economic issues and blueprint the path to a more sustainable future. The SDGs include specific progress targets for 2030, and encourage strong commitment by all stakeholders to implement the global goals. Society will increasingly look to companies like Avient to develop solutions that address these sustainability challenges. We identified and mapped the SDGs that are most material to Avient and align with our <u>sustainability goals</u> and business model. There are five SDGs (as shown below) where we believe Avient's innovation capabilities can make the greatest impact.

Avient Aligns with Five Sustainable Development Goals





# Engaging with Our Stakeholders

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

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

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

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

# Historic Transformation, Inspired Future

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

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

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

Headquartered in Avon Lake, Ohio, Avient currently employs approximately 8,700 people at manufacturing sites, distribution facilities and technical labs located in North America, South America, Europe, Middle East, Asia and Africa.



# Who We Are

Avient Corporation (NYSE: AVNT), with 2021 revenues of \$4.8 billion provides specialized and sustainable material solutions that transform customer challenges into opportunities, bringing new products to life for a better world. As of December 31, 2021, Avient employed approximately 8,700 associates and is certified <u>ACC Responsible Care®</u>, a founding member of the <u>Alliance to</u> <u>End Plastic Waste</u> and certified <u>Great Place to Work®</u>. For more information, visit <u>www.avient.com</u>.



#### **Our Vision**

At Avient, we create specialized and sustainable material solutions that transform customer challenges into opportunities, bringing new products to life for a better world.

#### Specialization

Differentiates us through unique value-creating offerings to our customers.

**Operational Excellence** Empowers us to respond to the voice of the customer with relentless continuous improvement. Globalization

Positions us to serve our customers consistently, everywhere in the world.

#### Commercial Excellence

Governs our activities in the marketplace to deliver extraordinary value to our customers.

#### 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 our design recommendations help create the end use applications. Moreover, our experienced scientists are focused on providing unique innovations that help our customers reach their sustainability goals.

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

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



# Revenue by Geography and End Market

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

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

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



# Where We Are: Global Locations

Headquartered in Avon Lake, Ohio, we have operations around the world.

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

<sup>(1)</sup> There are two manufacturing plants located in Phoenix, Arizona.

<sup>(2)</sup> There are two manufacturing plants located in Shanghai, China.

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

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

# Communities Counting on Avient

Avient supported customer operations in over 140 countries around the world in 2021, as we supply our specialty materials and formulated polymers that bring customers' products to life.

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

South

America

Argentina

Belize

Bolivia

Brazil

Chile

Peru

Colombia

Ecuador

Paraguay

Suriname

Uruguay

Venezuela

## North / Central America

Dominican Republic

Canada

Costa Rica

El Salvador

Guatemala

Honduras

Jamaica

Mexico

Panama

Puerto Rico

United States

Trinidad & Tobago

Haiti

Еигоре

Aland Islands	Georgia
Armenia	Germany
Austria	Greece
Belarus	Hungary
Belgium	Iceland
Bosnia Herzegovina	Ireland
Bulgaria	Italy
Croatia	Kosovo
Cyprus	Latvia
Czech Republic	Lithuania
Denmark	Luxembourg
Estonia	Malta
Finland	Moldova
France	Netherlands

North Macedonia
Norway
Poland
Portugal
Romania
San Marino
Serbia
Slovakia
Slovenia
Spain
Sweden
Switzerland
Ukraine
United Kingdom

	Middle East/ Asia	
а	Afghanistan	Kyrgyzst
	Azerbaijan	Kuwait
	Bahrain	Lebanon
	Bangladesh	Malaysia
	Bhutan	Maldives
	Cambodia	Myanmai
	Greater China	Nepal
	India	Oman
	Indonesia	Pakistan
	Iraq	Philippin
	Israel	Qatar
	Japan	Russia

Jordan

Kazakhstan

Kyrgyzstan	South K
Kuwait	Sri Lank
Lebanon	Tajikista
Malaysia	Thailand
Maldives	Türkiye
Myanmar	Turkme
Nepal	United A
Oman	Uzbekis
Pakistan	Vietnam
Philippines	Yemen
Qatar	
Russia	
Saudi Arabia	
Singapore	

h Korea	Algeria
anka	Angola
istan	Benin
and	Botswana
iye	Cameroon
menistan	D.R. Congo
ed Arab Emir.	Egypt
kistan	Ethiopia
iam	Ghana
en	Guinea
	Ivory Coast
	Kenya
	Libya

## Africa

Mauritius

Morocco

Nigeria

Senegal

Tanzania

Tunisia

Uganda

Zambia

Zimbabwe

South Africa

Australia/ Oceania

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Australia Fiji French Polynesia Martinique New Caledonia New Zealand

Mali

# Message from Avient's VP of Sustainability



As the global need for sustainability continues to accelerate, we are continually evolving and taking on the challenge. Sustainability remains integral to achieving Avient's vision and mission, as well as maintaining responsibility and performance.

The impact of climate change has never been more pressing, so that's why we are focused on reducing our environmental impact, and on helping customers meet their sustainability goals through innovation, material expertise, and collaboration throughout the value chain.

We established 2030 Sustainability Goals, which set clear expectations for our company related to climate change, product innovation, supplier engagement and overall corporate responsibility, and our associates are engaged and passionate about executing on our sustainability strategy to meet them. As you read this year's Sustainability Report, you will see that we are making an impact in all four of our sustainability cornerstones, People, Products, Planet and Performance, and are well positioned to meet our 2030 Goals.

## Walter Ripple

Vice President of Sustainability

# 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 do the same. 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<sup>SM</sup></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.

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# People

# Management Approach: EH&S

The top priority at Avient is safety.

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

Avient's EH&S Management System (EH&S MS) is managed by its Corporate Environmental, Health, Safety and Product Stewardship Department, and degreed technical experts employed in all regions and businesses. Avient's Vice President of EH&S and SVP of Global Operations and Process Improvement are responsible for reporting to the EH&S Committee of the Board of Directors. The foundation of our Management Approach to EH&S is rooted in <u>ACC Responsible Care®</u>. We established a comprehensive EH&S MS to systemically identify and address any risks. Avient's EH&S MS is externally certified and based on the <u>American Chemistry Council's Responsible Care Management System (RCMS)</u> Standard, which incorporates the principle of continuous improvement. It applies to all Avient sites and our contractors globally.

Avient's EH&S MS is comprised of global standards for safety, health, security, product safety, and environmental protection, covering the transportation of materials, activities at our sites and warehouses, distribution of our products, our customers' use of our products, and our ongoing commitment to be a positive influence in the communities in which we operate. It covers both regulatory requirements and voluntary actions. The policies and codes that are included in the EH&S MS are:

- <u>Responsible Care Policy</u>, which outlines our overarching commitment to the <u>Responsible Care Guiding Principles</u>;
- <u>Safety & Health Policy</u>, which focuses on providing a safe and healthy workplace for our associates through building an actively caring culture;
- Security Policy, 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 on ensuring enduring operations, that contribute positively to our associates' wellbeing 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.







# 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 2021, we maintained world class safety performance with a recordable incident rate of 0.55, which is more than six times better than the U.S. Rubber and Plastics Manufacturers industry average. Until that number is zero, we have more work to do. Additional detail, systems, and performance metrics are provided in the <u>Occupational</u> <u>Health & Safety section</u> of this report.



## **Injury Incidence Rate**

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

As a global organization, Avient recognized the early risks associated with the COVID-19 pandemic. We took action and continued to do so in 2021. Our early and consistent approach focused on protecting the health and safety of our associates, families, customers and communities.

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

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

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

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

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

# Occupational Safety & Health

Occupational safety, health and well-being are paramount at Avient because we understand the value of good performance in these areas to our people, their families, collective morale, operational costs, our contractors, the communities in which we operate, 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. To enhance associate participation in our safety & health systems, for 2022 we updated our Annual Incentive Plan design to include a metric that measures the percentage of associates who participate in hazard recognition or reduction.

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

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

# Continuous Improvement

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 EH&S MS. The management system audits are conducted by leaders from corporate and the various operations, in conjunction with thirdparty experts where necessary, and consist of site visits to validate compliance to internal standards and regulatory requirements. The audits identify areas where corrective and preventive measures are necessary to further reduce risks. Companies acquired by Avient go through a rigorous EH&S integration process to bring new sites in line with our high standards and policies. Part of this process is to help sites develop their own EH&S Maturity Road Map which guides them through the implementation of our standards through a risk based approach.

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

RISK

RISK

# 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), <u>Lost Time Injury/Illness Rate</u> (LTIR), and <u>Injuries of High Consequence</u> (IOHC).

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.

# 2021 Safety Milestones

10,100 Safety Improvements completed in 2021



\*Injuries that take six months or longer for a worker to recover from, according to the Global Reporting Initiative.

# Security

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

## Governance

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 EH&S MS is based on the Responsible Care® Security Code which seeks to continuously improve our processes and systems related to security performance and implement management practices consistent with its guidance.

The Avient Security and Privacy Council (ASPC) oversees the security-related governance, risk mitigation and regulatory compliance requirements of our company globally. Supporting the ASPC are two subcommittees. One subcommittee is focused on physical security and the other is dedicated to data confidentiality and cybersecurity. We are also a member of the <u>U.S. Customs Trade Partnership Against Terrorism (</u>CTPAT), the supply chain security program under U.S. Customs and Border Protection, and a member of the <u>Canadian Border Services Agency Partners in Protection (</u>PIP) program. Avient's Global Trade and EH&S departments share responsibility for supply chain security.

## **Physical Security**

Our Facilities undergo periodic analyses to address potential threats. Each assessment considers geographic location, relationships with communities and applicable laws. In higher-risk areas, 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.

# Data Confidentiality and Cybersecurity

As cybersecurity risks continue to evolve, we must protect against threats against our data, facilities and operations.

Avient has a global program to ensure that proper cybersecurity measures are in place and our organization maintains compliance with ever-changing privacy laws, including <u>General</u>. <u>Data Protection Regulations</u> (GDPR), as well as specific laws in all countries and regions where Avient operates. Awareness remains one of our best defenses, and cybersecurity education is a priority for our associates and business partners. In 2021, we increased our training efforts to educate our associates on cyber threats and prevent unintended or unauthorized access to both business and personal information. 100% of our required associates completed web-based cybersecurity training last year to help them identify and respond to potential cybersecurity risks and reinforce safe behaviors. We also expanded our cybersecurity controls to address the evolving global cybersecurity threats. Externally, a third-party auditor performs a quarterly assessment of our processes, policies and performance related to IT cybersecurity.

> **100%** OF REQUIRED ASSOCIATES COMPLETED WEB-BASED

CYBERSECURITY TRAINING IN 2021

# Management Approach: Training and Development

The development and training of our workforce is a priority for Avient, as it influences our great place to work culture while enabling our teams to accomplish business goals. At Avient, we provide meaningful learning engagements and skill development opportunities to all full and part-time global associates. Learning is ingrained in our culture and every Avient associate participates in training annually. 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. In 2021, our associates completed over 106,000 hours of training through a variety of delivery methods.

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, Elevate, Emerging Leaders and Avient Mentoring. To support administrative and strategic skill sets of our managers, we also offer open enrollment and on-demand Supervisory Skills training and regional sessions of CORE Leadership. The ENGAGE initiative was designed to broaden our culture of learning in our manufacturing footprint, bringing classroom experiences focused on our Sustainability strategy and product portfolio to the production teams at our global locations.

Course evaluations, focus groups and program pilot techniques are utilized to gain insight to program effectiveness and monitor opportunities for enhancement. We also conduct 360 assessments to help associates assess their individual development and progression based on feedback from key stakeholders.









# Avient Competencies

In 2021, we finished our first full year of leveraging the new Avient Competencies, now fully incorporated into all of our talent management processes, including goal-setting and our annual performance review process. Our competencies were developed based on feedback from our associates in all regions, businesses, functions and at all levels of the organization. Themes from our associates' feedback were mapped to a library of competencies that, based on research, are predictive of success across all industries.

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



#### Leader of Self

Individual contributors who lead within their area of responsibility to help support the organization's goals.



# Leader of Others

Associates who lead teams formally or through influence, typically Managers and Senior Managers.



#### Leader of the Business

Business and functional leaders, typically Director-level and above.



# **Diversity & Inclusion:** Leading Change from the Top

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

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

"The importance of building diverse and inclusive organizations has never been more important—in business and in our world," said Bob Patterson, Chairman, President and CEO, Avient. Diverse and inclusive organizations attract and retain better talent, are more innovative, and are also among the best performing. "As the CEO, change of this importance must begin with me my direction, decisions and actions," he explained. "D&I at Avient is a shared value and position, but it's crucial for me to lead by example."

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

64% FEMALE OR MINORITY CEO DIRECT REPORTS
42% FEMALE OR MINORITY BOARD OF DIRECTORS



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# Management Approach: Diversity & Inclusion

At Avient, we recognize that a diverse and inclusive culture results in better solutions and innovation, which leads to better products and services for our customers. Diversity & Inclusion (D&I) at Avient refers to gender of our global talent pool and U.S. race/ethnicity.

In addition to bi-annual reviews with the leadership team, Avient has implemented recruiting slate diversity guidelines to expand our talent pipeline, with at least one-third of candidates being diverse. Our experience has shown that having a better diversity representation in our candidate pool, increases the possibility for the position to be filled by a diverse candidate. Being able to attract and retain diverse talent allows us to expand our reach to a broader market space.

Our commitment to gender diversity begins at the highest levels of our organization, as evidenced by our "Winning" distinction through the 2020 Women on Boards organization for having 25% female board members, exceeding their goal of 20%.

Initiatives including Avient Mentoring, campus partnerships, and our employee resource groups are vital for progress in our D&I journey. In support of this, we stress equality of opportunity for all qualified individuals in accordance with applicable laws, as outlined in our Equal Employment Opportunity Policy and Code of Conduct. 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.

Continuing to build a diverse and inclusive culture is a key element of our People strategy and is crucial to the performance of our organization.

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

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 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.





Since launching in 2018, PRIDE at Avient has worked 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.

In 2021, PRIDE sponsored educational programming for LGBT associates and allies on topics around mental health, advocacy and allyship. PRIDE hosted a virtual National Coming Out Day and celebrated Pride Month. PRIDE also participated in and sponsored events in the community, promoting our commitment to inclusivity externally and to support our recruiting and community service efforts. In addition, PRIDE expanded to Latin America, with presence in Mexico and Brazil.

Through story telling of Avient associates, videos to celebrate events like National Coming Out Day, sponsorship of on-demand trainings to educate associates on various topics, and engagement in the community, PRIDE has reached associates in different ways to build empathy and collaboration among our workforce, teaching us to value differences in each other, while dispelling misconceptions.

For the third year in a row, Avient is proud of our perfect score of 100/100 on the Corporate Equality Index, earning us the distinction as a Best Place to Work for LGBTQ Equality. The Corporate Equality Index (CEI) is the U.S.' premier report on corporate policies and practices relating to LGBTQ workplace equality, administered by the Human Rights Campaign (HRC) Foundation.



"Avient encourages all associates to be themselves within the workplace and ERG groups like PRIDE provide a safe place for this to happen. The support that PRIDE receives from internal stakeholders allows associates to come together and advance equality in the workplace." -Rochelle Richendollar, Sr. Manager, Financial Systems & Accounting

#### 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

#### **Key Tactics**

- Internal programming, networking & education
- Participation and networking in external LGBTQ organizations and events
- Engage in Human Rights Campaign Corporate Equality Index process

1,000+ TOUCH POINTS IN 2021 THROUGH PROGRAMS AND CONTENT





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.

Since 2018, more than 7,600 associates have participated in at least one of the global LEAD by Women events or virtual on-demand courses. Each global region has its own, rotating leadership structure that tailors programming and information to localized needs. This decentralized approach ensures sensitivity to local customs and norms, while still advancing Avient's overarching objectives.



In 2021, LEAD by Women offered programming virtually to our most geographically dispersed audience yet. Regional chapters engaged in content across multiple topic areas, including career development, building trust, how diversity fuels innovation, unconscious bias, and unleashing potential in times of change. LEAD also expanded to include legacy Clariant associates in all regions, many joining in leadership capacities.



"LEAD by Women has been vital to creating positive change, building a strong culture of trust to all. Driving from unconscious to conscious, from bias to inclusion. Inspiring our associates to have great conversations about diversity and how to value and embrace our differences and perspectives."

-Lara Mello, Sr. Technology Manager, Sustainability

#### Vision

To become "the company of choice for all"

#### Mission

To advance diversity in professional and personal development at Avient

#### **Strategic Priorities**

- Professional & Personal Development
- Networking & Collaboration

#### **Key Tactics**

- Global Speakers
- Development Programs
- Local Chapter Programs
- On-boarding / Mentoring

# 7,600+ PARTICIPANTS SINCE 2017

85-

GLOBAL EVENTS HELD SINCE 2017



FOCUS ON TRUST, DIVERSITY & INCLUSION AND DEVELOPMENT



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

EMBRACE aims to enhance racially diverse talent at Avient. Increasing racial representation will further us along on our journey by allowing for more creativity, inclusivity, unique perspectives, and ultimately, better performance. In 2021 we partnered with subject matter experts and organizations to enhance our efforts and programming around D&I best practices, critical to the ongoing goal of growing our racially diverse talent pipeline. We established committees to begin partnering on internal and external initiatives, including career fairs,

employer branding, and celebrating the cultural diversity of our associates around the world.

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

Right: Avient associates participating in a career fair at the National Black MBA Conference.





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

#### Vision

To become "the company of choice for all"

#### Mission

To expand Avient's capabilities to attract, develop and retain racially diverse talent

#### **Strategic Priorities**

- Support recruiting and onboarding of diverse talent into Avient
- Engage with our diverse talent to build on Avient's culture of inclusion

#### **Key Tactics**

- Internal programming, networking and education
- Participation and networking in external professional organizations and events







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 company with the support of cross-generational expertise.

HYPE was formed to help our associates with the transition of beginning a career at Avient. 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. For young professionals seeking visibility at higher levels of the company, HYPE provides opportunities for associates to learn from experienced professionals and gain insights into business strategies.

In 2021, HYPE hosted "life skills" training sessions educate HYPE participants in areas such as benefits enrollment and filing a personal tax return. HYPE continued to sponsor it's "High 5" engagements as an alternate way to connect associates throughout the organization on topics of sustainability, safety and professional development. HYPE also hosted a series of webinars with learnings aimed to increase business acumen, educating associates on the breadth of products Avient offers and breaking down the company's structure to provide tangible examples of how our business segments collaborate to support the customer and drive business.

HYPE expanded to EMEA in 2021 with an ambassador program and creation of an on-line group for young professionals to connect across the region.



"Being involved with HYPE has been a very rewarding experience. I have been able to improve my own communication, leadership and organizational skills while connecting with many different associates across Avient."

-Kaylee Donegan, Digital Marketing Specialist, Digital Insights, Corporate Marketing

#### 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



ASSOCIATES PARTICIPATED IN HYPE EVENTS IN 2021



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

# Workforce Demographics (as of December 31, 2021)

## Diversity

## Leadership Diversity—CEO Direct Reports

Female	36.4%
Minority	27.2%
Female or Minority	63.6%

## Diversity by Level—Female or Minority\*

Directors, General Managers, VP/SVP	31%
Management	39%
Professionals	51%
Production Associates	47%
All Avient Associates	47%

## Race & Ethnicity\*

American Indian or Alaskan Native	0%
Asian	3%
Black or African American	11%
Native Hawaiian/Other Pacific Islander	0%
Two or More Races	1%
Hispanic or Latino	13%
White	72%
Total = 100% due to rounding for entogening <1%	

Total = 100% due to rounding for categories <1%

## **Global Associates by Age**

Under 30	10%
30-50	57%
Over 50	33%

\* U.S. Only

 $^{\ast\ast}$  Turnover for associates with more than 1 year of service

\*\*\* Excludes new hires who separated in 2021

#### Global Gender Diversity by Level—Female

Directors, General Managers, VP/SVP	17%
Management	27%
Professionals	39%
Production Associates	6%
All Avient Associates	22%

Gender	
Female	25%
Male	75%
Age	
30-50	17%
Over 50	83%
Race & Ethnicity	
U.S. Minority	17%
White	83%
Female or U.S. Minority	42%

## Turnover\*\*

#### Total Global Turnover = 7.8%

	Salaried	Hourly	Total
U.S. & Canada	12.3%	13.0%	12.6%
Europe/Middle East/Africa	5.0%	4.6%	4.8%
Asia	9.2%	3.5%	6.6%
Latin America	5.7%	7.7%	6.5%
Global	8.5%	7.0%	7.8%

	Salaried	Hourly	Total
Under 30	23.0%	17.0%	20.1%
30-50	8.1%	5.4%	6.9%
Over 50	6.5%	7.5%	6.9%

	Salaried	Hourly	Total
Female	10.2%	9.3%	10.1%
Male	7.6%	6.9%	7.2%

## New Hires\*\*\*

New Hires as a % of Total Employee Population = 12.1%

	Female or Minority*	Under 30	30-50	Over 50
Direct (Hourly)	56.0%	34.8%	55.1%	10.1%
Indirect (Salaried)	49.7%	30.5%	59.0%	10.6%
Total	54.0%	33.1%	56.6%	10.3%

## **Employee Representation**

Avient respects our associates' right to join or not join any lawful organization and comply with all applicable laws pertaining to freedom of association and collective bargaining. As of December 31, 2021, approximately 1% of our employees were represented by labor unions under collective bargaining agreements.

# Associate Benefits

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

## **Community Service**

Avient offers a global benefit of Community Service hours. We encourage our people to help create more sustainable communities by providing 16 hours of paid time off each year to volunteer for a cause of their preference. These hours are used during the workday, and the activities can be done as a group of fellow Avient associates or individually. Since 2018, Avient associates have performed more than 10,500 hours of community service through this program.



ANNUAL PAID TIME OFF TO VOLUNTEER

# 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 that go above and beyond their typical duties on a project or task that had a significant impact on the organization.

## Chairman's Awards

### Associate

Our Chairman's Achievement Award recognizes excellence and extraordinary efforts in the execution of Avient's four-pillar strategy. It's the highest honor a non-sales associate can receive at Avient.

### Sales

Our Chairman's Club Award recognizes our top 25 sellers and one sales manager for their outstanding performance, conducting business safely, 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.







# Human Rights

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

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

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

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

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

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



# Health and Wellness

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

These programs include flexible work schedules, employee assistance programs, leaves for personal and family support, and resources for dependent care. Some of the programs are tailored to local standards and needs. Others canvas our global organization, like our Global 5K Fun Run and Walk held annually since 2019, where thousands of associates have participated in events 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, sick time & holidays
- Comprehensive medical, prescription drug, dental & vision plans
- Health Savings Account (HSA)
- 401(k) savings plan & attractive company match
- Company-paid short-term & long-term disability, basic life and accidental death and dismemberment insurance
- Employee Assistance Program
- Voluntary benefits, such as accident, critical illness, hospital indemnity and legal insurances

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 (regularly scheduled to work a minimum of 30 hours a week) to be eligible for health and welfare benefits.

## 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 of 100% Paid Parental Leave (regular rate of base pay) to eligible employees following the birth or adoption of a child. 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 2021, female associates took an average of 27 days of Paid Parental Leave. Male associates took an average of 15 days.

## 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 collaborating with and competing

along side colleagues across the globe. Virgin Pulse is available to Avient associates globally and helps associates to improve decision making

on overall health and financial wellness. In 2021, Avient launched two global wellness challenges, with 182 global teams competing, resulting in over 51,000 total miles during the 2-week challenges.



# 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 and we leverage technology to enable the global process all year long.

Associates have the opportunity at least twice per year through the performance appraisal process to request a career development discussion with their manager. Through the Individual Development Plan (IDP) process, associates build their plans in collaboration with their managers utilizing prompts that determine development goals and create action plans.

The results of our Performance Management processes inform the enhancement and development of learning experiences to meet the strategic skill building needs of our associates. 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.

## **Outplacement Programs**

Avient offers quality outplacement services to U.S. associates who have been impacted by workforce reductions. Our partner provides a highly interactive program that is designed to engage candidates in building skills to effectively implement all phases of the transition process. Resources such as resume and social media reviews, career coaches, recruiter connections, and interview consultants are offered to support departing associates.

# Virtual Learning

In 2021, our ability to bring associates together for face-to-face learning experiences continued to be limited due to the COVID-19 pandemic. In order to continue to prioritize the development of our people, we adapted almost all of our learning experiences to a virtual format.

We continued to deploy eLearning content globally through the LinkedIn Learning platform, including the sponsorship of monthly campaigns highlighting a variety of topics. We leveraged peer-to-peer learning through the "Ask the Expert" series, where global associates shared their expertise and personal perspectives in short videos. Our Employee Resource Groups also offered virtual programming opportunities for engagement across sites and regions.

In addition, we provide trainings to specific functions and geographies based upon our assessment of risk. We utilize our Learning Management System to ensure consistency and compliance in our ethics and information technology training programs, delivering topics such as Avient's <u>Code of Conduct</u>, Harassment & Discrimination, Anti-bribery & Corruption, Antitrust and Insider Trading. Associates also receive additional, tailored training based on their role, such as Lean Six Sigma, customer centric selling or information systems.

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



# Operational and Commercial Excellence Training

Lean Six Sigma underpins our continuous improvement culture. It is a technical methodology that drives improvement of all business processes through the elimination of waste and variation. The impact can be seen throughout our businesses, functions and operations. More than 3,200 active Avient associates have been trained in LSS and over 300 process improvement projects are active at any given time. The most advanced LSS training is for Black Belt level project leaders. Every year a select group of approximately 30 associates are handpicked to participate in this prestigious leadership development program and embark on

an intense two year assignment which includes 7 weeks of training and multiple enterprise wide improvement projects. After completion of the program they deploy back into the organization where they continue to apply their leadership and change management skills. Two new curriculum were developed in 2021, one focused on tools for process and quality engineering and the other for our R&D and technical organization, that will begin training in 2022.



Associates Trained in LSS (Cumulative)



## LSS Projects Completed (Cumulative)



# Customer Centric Selling

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

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

A telling illustration of our increasing investment in People can be seen in the chart on the right. 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 369 of our associates through the highly coveted NextGen and Elevate (formerly PolyMasters) programs.

Since 2013, the executive leadership selects 14–16 high performing, high potential associates each year to participate in the NextGen leadership development program. Participants attend a leadership retreat followed by two full-week programs facilitated by our CEO and leadership team. Focus areas include leading high performance teams, increasing self-awareness, enhancing communication through storytelling. Participants engage in a 360 assessment feedback process and are assigned an executive mentor, which are used to identify opportunities to develop key aspects of their leadership and share their personal leadership journey with executives.

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 showcasing an innovative idea. In 2013, the program was extended to the rest of the company globally. In 2021, Avient rebranded PolyMasters and launched the program as Elevate. Forty high-performing associates were selected by our executive team to participate in the 2021 virtual program. As in previous years, these participants were paired with an executive mentor and provided training on demonstrating executive presence virtually. This supported the highlight of the program, where associates presented their personal stories and innovative ideas to executive leadership.

### 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.

### over Virtu 50HRS per

Virtual Leadership Development Training per Participant







116 NEXTGEN GRADUATES 58% PROMOTED 58% PROMOTED 67% PROMOTED

## Manager Training and Leader Development

All managers of people receive tailored communications and training on our systems and processes to support their critical role in the employee experience. In addition to the technical training and company-wide modules, managers can participate in CORE Leadership, which has expanded globally and was adapted to a virtual format in 2021. The program is highly interactive and participants receive content that is foundational for all managers, including building trust with teams, deploying situational coaching, leveraging key partnerships for success, and identifying working styles of individuals. In 2021, 161 leaders completed the experience.

In 2021 Emerging Leaders was relaunched in the Americas as a pilot, with a focus on preparing top talent managers across the company for future leadership roles. The program includes a change simulation and project as a cross-functional and business group. We have incorporated feedback from program participants and will relaunch in all regions in 2022.



LEADERS TRAINED 412 IN CORE LEADERSHIP & EMERGING LEADERS PROGRAMS



# 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 and current students each year as full-time, co-ops or interns. In 2021 we expanded our program to Latin America and are in the process of hiring in India in 2022. 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.

Intern experiences and projects were held virtually in the summer of 2021. This created an opportunity for our interns to gain real-world, professional experience remotely.

**Campus Hires** 







"Over the course of my various role rotations, I had the opportunity to learn from



industry-leading mentors and experienced peers which has been invaluable to my career development. Best of all, I was exposed to a number of challenging projects across a variety of geographic regions & industries, allowing me to directly apply and build upon my undergraduate studies. Transitioning from college to a professional atmosphere can be both difficult & exciting, but the structure of Avient's I DP program gave me the tools I needed to be successful every step of the way and I couldn't be more happy with the outcome."

—Murat Toksoy, Product Specialist, Avient Distribution

### A Great Place to Work

When we created Avient on July 1, 2020 we did so by bringing two great businesses together to form a truly outstanding one. A key factor in the decision to join together was the cultural fit. Each company brought unique strengths, people and ideas. These aspects, combined with our shared passions and values, are what truly make us better together.

Over 7,500 Avient associates participated in our 2021 survey, representing over 40 countries. Our results tell us that 75% of employees say it is a great place to work compared to 57% of employees at a typical U.S.-based company. We were honored that our scores once again earned us the distinction as a Great Place to Work® by the <u>Great Place to Work Institute</u>.

### America's Most Responsible Companies

We were honored to be named one of <u>America's Most Responsible Companies</u> in 2022 by Newsweek and Statista. Our company rose more than 140 positions from the 2021 list to land the 25<sup>th</sup> spot this year as Avient. This leap recognizes our accelerated progress in environmental, social and corporate governance, as we advance toward our vision of creating a world-class sustainable organization.

Newsweek's corporate ranking assesses the 2,000 largest public companies by revenue in the U.S., evaluating aspects of corporate governance and

economic performance, as well as environmental and social indicators. Avient earned its highest marks in the environmental category, thanks to our initiatives around waste recycling, emission reduction, and use of renewable energy. Our ascent was also driven by our improvements in leadership diversity, employee safety and community engagement, in addition to our strong financial results.









MERICA'S MOST

ESPONSIBL

Newsweek

statista 🖍

# Products

# Innovation: The Lifeblood of a Specialty Organization

At Avient, innovation and sustainability are the lifeblood of our company. In fact, our sustainable solutions portfolio has grown over 2.5 times since our baseline year 2016. 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 significantly 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 2021, our Vitality Index reached 35%, 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.





# Revenue from Sustainable Solutions\* 2016–2021

Lightweighting	Recycle Solutions	Sustainable Infrastructure	Reduced Energy Use
Eco-conscious	VOC Reduction	🛑 Human Health & Safety	Bio-polymers



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

^2020 is Pro forma to include full year of the Clariant Color business

## Innovating a Sustainable Future

As a global leader in innovative sustainable solutions, we are dedicated to collaborating with our customers to help them achieve their sustainability goals. One of the most impactful ways we can help our customers is enabling solutions that advance a circular economy and/or reduce their carbon footprint.

### Advancing a Circular Economy

As the world continues to shift from operating in a linear economy to a circular economy\*, Avient is proud to be a part of the solution. A circular economy aims to design out waste and pollution, keep products and materials in use, and regenerate natural systems.

Through our design expertise and material science, we help our customers reduce material usage, enable recyclability or recycle content, and improve physical performance. In alignment with our customers, we set a 2030 sustainability goal to enable 100% of our materials for the packaging market to be recyclable, reusable, or compostable.



62% Recycled Content Versaflex™ TPE



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

### **Reducing Carbon Footprint**

#### What is a carbon footprint\*?

A carbon footprint is the total amount of greenhouse gases (including carbon dioxide and methane) generated by individual actions. A company's carbon footprint includes all emissions from the supply chain, logistics, usage and disposal of all products.

#### How does Avient help reduce carbon footprint?

At Avient, we are committed to using material science and design and processing knowhow to provide customers with lower carbon footprint solutions. We collaborate across the value chain from suppliers to converters and brand owners to enable our customers to meet their sustainability goals. We enable a lower carbon footprint through:

- Reduced carbon footprint technologies
- Improved recyclability
- Increased recycle content
- Bio-derived solutions





**30–50%** Bio-Renewable Content reSound™ OM TPEs



\*Source: https://www.nature.org/en-us/get-involved/how-to-help/carbon-footprint-calculator/

## How Our Products Enable Sustainability

Avient defines our Sustainability Portfolio in the eight ways in which we help our customers meet their innovation and sustainability goals through material science. This portfolio has grown over 2.5 times since 2016, and the megatrends of the future indicate continued growth and demand. In fact, in 2021 approximately 64% of the revenue generated from sustainable solutions came from products designed for resource conservation\*. As the world continues to shift from operating in a linear economy to a circular economy, Avient is proud to be a part of the solution.

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



\*Design for lifespan enhancement & resource conservation as per Ellen MacArthur Foundation

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.

ColorMatrix<sup>™</sup> Capture<sup>™</sup> Oxygen Scavenger is an emerging technology for the monolayer PET packaging market. It works to create an active barrier against oxygen ingress, helping to enhance product protection and extend shelf life. This fully recyclable oxygen barrier has APR Critical Guidance Recognition. It provides clarity with no negative impact to the recycle stream.

<u>ColorMatrix<sup>™</sup> SmartHeat<sup>™</sup> RHC</u> is an APR accredited, patent protected, liquid dispersion process aid that reduces the amount of energy required during bottle manufacture and improves recyclability of PET over time.

<u>ColorMatrix™ Optica™ Toners for PET</u> improve color tone with recycle friendly colorants and reduce carbon emissions through improved bottle blowing efficiencies while enabling increased amounts of postconsumer recycled (PCR) content.

OnColor<sup>™</sup> Brilliant Metallic Colorants allows a package to be sorted and recycled by replacing paint and secondary finishes. <u>ColorMatrix™ rePrize™ IV Builder</u> helps improve the physical and aesthetic properties of the reclaimed PET plastics and reduces energy consumption of solid state polymerization (SSP).

HIFORMER<sup>™</sup> Liquid Polymer Processing Aid provides sustainability and production benefits for packaging film suppliers such as longer production runs, reduced energy consumption and reduced waste.

OnColor™ IR Sortable Black Colorants include detectable colorants to allow reclaimed dark plastics, such as those found in food trays, to be detected and properly recycled by automated sorters.

Rejoin<sup>™</sup> PCR Masterbatch uses PCR as a carrier resin, effectively allowing a bottle or part to be manufactured with 100% PCR.



### 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<sup>™</sup> 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.

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

WithStand<sup>™</sup> Antimicrobial Technology provides antimicrobial and antifungal additives that reduce bacterial, mold and fungal growth in finished plastic parts used in hospital surfaces. NEU<sup>™</sup> Custom Capabilities offer engineered thermoplastic material solutions that support patient comfort and clinician sanitary needs.

Mevopur<sup>™</sup> ProTect Oxygen Scavenger extends shelf life for PET pharma packaging by limiting oxygen (O2) degradation for drugs and nutraceuticals stored in bottles, even in transparent mono-layer versions.



### Automotive/Transportation

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

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

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

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

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

#### Nymax<sup>™</sup> PIR Post-Industrial Recycled Nylon Formulations

offer high strength, durability and impact resistance, all while enabling landfill waste reduction of >21M pounds since 2016, by providing an alternative use for postindustrial reclaimed nylon\*.

#### <u>Complēt™ & Onforce™ Long Fiber Reinforced</u>

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

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

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

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\*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</u> <u>Polyethylene Formulations</u>, which provide highperformance, UL 4703 and VW 1-compliance and eliminate the need to use two separate insulation and jacketing formulations.

Smartbatch<sup>™</sup> Color And Additive Concentrates offer superior UV weathering protection for solar power installations. Additionally, protective cable insulation and jacketing can be made from ECCOH<sup>™</sup> Low Smoke and Fume, Non-Halogen Formulations. Wind power is another reliable alternative energy application. <u>Glasforms™ Pultrusion Technologies</u> offer exceptional strength-to-weight ratio for continuous fiber reinforced composites for structural wind turbine components.

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



### 5G as a Sustainability Enabler

The need for better, faster and more reliable technology is stronger than ever. 5G, fiber optic cabling components and other network supporting infrastructure have been crucial in the response and recovery. Infrastructure, commerce, education and healthcare are just a few example areas that have grown dependent on 24/7 internet accessibility. 5G, fiber optic cabling components and other network supporting infrastructure have been crucial in the response and recovery.

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

Preperm<sup>™</sup> and Edgetek<sup>™</sup> 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.

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



## 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 32%. When including the additional resources who joined from the Clariant Color acquisition, our technical team has more than doubled. They collaborate with our broader commercial team to ensure our customers can solve their most pressing challenges with the speed to market, quality and service levels they demand—anywhere in the world.

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

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



## BIC Amplifies Sustainable Razor Design with Recycled-Content Material

#### **The Challenge**

BIC introduced its sustainability program more than 15 years ago. The company's approach to product design is deeply rooted in the principles of the circular economy and BIC's 4R philosophy: reducing the amount of raw materials, including as much recycled or alternative materials as possible, making more refillable products, and improving the recyclability of both products and packaging. When BIC engineers were challenged to incorporate more recycled materials in a new sustainable women's razor, they found answers in Avient's sustainable solutions.

#### **The Solution**

reSound<sup>™</sup> R post-industrial recycle (PIR) and post-consumer recycle (PCR) TPEs help brand owners create sustainable end-user products. This material, also known as a thermoplastic elastomer, has a soft, grippy feel and is highly colorable. Formulated to achieve 62 percent recycled content, this high-performance TPE enabled BIC to create products that live up to its sustainability promises.

#### The Impact

The new BIC Soleil Click 5 handle is the most recent example of how BIC is putting sustainability into practice. By combining reSound R TPE with a transparent plastic that also has recycled content, the BIC Soleil Click 5 handle reaches over 40 percent recycled content in total, while maintaining the trusted and quality shave BIC's consumers enjoy. In addition, the shaver is also refillable, allowing its reuse by simply changing the blade cartridge.

Source: BIC Amplifies Sustainable Design with Avient Recycled-Content Material for Soleil Click 5 Women's. Razor Handle



### Lightweighting for Commercial Trucks and Trailers

#### **The Challenge**

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

#### **The Solution**

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

#### The Impact

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



### Automotive Windshields to Post-Consumer Recycled Content TPEs

#### **The Challenge**

It is estimated that 75 million broken windshields need replacing each year. This abundant supply includes thousands of tons of PVB, found in the inner layer of the glass, potentially bound for landfills. Instead, the outer glass is recycled and the PVB is reclaimed and reprocessed for various uses, including an alternative raw material source for polymers. Avient's unique formulation expertise allows the supply of reprocessed, high-quality, nontoxic PVB to be upcycled into more sustainable TPEs with excellent properties.

#### **The Solution**

Developed in 45 to 55 Shore A durometers, Avient's new reSound R grades are ideal for general purpose applications in the consumer and automotive industries. These injection moldable TPEs can be overmolded to polypropylene (PP) and come in a natural grade that can be easily colored. The materials are a result of close collaboration with Shark Solutions, a global leader in advanced sustainable polyvinyl butyral (PVB) products. These new TPEs contain 25 percent post-consumer recycled (PCR) content from PVB reclaimed from broken automotive windshields and laminated architectural glass.

#### The Impact

These reSound R grades with PCR content offer similar performance properties to traditional TPEs and are suitable for many durable consumer products and grips—such as personal care items, lawn and garden tools, golf clubs, and footwear. Their performance properties also fit automotive applications that could benefit from vibration damping, such as door mats, door damping and glove boxes. This technology brings together advanced material science and innovation to support customers' goals and the circular economy. These material developments create an opportunity to help divert mountains of valuable resources from the waste stream and upcycle them into new products.

Source: TPEs with Post-Consumer Recycled Content from Automotive Windshields



### Reduce Carbon Footprint by Replacing Traditional Materials

#### **The Challenge**

Each year humans put more carbon dioxide into the atmosphere than natural processes can remove, amplifying Earth's natural greenhouse effect.

#### **The Solution**

Avient developed a new technology suite that uses specialty engineered polyketone (PK) thermoplastics and helps our customers meet their goals to lower the carbon footprint of their products versus traditional materials, like PA66 and PA6. The new Edgetek<sup>™</sup> PKE and LubriOne<sup>™</sup> PKE series combine excellent chemical and hydrolysis resistance to meet the challenges of harsh applications, such as those found in chemical, fuel contact, or highmoisture environments.

#### The Impact

The new materials also offer sustainability benefits over the product lifecycle through carbon footprint reductions compared to competitive materials—PK base resin production emits up to 61 percent less carbon dioxide  $(CO_2)$  than nylon and POM. Additionally, the new grades are formaldehyde-free, addressing VOC concerns in manufacturing compared to POM. These reinforced grades are targeted at applications in the industrial, electronics and transportation markets like pipes and tubing, electrical battery components, and under-the-hood fuel or chemical contact components.

Source: Edgetek™ and LubriOne™ PKE Materials from Avient Replace Nylon and Acetal, Reduce Carbon Footprint



# Improving Quality of 100% Recycled PET (rPET) Content

#### **The Challenge**

PET packaging can be easily recycled, yet plastic packaging waste in landfills and oceans is increasing worldwide. In response, countries are putting forth legislation that specifies minimum recycled content for packaging. Brand owners themselves are committing to increased recycled content beyond these regulations. As a result, the demand for high quality rPET packaging has never been greater.

#### **The Solution**

ColorMatrix<sup>™</sup> Capture<sup>™</sup> Oxygen Scavenger is an emerging technology for the monolayer PET packaging market. It works to create an active barrier against oxygen ingress, helping to enhance product protection and extend shelf life. This fully recyclable oxygen barrier has APR Critical Guidance Recognition. It provides clarity with no discoloration, enabling higher rPET content or use of any PET grade, and with no negative impact to the recycle stream. During the recycling process, aesthetics and oxygen scavenging performance can be negatively affected. ColorMatrix<sup>™</sup> Amosorb<sup>™</sup> 4020R addresses this performance issue and is the latest in a portfolio of solutions Avient has developed to enable high-quality recycled packaging.

#### The Impact

Capture is added to the bottle closure, effectively removing the barrier from the bottle. The scavenger in the closure can be separated from the PET during recycling and closures are 100% compatible with the closure recycle stream. By moving the oxygen scavenger to the cap, there is greater flexibility and even lightweighting options for the bottle design. This emerging technology was developed in 2021 and is undergoing testing with major brand owners.

Amosorb 4020R delivers full, consistent oxygen scavenging performance with 25 percent, 50 percent, and even 100 percent rPET content. This new solution also improves the aesthetics of recycled packaging in terms of haze and color, including a reduction in the yellowing effect that may occur during recycling. In addition, the additive is compatible with many different rPET grades to help brand owners achieve their sustainability targets.

Source: https://www.avient.com/news/new-colormatrix-amosorb-4020r



## New Color Simulation Tool Alleviates Recycling Challenges

#### **The Challenge**

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

#### **The Solution**

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

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

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

#### The Impact

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



### Management Approach: Product Stewardship



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

Product Stewardship supports the Avient portfolio by providing information related to the safe use, handling of products, and complying with global and local regulations. Continuous customer communications on product safety related to new and existing applications are an integral part of understanding the health and safety impacts of our product portfolio. Where it makes sense, we have gone beyond basic legal requirements, such as Responsible Care certification and implementation of the American Chemistry Council (ACC) <u>Product Safety Code</u>. For 2021, there have been zero incidences of non-compliance with both legally required and voluntary labeling standards and zero incidences of product recalls in the markets we serve for this reporting period.

In many instances, we have gone beyond basic legal requirements, such as our achieving Responsible Care® certification and implementation of the Product Safety Code. There have been zero incidences of non-compliance with these legal, voluntary or labeling requirements for this reporting period. Avient is proud to be actively involved with the <u>ACC, EuMBC</u> and <u>TDMA</u> associations.

### Strategy

Avient is actively involved in various associations including the ACC, European MasterBatchers and Compounders (EuMBC) and Titanium Dioxide Manufacturers Association (TDMA) Industry best practices and efforts to minimize impacts of our products on human health and the environment are based on a combination of lessons learned through these outreach programs and compliance.



Product Stewardship uses the ACC prioritization tool and associated risk assessment methodology to identify,

document and communicate environmental, health and safety impacts of our products. 5% or less of our products by total sales revenue are classified as Global Harmonized System (GHS) category 1 and 2. These classifications and others, such as, environmental classifications (Persistent, Bioaccumulative Toxins—PBTs) and physical form contribute to the overall prioritization. Hazards are encapsulated in our solid polymers 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 40% of prioritized risk assessments. We recently set a goal to complete 100% of risk assessments on hazardous materials greater than >1 ton by 2025.

As a result of these assessments, we may publish additional substance safety summaries on our Avient website to update internal and external stakeholders on material handling and environmental considerations. We maintain data related to the environmental, health and safety of our products in our product stewardship database. The information is reviewed and updated continuously. Through this data, we create safety data sheet sand customer certification statements for intended use and product safety improvements.

## Global Chemical Management

The current and future focus is on continued Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) assessments, reclassifications and communication on the safe use and handling of these substances. Many other countries are following suit on the EU REACH chemicals regulation or a similar framework. In 2021, we successfully completed the pre-registration for UK REACH post Brexit.

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

Management and monitoring these global inventory changes and other emerging issues by our regional product stewardship experts ensures a quick evaluation and proactive response to potential regulatory risks. To further facilitate our and our customer's management of these changes, Avient implemented a new software in 2021 to decrease overall response time. This commitment to managing and monitoring these business activities is demonstrated through our <u>Global Chemical Management Policy</u>. This policy was updated in 2021 to outline our risk assessment target and our commitment to animal welfare through our newly adopted Animal Testing Policy.

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

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

- You can be confident that, in formulating and manufacturing our materials, we use sustainable practices to provide long-term product viability and sound environmental stewardship.
- You can expect that the materials we produce contain only ingredients that conform to accepted legal and regulatory compliance guidelines.
- You can trust that Avient materials meet the rigorous quality and safety management standards required across the globe.
- You can be certain that Avient meets or exceeds the material safety data reporting requirements of your country or region.
- When you choose Avient, you can be confident our products will help you meet or exceed today's stringent compliance standards.

# **Product Excellence**

Avient subscribes to several ISO Management Systems to ensure continual improvement. External third-party certification is an important part of ensuring our products are both safe and produced in alignment with industry standard best practices.

Avient has 103 global manufacturing facilities. 97% of these sites are certified through independent third parties to various management system standards. These international standards cover areas of Quality, Environmental, Health and Safety, Automotive, Medical Device, Responsible Care and Energy Management. Combined, Avient facilities have a total of 286 management system certifications. For this reporting period, there have been no major non-conformances associated with these management systems. There have been zero product recalls associated with the quality of Avient products. For our sensitive applications we have implemented Good Manufacturing Processes (GMP). 100% of our facilities and warehouses producing or distributing for the healthcare market are GMP or ISO audited within a 3-year period. There were no significant audit findings preventing manufacturing in this reporting period.

Avient recognizes that given our location in the supply chain we are well positioned to enable sustainability along the value chain, through innovation at the early to mid-stages of the product life cycle. The most material aspect of Life Cycle Analysis (LCA) is our Product Carbon Footprint (PCF).

In 2021, we partnered with Carbon Minds to standardize our approach to PCF, which is certified for ISO 14040/140440 compliance by TÜV Rheinland\*. Our goal in 2022 is to fully automate this process and begin generating PCF data for the Avient portfolio.

ZERO Major Non-Conformances at ISO Sites 97%



Manufacturing Sites Certified Product to an International Standard Recalls

\*<u>https://www.carbon-minds.com</u>



### 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. Our <u>Supplier Code of Conduct</u> is aligned more closely with <u>International Labor Organization</u> (ILO) 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.

Avient includes in its <u>Code of Conduct</u> and <u>Supplier Code of Conduct</u> internal accountability standards related to slavery and human trafficking to which all employees, agents and consultants are required to adhere. Where required by law, we also have specific <u>disclosures and</u> <u>processes</u> in place, including a supplier audit program that focuses on human trafficking, and to our knowledge no suppliers have been found to engage in such activity.



# 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 2021, we continued our partnership with EcoVadis to further evaluate our prioritized suppliers.

70% of these suppliers reported a Silver rating or above in their overall scorecard evaluation. We are targeting 60% of our total direct spend as a 2022 interim milestone toward our 2030 Sustainability Goal of 90%.

We evaluated our top tier suppliers which represents **52%** OF OUR TOTAL DIRECT SPEND for sourcing in this reporting period.

Our suppliers conducted a best-in-class self-assessment utilizing EcoVadis on environmental, social and governance requirements aligned with the UN Global Compact principles. Additionally supplier self-assessments are completed through our Quality Management System (QMS) process that incorporates approval criteria for our most sensitive applications. These assessments are reviewed internally for potential further action. We will continue to develop our Supplier Sustainability Program designed to address quality, cost and reliability requirements, and a range of sustainability, social responsibility and environmental considerations.

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

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

### Strategic Partnerships and Alliances Our Environmental Partners



#### **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, cross-sector, not-for-profit made up of over 65 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. Click here to view the 2021 Progress Report. To learn more visit: <u>endplasticwaste.org</u>

#### **Association of Plastic Recyclers (APR)**

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

#### The Microfibre Consortium (TMC)

The <u>Microfibre Consortium (TMC)</u> facilitates the development of practical solutions for the textile industry to minimize fiber fragmentation and release to the environment from textile manufacturing and product life cycle. The organization presents the opportunity to align globally as an industry through its connection through its member base at the brand, retail, supplier, research, industry organization and policy level.

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

#### 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.

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

<u>Plastics Recyclers Europe (PRE)</u> is an organization representing the voice of the European plastics recyclers who reprocess plastic waste into high-quality material destined for the production of new articles. This organization provides plastics recyclers with representation at the European level and among the leading industry organizations. It promotes the use of quality plastic recyclates and offers concrete advice on developing innovative, recyclable products and packaging.

#### **Responsible Mica Initiative**

The <u>Responsible Mica Initiative (RMI)</u> is a global coalition for action—putting policy into practice—comprised of multiple organizations committed to establishing a fair, responsible and sustainable mica supply chain in the states of Jharkhand and Bihar in India that will eliminate unacceptable working conditions and eradicate child labor by 2022.

#### **UK Plastic Pact**

In January of 2019, Avient joined The <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.

# Planet

Photo of Hocking Hills, Ohio, by Avient Associate Nick Govelovich, submitted to our 2022 Earth Day Photo Contest.

2021

# 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 EH&S Committee of the Board of Directors provides oversight of the systems that are in place to monitor and mitigate risk associated with these key topics. Avient's Corporate EH&S Department defines the strategy and monitors performance against related management system standards. Full operational responsibility for execution 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.



# Electricity from Renewable Resources **44%** in 2021 **60%** Goal by 2030 **100%** Goal by 2050

### Renewable Energy Update

To help reduce consumption from non-renewable energy sources, and to facilitate the expansion of renewable energy availability, Avient continues to leverage Virtual Power Purchase Agreements (VPPA). These actions have resulted in rapid progress toward meeting our 2030 & 2050 goals. In 2021, we entered into a VPPA in Europe that will produce 37.5 MW of solar energy with benefits beginning in 2023. This agreement off-sets greater than 90% of our annual European Union electricity needs. Retained energy attribute credits will reduce Scope 2 CO<sub>2</sub>e by approximately 85,000 MT per year, an additional significant lowering of our carbon footprint. We continue to explore similar opportunities to decarbonize across our global operations.

While expanding the procurement of renewable energy globally is an important element of our low carbon strategy, Avient continues to explore and implement on-site renewable energy opportunities as well. To ensure that energy needs are minimized as much as possible, we also continue to implement <u>energy saving projects</u>. These projects have a cumulative effect on reducing our operational energy needs and thus our impacts on the environment.



### Climate Change Energy and Greenhouse Gas (GHG) Emissions

### Our Paths to Carbon Neutrality

Avient continuously strives for 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. Leadership utilizes findings from the company's <u>Enterprise Risk Management</u> system to continuously identify and monitor the company's management of the physical risks associated with climate change including extreme weather events, supply chain disruptions, and technology changes, as well as transitional climate risks associated with legal, regulatory, policy, low carbon energy transition and liability issues. In an effort to enhance our Enterprise Risk Management system, in 2022 Avient will complete formal Climate Change Scenario Analyses as recommended by the Task Force on Climate-related Financial Disclosures (TCFD). Findings from this analyses will be used to inform strategic plans, including impacts of investments and acquisitions.

Beyond our stated 2030 GHG and renewable electricity goals, we are dedicated to our operations being carbon neutral by 2050. We know that this will take a lot of work and since 2050 is just around the corner, rapid action and accountability is needed. To drive progress toward carbon neutrality, Avient's low carbon transition plan targets intermediated (2030) goals around Scope 1 (direct) and Scope 2 (indirect) sources of greenhouse gas emissions. These targets are in line with prevailing climate science limits that keep global warming well below 2 degrees Celsius as detailed by the Paris Agreement and the <u>Science-Based Target</u> Initiative (SBTi). In 2022, Avient is committed to comprehensively understanding our Scope 3 footprint and developing a strategy that begins to address it and further align with science based targets. Furthermore, in 2022, Avient is instituting an internal cost of carbon to better prioritize low-carbon investments. (continues on next page)



### Energy and Greenhouse Gas (GHG) Emissions

#### (continued from previous page)

Avient's approach to reducing our greenhouse gases and other emissions is focused on four main areas: increasing equipment and building energy efficiency, process transformation, expanding the use of renewable or low-carbon energy, and supporting technology breakthroughs by meeting our customer's sustainable solution needs. The overall management strategy for our emission reduction program is led by Avient's Planet Sub-Committee of the Sustainability Council. This committee is comprised of operational and sourcing leaders from our various regions and ensures continual progress towards our Sustainability Goals and operational efficiency goals. Execution of this strategy is achieved by our business segments working closely with our individual facilities, the EH&S team, and the Planet Sub-Committee.

Most of Avient's GHG emissions are attributable to the consumption of energy. Strategic plans at the facility and Business level include planned efforts to achieve sustainability and operational goals. In 2021, we were able to further optimize the resource and energy consumption of our production through initiating 102 energy saving projects around the world. For detailed information on these projects, our energy and carbon performance, risks and opportunities presented by climate change, and associated governance systems, we invite you to read our most recent <u>Climate Change Report</u> submitted to <u>CDP</u>. Avient leverages CDP's Climate Change Report as its primary mechanism to publicly disclose progress against TCFD recommendations. Our performance on both energy consumption and GHG emissions is provided in graphics below.

.45

.40 .35

.30

.25

.20

.15

.10

.05

0



**Energy Saving Activities** 



2019

**GHG Emissions (MT)** 

Greenhouse Gas Emissions (MT Scope 1 & 2 GHG) Greenhouse Gas Emissions Intensity (MT 1 & 2 GHG/ MT Sales)

2020

2021





# 102 ENERGY SAVING PROJECTS IN 2021

# 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 majority of our waste is primarily non-hazardous process scrap and purge materials. Other wastes may be generated from sources such as periodic construction and demolition projects, packaging from raw materials and products, laboratory waste from quality assurance activities, and routine office-based activities.

Expectations for the management of hazardous and non-hazardous waste are governed by Avient's internal waste management standards which are applicable to all facilities. These waste standards have established a hierarchy of waste management with the elimination of waste as the highest priority, followed by reuse or recycling, and disposal without any beneficial reuse as the lowest priority. We implement programs to identify reuse opportunities for off-quality products and other waste streams and improve facility resource efficiency to reduce waste generation. Compliance with these expectations is regularly evaluated through our comprehensive EH&S audit program. Our 2030 goal of reducing total waste to landfill by 35% from 2019 levels is designed to encourage facilities to eliminate waste generation and identify beneficial uses for their remaining waste streams. We track our waste data from each site on a quarterly basis as part of routine reporting of waste activities and measure progress against our goal. While our goal focuses on waste impacts from our direct operations, we also seek opportunities along our value chain to work with suppliers to reduce waste associated with shipping materials and with customers by offering products that incorporate recycled content or extend the useful life of a product.

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



## **Eliminating Plastic Waste**

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

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

We are continuously making a positive impact through our innovative portfolio of technologies that enable our customers to improve plastic recyclability and reduce the amount of material required for packaging. However, no one company or country can solve the plastics waste problem. That's why Avient joined the <u>Alliance to End Plastic Waste</u> as a founding member and is collaborating with over 65 member companies to promote infrastructure, education and engagement, innovation, and clean up efforts to keep plastic waste in the right place.

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

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

We will continue to invest and work aggressively to eliminate plastic waste in the environment to deliver critical sustainability and performance benefits to people and communities around the world and live up to our promise of meeting the needs of the present without compromising future generations' ability to meet their needs. To learn more visit: <u>Alliance in Action Progress Report 2021</u>.



### Water Intensity and Biodiversity

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

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

# **Conventional Air Emissions**

Our atmospheric protection activities are based on a comprehensive analysis of our emissions. 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.

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

### Climate Action: Innovation and Investments for the Future

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

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

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

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

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

# **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 2021, 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 to End Plastic Waste</u>, Avient's global operations participate in <u>Operation Clean Sweep</u>. Operation Clean Sweep's overarching goal is to ensure that every plastic resin handling operation achieves zero loss of pellet, flake, and powder. This greatly helps to protect the environment and save valuable resources. Operation Clean Sweep companies greatly help to prevent plastics from making their way into the ocean, promoting safety, health and cleanliness for marine life.

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





Avient joined the Alliance to End Plastic Waste (AEPW) as a founding member not only to showcase our commitment to ending plastic waste, but to take action. Last year we participated in Clean4Change in honor of World Clean Up Day. The campaign was designed to engage people in local impact in order to have a global impact. Clean4Change is a global movement, initially launched during Earth Day in April 2021, with the goal of engaging stakeholders around the world and to motivate them in adopting cleanup behaviors.

In collaboration with other Alliance member companies, over one million pieces of litter were collected in 54 cities around the world.



### **Community Service**

Giving back to the communities where we work and live is an integral part of our culture. In addition to the 16 hours of paid volunteering time we provide all associates every year, numerous leaders in our company serve on non-profit boards of trustees, helping other organizations advance sustainability in their operations and missions to serve.

In 2021, as the world faced the second year of the COVID-19 pandemic and some regions experienced severe weather conditions, our associates identified a wide range of engagement opportunities to give back to their local communities. Some of these initiatives leveraged virtual platforms to enable participation during lock-downs.

Hundreds of Avient associates joined in volunteering efforts last year, whether organized by our Community Service Team or site leaders worldwide, in partnership with nonprofit partner organizations, or driven by our people taking the initiative to serve their communities. The events included humanitarian aid collection, food and PC drives, holiday activities for children, and support for local shelters and community centers.

### **Charitable Contributions**

<u>United Way</u> remains our most significant philanthropic endeavor, and our associates continue to give generously every year. Since 2007, we have raised more than \$17.5 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 have specific needs in the local communities around the world where we operate.



### **Political Contributions**

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

In 2021, Avient PAC contributed \$3,000 to federal candidates in the U.S. and \$7,500 to state candidates in Ohio. No political contributions are made outside the U.S. Avient PAC's Federal Election Commission filings, including listings of contributions, are publicly available at <u>www.fec.gov</u>. State of Ohio filings and contributions are publicly available at <u>www.ohiosos.gov</u>.



# Community Engagement

#### **Stepping Up to Meet Local Needs**

Our teams in Bangkok and Phan Thong, Thailand, organized an event to support the local Lorenzo Child Center. There was an outpouring of support for this activity among the teams as dozens of associates rushed to participate, performing various tasks to help refurbish the community center, such as planting, cutting grass, and painting the children's playground.

#### **Making Rania Greener**

Avient associates from our site in Rania, India, put their passion for sustainability to work, by restoring natural resources, planting more than 100 trees and herbal shrubs during our Tree Plantation Drive. Participating associates were motivated to lead by example, inspiring their colleagues and neighbors to be environmentally conscious.

#### **Upcycling Plastic for Children with Cancer**

Associates in Santo Amaro, Itupeva, and Suzano, Brazil, launched a sustainability challenge for the collection of PET bottles and plastic caps. The recovered bottles were donated to the non-profit organization Fios Encantados to turn the PET material into wigs for children with cancer. Also, the caps benefitted 40 elderly dogs sheltered by Humanimal, a non-profit that sells recycled items to save canines.

#### **Preserving Valued Community Resources**

In partnership with United Way, Avient associates organized a cleanup event to remove trash from Turkey Creek in Birmingham, Alabama. During the activity, the team collected over 200 pounds of rubbish from the creek banks and donated new parking signs to improve this valued community resource. In addition, they again supported the Birmingham Zoo cleanup efforts, removing three tons of natural vegetation and structural materials from the Komodo exhibit.

#### Brightening up the Holidays for Our Neighbors

For the 18th consecutive year, our Community Service Team at the Avient Headquarters collected donations to support our neighbors in need during the holidays. Once again, our associates contributed generously, donating countless items for families, seniors, and children in distress and making financial contributions for the local infant home and homeless shelter. This generosity was replicated in other countries, like Brazil, where Avient "Santas" delivered gifts for children in underserved communities, and the Netherlands, where associates brought holiday meals to a shelter for young mothers.


# Performance

### Performance Overview

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

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

Since it was established in 2006, the combined efforts to execute Avient's four-pillar strategy have been highly successful. Our specialty transformation has created unmistakable value over that period. More recently, with the divestiture of the PP&S segment in 2019 and the acquisition of Clariant Color 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. (continues on next page)

#### A Specialty Transformation Poised for Future Growth

Adjusted EBITDA\* from Specialty Applications



\* Adjusted EBITDA is EBITDA excluding corporate costs and special items

#### Performance Overview

(continued from previous page)

Still, the repercussions of the ongoing health pandemic made for a difficult 2021 for all companies—and it did for Avient as well. However, our strong growth in 2021 was due in large part to our prior and strategic shift to high growth end markets. We continued to run our operations and serve customers around the world. Though it was a challenging year, we look forward to what the future holds as commerce and consumerism more fully recover in 2022.

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.







(1) 2019 and 2020 figures are pro forma to include a full year of the acquired Clariant Color business.
 (2) 2022 EPS figure reflects management guidance as of April 20, 2022 earnings call

\*End market revenue as a percent of total

#### Sustainable Solutions Performance

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

It is clear that these materials have and will continue to comprise a growing portfolio for our company, as demand increases across the globe and canvasses many end markets. Our innovation efforts and collaboration with customers have increased in lockstep. As a result, Avient revenue from sustainable solutions has more than doubled compared to 2016.

In 2021, we delivered \$915 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 these eight key areas where our material science is having the most impact.

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

#### Revenue from Sustainable Solutions\* 2016–2021



\*Avient Sustainable Solutions definitions aligned with FTC 2012 Guide for the Use of Environmental Marketing Claims ("Green Guides")
^2020 is Pro forma to include full year of the Clariant Color business

## The Highest Ethical Standards

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

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

We strive to uphold a consistent global standard of ethical conduct, while respecting the cultures and business practices of the countries and local communities with which we interact. As a testament to its importance, all our acquisitions are fully integrated into our Ethics and Compliance programs within 3–6 months.

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.

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

TRANSLATED IN OVER **20 LANGUAGES** 



## Compliance and Training Programs

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

Our compliance program is designed to promote and sustain a culture of excellence and we perform internal audits to ensure compliance. To provide assurance and guide continuous improvement for our program, our anti-bribery, anti-corruption program is assessed every 3–5 years.

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

## **Ethics Hotline and Reporting**

An independently managed <u>Ethics Hotline</u>, with multi-language capabilities, is available globally via Web or by phone, 24/7. The Hotline is available to anyone within or outside Avient to allow access to report questions or concerns directly to Avient's compliance team. Those who file reports can remain anonymous.

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

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

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



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



## Enterprise Risk Management

The Enterprise Risk Management (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 Annual Report on Form 10-K.

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

#### **ERM Topic Areas:**

Health & Safety

Brand Positioning & Market Intelligence	Increasing & Changing Regulation
Business Continuity	Innovation Effectiveness
Chain Disruptions	Intellectual Property Protection &
Consumer Sentiment Towards Plastics	Maintenance
COVID-19 Response	IT systems and Integrations
Crisis & Incident Management	Labor Shortages
Cyber Security	M&A Execution
Data Privacy	Quality Systems
	Raw Material Availability & Supply
Environmental Social & Governance (ESG) Initiatives	Chain Disruptions
	Talent Attraction, Development &
Geopolitical Risks	





#### Board of Directors Governance

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

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 environment. In addition, the Board has adopted a set of <u>corporate governance guidelines</u> that help define its responsibilities and guide its conduct.

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

Diversity is a key focus area for our global associates and that extends to our Board as well. Forty-two percent of our Directors are female or racially diverse.

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



#### **Board of Directors**



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



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



**Ernest Nicolas** Chief Supply Chain Officer, HP Inc.



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

**Richard Fearon** 



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

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



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



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

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



**Gregory J. Goff Retired Executive Vice** Chairman of Marathon Petroleum Corporation



Kim Ann Mink, Ph.D Former Chairman, President and Chief Executive Officer, Innophos Holdings, Inc.

Kerry J. Preete

Vice President,

**Retired Executive** 

Chief Strategy Officer,

Monsanto Company

## **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.

**Animal Testing Policy** Audit Committee Charter California Transparency in Supply Chains Act Disclosure **Code of Conduct** Code of Ethics—Applicable to Avient Senior Officers ColorMatrix Europe Limited—Modern Slavery and Human **Trafficking Statement Compensation Committee Charter Conflict Minerals Policy Corporate Governance Guidelines Environmental Policy Equal Employment Opportunity Global Chemical Management** 

**Global ISO Certificate Library Global Policy on Anti-Bribery and Anti-Corruption Global Policy on Antitrust Governance and Corporate Responsibility Committee Charter Position on Human Rights Privacy Policy Product Stewardship Policy Quality Policy Responsible Care Policy** Safety and Health Policy **Security Policy** 

**Supplier Code of Conduct** 

## Metrics

### People Data and Metrics

Category	2017	2018	2019	2020	2021
Total TRIR (#—Direct)	0.69	0.51	0.56	0.50	0.55
Total TRIR (#—Contractors)	0.00	0.00	0.00	0.00	0.00
Recordable Injuries (Total #)	43	35	36	37	55
Recordable Illnesses (Total #)	0	0	0	0	0
Total LTIR (#—Direct)	0.20	0.13	0.29	0.24	0.14
Total LTIR (#—Contractors)	0.00	0.00	0.00	0.00	0.00
Total Injuries of High Consequence (% of TRIR)	9	12	14	5	2
Total Fatality Rate (#—Direct)	0.00	0.00	0.00	0.00	0.00
Total Fatality Rate (#—Contractors)	0.00	0.00	0.00	0.00	0.00
Process Safety Incident Count (#)	0	0	0	0	0
Process Safety Total Incident Rate (#)	0.00	0.00	0.00	0.00	0.00
Process Safety Incident Severity Rate (#)	0.00	0.00	0.00	0.00	0.00
Transport Incidents (#—US DOT 5800/EU ADR)	0	0	0	0	0
Safety Improvements Completed (#)	NA	NA	NA	NA	10,100
EH&S Internal Audits (#)	53	53	58	37	25
Workers covered by an EH&S Management Systems (%)	100	100	100	100	100
Workers covered by an internally audited EH&S MS (%)	100	100	100	100	100
Facilities externally certified ISO45001 (or equivalent $-$ %)*	NA	NA	NA	52	56
Suppliers externally certified ISO45001 (% of surveyed)	NA	NA	NA	44	56

\*Certificates can be found at HYPERLINK (https://www.avient.com/company/policies-and-governance/global-iso-certificate-library)

## Planet Data and Metrics

Category	2017	2018	2019	2020	2021
ENERGY <sup>1</sup>					
Total Energy (GJ)	775,091	869,390	1,523,524	1,564,854	1,671,768
Energy Intensity (MWh/MT Sales)	0.86	0.91	0.95	0.98	0.95
Renewable Electricity (%)	0	0.49	0.69	31.40	43.71
Renewable Energy (%)	NA	NA	NA	23.33	25.68
Total Self-Generated Energy (GJ)	0	3808	4588	5001	3755
Energy Saving Activities (#)	26	41	59	74	102
Annual Savings from Energy Saving Activities (MWh)	1,507	2,601	9,882	5,212	17,420
Capital Invested in Energy Savings (\$MM USD)	NA	NA	NA	2.43	1.74
PERCENT ENERGY (%)					
Purchased Electricity (%)			73.18	75.11	77.53
Purchased Natural Gas (%)			25.80	21.02	20.8
Purchased Steam (%)			0.00	0.00	0.00
Purchased Diesel Fuel (%)			1.02	3.87	1.68
SOURCES OF PURCHASED ELECTRICITY (%)*					
Non-Renewable: Coal					41.12
Non-Renewable: Natural Gas					17.51
Non-Renewable: Other Fossil Fuels					0.26
Non-Renewable: Nuclear					9.86
Non-Renewable: Oil					1.82
Renewable: Hydro					14.79
Renewable: Wind					7.94
Renewable: Solar					3.76
Renewable: Biomass					2.53
Renewable: Geothermal					0.29

Category	2017	2018	2019	2020	2021
EMISSIONS <sup>1</sup>					
Greenhouse Gas Emissions (MT Scope 1 GHG)	21,527	11,882	18,749	21,092	18,216
Greenhouse Gas Emissions (MT Scope 2 GHG)	244,927	85,112	155,086	87,776	85,892
Greenhouse Gas Emissions (MT Scope 3 GHG) <sup>2</sup>	NA	193,483	584,622	1,440,584	2,122,338
Greenhouse Gas Emissions (MT Scope 1 & 2 GHG)	275,811	96,994	173,835	108,868	104,108
Greenhouse Gas Emissions Intensity (MT 1&2 GHG/ MT Sales)	0.35	0.38	0.39	0.25	0.21
Greenhouse Gas Emissions Intensity (MT 1&2 GHG/\$B Revenue)	84,674	36,723	43,666	28,778	21,605
Annual GHG Emissions Avoidance from ESA & WMP (MT)	1,548	2,508	8,377	10,184	26,490
Reportable Releases (above permitted limits)	0	0	0	0	0
EMISSIONS OF SOx/NOx/VOC/HAPS (MT)					
SOx	0.05	0.06	0.08	0.08	0.08
NOx	0.05	0.06	0.09	0.08	0.09
voc	32.18	31.14	43.58	40.26	42.95
Top 4 Hazardous Air Pollutants	0.58	0.60	0.98	1.00	1.18
Particulate Matter	24.70	23.76	33.78	30.99	32.88
WASTE					
Total Waste (MT)	12,453	13,396	26,065	23,709	26,277
Total Waste Intensity (Kg Waste/MT Sales)	20.18	17.79	58.27	54.16	53.51
Total Waste Intensity (MT Waste/\$B Revenue)	1,572	1,357	6,547	6,267	5,453
Percent of Total Waste Recycled/Beneficially Reused (%)	57.07	62.65	48.79	47.43	47.32
Percent of Total Waste Landfilled (%)	40.77	35.11	45.82	41.82	42.76
Total Waste Landfilled (MT)	5,077	4,703	11,943	9,915	11,215
Total Non-Hazardous Waste (MT)	NA	12,722	24,135	21,823	24,045
Waste Minimization Projects (#)	47	41	38	59	161
Annual Diversion from Waste Minimization Projects (MT)	NA	5,892	11,019	20,052	57,681
Capital Invested in Waste Minimization (\$MM USD)	NA	NA	NA	0.71	1.72

Category	2017	2018	2019	2020	2021
HAZARDOUS WASTE					
Hazardous Waste US & Canada (%)	NA	NA	1.0	1.3	0.85
Hazardous Waste Latin America (%)	NA	NA	6.4	6.9	11.3
Hazardous Waste Europe (%)	NA	NA	51.4	60.2	45.44
Hazardous Waste Asia Pacific (%)	NA	NA	35.6	26.4	36.07
Hazardous Waste Middle East & Africa (%)	NA	NA	5.6	5.2	6.35
Total Hazardous Waste (MT)	NA	674.35	1,930	1,886	2,233
WATER					
Total Water Withdrawal (1000 m3)	662	666	1,159	1,309	1,263
Total Water Withdrawal Intensity (m3/MT Sales)	2.64	2.57	2.59	2.99	2.57
Total Wastewater Discharge (1000 m3)	NA	NA	691	553	594
Wastewater Recycled (% of Total)	NA	NA	40.38	57.75	52.97
Total Water Related NoV (#)	0	0	0	0	0
Withdrawal & Consumed from High Water Stress Areas (% of Total)	NA	NA	39.3	40.8	35.3
CERTIFIED ENVIRONMENTAL MANAGEMENT SYSTEMS					
Facilities externally certified to ISO14001/RC14001 (%)**	NA	NA	NA	50	52
Facilities externally certified to ISO50001 (% of high energy sites)**	NA	NA	10	10	10
Suppliers externally certified ISO14001 (% of surveyed)	NA	NA	NA	70	75
Suppliers externally certified to ISO50001 (% of surveyed)	NA	NA	NA	17	19

\* Estimates—does not include renewable energy credits from Virtual Power Purchase Agreements \*\* Certificates can be found at <u>HERE</u>

<sup>1</sup>Refer to CDP Climate Change Report for finalized Energy/Emissions information. (HYPERLINK)

<sup>2</sup>Increase due to expanded upstream and downstream supply chain Scope 3 data capture and analyses.

Revised 22-Mar-2022



# Index

#### GRI Standards Content Index

GRI Standard	Disclosure Title	Avient Disclosures
General Disclo	sures	
Organizationa	l Profile	
102-1	Name of the organization	About Us—Who We Are
102-2	Activities, brands, products, and services	Avient Technologies—Products Avient products are not banned in any market.
102-3	Location of headquarters	Avient 2021 <u>Annual Report</u> —Form 10-K Cover Page
102-4	Location of operations	About Us—Where We Are: Global Locations Avient 2021 <u>Annual Report</u> —Form 10-K Page 13
102-5	Ownership and legal form	Avient 2021 <u>Annual Report</u> —Form 10-K Cover Page
102-6	Markets served	About Us—Communities Counting on Avient Avient 2021 <u>Annual Report</u> —Form 10-K Page 13
102-7	Scale of the organization	Avient 2021 <u>Annual Report</u> —Form 10-K Pages 2–7, 37-38
102-8	Information on employees and other workers	People—Workforce Demographics Avient 2021 <u>Annual Report</u> —Form 10-K Pages 5 Currently we report on the number of associates. A majority of our associates have full time contracts.
102-9	Supply chain	Avient 2021 <u>Annual Report</u> —Form 10-K Page 5
102-10	Significant changes to the organization and its supply chain	Avient 2021 <u>Annual Report</u> —Form 10-K Page 18
102-11	Precautionary Principle or approach	Avient 2021 <u>Annual Report</u> —Form 10-K Pages 8–12
102-12	External initiatives	About Avient—Who We Are People—Security; A Great Place to Work Products—Strategic Partnerships and Alliances
102-13	Membership of associations	United Nations Global CompactAmerican Chemistry CouncilAlliance To End Plastic WasteOperation Clean SweepUK Plastics PactPetCore EuropeAssociation of Plastic Recyclers (APR)Plastics Recyclers Europe (PRE)Responsible Mica Initiative (RMI)Microfibre Consortium (TMC)
Strategy		
102-14	Statement from senior decision-maker	Message from the CEO
102-15	Key impacts, risks, and opportunities	Products—Innovation: The Lifeblood of a Specialty Organization Avient 2021 <u>Annual Report</u> —Form 10-K Pages 8–12
Ethics & Integr	ity	
102–16	Values, principles, standards, and norms of behavior	<u>About Us—Who We Are</u> Avient 2021 <u>Annual Report</u> —Creating a World-Class, Sustainable; Vision and Strategy

GRI Standard	Disclosure Title	Avient Disclosures
General Disclos	sures	
Ethics & Integri	ity	
102-17	Mechanisms for advice and concerns about ethics	Performance—Ethics Hotline and Reporting
Governance		
102–18	Governance structure	Performance—Board of Directors Governance <u>People—Management Approach: EH&amp;S</u> Avient 2021 <u>Annual Report</u> —Form 10-K Pages 14–15 & 70 and <u>Proxy Statement</u> Pages 13–15 <u>https://www.avient.com/investors/governance</u>
102-20	Executive-level responsibility for economic, environmental, and social topics	Performance—Board of Directors Governance People—Management Approach: EH&S People—Management Approach: Training and Development People—Management Approach: Diversity & Inclusion Products—Management Approach: Product Stewardship Products—Management Approach: Supplier Collaboration https://www.avient.com/investors/governance
102-22	Composition of the highest governance body and its committees	Performance—Board of Directors Governance Avient 2021 <u>Annual Report</u> —Form 10-K Pages 14–15 & 70 <u>Avient Governance—Board of Directors</u>
102-23	Chair of the highest governance body	Avient 2022 <u>Proxy Statement</u> Pages 21, 29
102-24	Nominating and selecting the highest governance body	Performance—Board of Directors Governance Avient 2021 <u>Annual Report</u> —Form 10-K Pages 14–15 & 70 and <u>Proxy Statement</u> Pages 30–31 <u>https://www.avient.com/investors/governance</u>
102-25	Conflicts of interest	Performance—Board of Directors Governance Code of Conduct https://www.avient.com/investors/governance
102-26	Role of highest governance body in setting purpose, values, and strategy	Performance—Board of Directors Governance Avient 2021 <u>Annual Report</u> —Form 10-K Pages 14–15 & 70 and <u>Proxy Statement</u> Pages 30–31 <u>https://www.avient.com/investors/governance</u>
102–27	Collective knowledge of highest governance body	Performance—Board of Directors Governance Avient 2022 <u>Proxy Statement</u> Pages 13–15
102-28	Evaluating the highest governance body's performance	Performance—Board of Directors Governance Avient 2022 <u>Proxy Statement</u> Pages 32, 34 <u>https://www.avient.com/investors/governance</u>
102–29	Identifying and managing economic, environmental, and social impacts	Performance—Board of Directors Governance People—Management Approach: EH&S https://www.avient.com/investors/governance
102-30	Effectiveness of risk management processes	Performance—Board of Directors Governance; Enterprise Risk Management (ERM) Avient 2022 <u>Proxy Statement</u> Pages 29–30 <u>https://www.avient.com/investors/governance</u>

GRI Standard	Disclosure Title	Avient Disclosures
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Governance		
102-31	Review of economic, environmental, and social topics	Performance—Board of Directors Governance; Enterprise Risk Management (ERM) Avient 2022 <u>Proxy Statement</u> Pages 30–31, 34 <u>https://www.avient.com/investors/governance</u>
102-32	Highest governance body's role in sustainability reporting	Message from the Governance and Corporate Responsibility Committee Performance—Board of Directors Governance Avient 2022 <u>Proxy Statement</u> Pages 30–31, 34 <u>https://www.avient.com/investors/governance</u>
102-33	Communicating critical concerns	Performance—Board of Directors Governance Avient 2022 Proxy Statement Pages 30–32, 34 Code of Conduct https://www.avient.com/investors/governance
102-34	Nature and total number of critical concerns	Avient 2021 <u>Annual Report</u> —Form 10-K Pages 56–57
102-35	Renumeration Policies	Avient 2022 Proxy Statement Pages 33–39, 49–58
102-36	Process for determining renumeration	Avient 2022 Proxy Statement Pages 33–39
102-37	Stakeholders' involvement in renumeration	Avient 2022 Proxy Statement Page 33–34
102-38	Annual total compensation ratio	Avient 2022 <u>Proxy Statement</u> Page 70
Stakeholder E	ngagement	
102-40	List of stakeholder groups	Engaging with Stakeholders
102-41	Collective bargaining agreements	People—Workforce Demographics Employee Representation
102-42	Identifying and selecting stakeholders	Engaging with Stakeholders
102-43	Approach to stakeholder engagement	Engaging with Stakeholders
102-44	Key topics and cocnerns raised	Engaging with Stakeholders
Reporting Pra	tice	
102-45	Entities included in the consolidated financial statements	Avient 2021 <u>Annual Report</u> —Form 10-K Page 3 We operate in three reportable segments: (1) Color, Additives and Inks; (2) Specialty Engineered Materials; and (3) Distribution.
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	People—Occupational Safety & Health; Training and Development; Diversity & Inclusion Products—Product Stewardship; Supplier Collaboration Planet—Waste; Energy; Greenhouse Gas Emissions Performance
102-48	Restatements of information	2020 Total Energy

GRI Standard	Disclosure Title	Avient Disclosures
General Disclos	sures	
Reporting Prac	tice	
102-49	Changes in reporting	No change
102-50	Reporting period	January 1, 2021 through December 31, 2021
102–51	Date of most recent report	This is Avient's 4 <sup>th</sup> sustainability report.
102-52	Reporting cycle	At minimum, biennial
102-53	Contact point for questions regarding the report	https://www.avient.com/contact-us-now
102-54	Claims of reporting in accordance with the GRI standards	This report has been prepared in accordance with the GRI Standards: Core Option.
Economic Topic	c Disclosures	
GRI 201: Econor	mic	
103–1, 2 and 3	Management approach—GRI 103	Performance—Performance Overview
201-1	Direct economic value generated and distributed	Avient 2021 <u>Annual Report</u> —Form 10-K Page 18–19
201–2	Financial implications and other risks and opportunities due to climate change	<u>Planet—Climate Change, Energy and Greenhouse Gas Emissions (GHG)</u> <u>Performance—Enterprise Risk Management (ERM)</u> Avient 2021 <u>Annual Report</u> —Form 10-K Page 10
201-3	Defined benefit plan obligations and other retirement plans	Avient 2021 <u>Annual Report</u> —Form 10-K Pages 26 & 42
GRI 205: Anti-C	orruption	
103–1, 2 and 3	Management approach—GRI 103	Performance—The Highest Ethical Standards Code of Conduct
205-1	Operations assessed for risks related to corruption	Products—Management Approach: Supplier Collaboration Performance—The Highest Ethical Standards; Enterprise Risk Management (ERM) Code of Conduct https://www.avient.com/investors/governance
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 2021. <u>Code of Conduct</u> <u>https://www.avient.com/investors/governance</u>
GRI 206: Anti-C	ompetitive Behavior	
103–1, 2 and 3	Management approach—GRI 103	Code of Conduct
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions were brought against Avient for anti-competitive behavior, anti-trust, or monopoly practices in 2021.

GRI Standard	Disclosure Title	Avient Disclosures
Environmental	Topic Disclosures	
GRI 301: Materi	als	
301-1	Materials used by weight or volume	<u>About Avient—What We Do: Material Science</u> Avient 2021 <u>Annual Report</u> —Form 10-K Page4
301-2	Recycled input materials used	Products—How Our Products Enable Sustainability; Our SolutionsIn Action: Case Studies
301-3	Reclaimed products and their packaging materials	Products—How Our Products Enable Sustainability; Our SolutionsIn Action: Case Studies
GRI 302: Energy	y .	
103–1, 2 and 3	Management approach—GRI 103	Planet—Protecting Our Planet; Climate Change https://www.avient.com/company/sustainability/planet/environmental-stewardship
302-1	Energy consumption within the organization	<u>Planet—Protecting Our Planet;</u> <u>Climate Change</u> <u>Metrics and Index—People and Planet Data and Metrics</u>
302–2	Energy consumption outside of the organization	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics
302-3	Energy intensity	Metrics and Index—People and Planet Data and Metrics Our energy intensity evaluates all energy usage within the organization.
302-4	Reduction of energy consumption	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics
302–5	Reductions in energy requirements of products and services	Products—How Our Products Enable Sustainability Metrics and Index—People and Planet Data and Metrics
GRI 303: Water	and Effluents	
303-1	Interactions with water as a shared resource	Planet—Climate Change: Water Intensity and Biodiversity https://www.avient.com/company/sustainability/planet/environmental-stewardship
303-3	Water withdrawal	Planet—Climate Change: Water Intensity and Biodiversity Metrics and Index—People and Planet Data and Metrics
GRI 305: Emissi	ions	
103–1, 2 and 3	Management approach—GRI 103	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics
305-1	Direct (Scope 1) GHG emissions	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics
305-2	Energy indirect (Scope 2) GHG emissions	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics
305-3	Other indirect (Scope 3) GHG emissions	Planet—Protecting Our Planet; Climate Change. Metrics and Index—People and Planet Data and Metrics
305-4	GHG emissions intensity	Planet—Protecting Our Planet; Climate Change Metrics and Index—People and Planet Data and Metrics

GRI Standard	Disclosure Title	Avient Disclosures
Environmental	Topic Disclosures	
GRI 305: Emiss	ons	
305-5	Reduction of GHG emissions	<u>Planet—Protecting Our Planet; Climate Change</u> <u>Metrics and Index—People and Planet Data and Metrics</u>
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Planet—Conventional Air Emissions Metrics and Index—People and Planet Data and Metrics
GRI 306: Waste		
103–1, 2 and 3	Management approach—GRI 103	Planet—Waste: All Sections https://www.avient.com/company/sustainability/planet/environmental-stewardship
306-1	Waste generation and significant waste-related impacts	Planet—Waste: All Sections
306-2	Management of significant waste-related impacts	Planet—Waste: All Sections
306-3	Waste generated	Planet—Waste: All Sections Metrics and Index—People and Planet Data and Metrics
306-4	Waste diverted from disposal	Planet—Waste: All Sections Metrics and Index—People and Planet Data and Metrics
306-5	Waste directed to disposal	Planet—Waste: All Sections Metrics and Index—People and Planet Data and Metrics
GRI 307: Enviro	nmental Compliance	
103–1, 2 and 3	Management approach—GRI 103	People—Management Approach: EH&SProducts—Management Approach: Product StewardshipPlanet—Protecting Our PlanetAvient 2021 Annual Report—Form 10-K Pages 6–7https://www.avient.com/company/sustainability/planet/environmental-stewardship
307-1	Non-compliance with environmental laws and regulations	<u>Products—Management Approach: Product Stewardship</u> Avient 2021 <u>Annual Report</u> —Form 10-K Pages 56–57
GRI 308: Suppl	er Environmental Assessment	
103–1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Supplier Collaboration Supplier Code of Conduct
308-1	New suppliers that were screened using environmental criteria	Products—Management Approach: Supplier Collaboration
308-2	Negative environmental impacts in the supply chain and actions taken	Products—Management Approach: Supplier Collaboration
Social Topic Di	sclosures	
GRI 401: Emplo	yment	
103–1, 2 and 3	Management approach—GRI 103	People—Management Approach: Training and Development; Diversity & Inclusion: Leading from the Top; and Management Approach: Diversity & Inclusion
401-1	New employee hires and employee turnover	People—Workforce Demographics We hired 1,339 new associates in 2021.

GRI Standard	Disclosure Title	Avient Disclosures		
Social Topic Dis	sclosures			
GRI 401: Emplo	yment			
401–2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People—Associate Benefits/Awards and Recognition Programs; Health and Wellness		
401-3	Parental leave	People—Health and Wellness		
GRI 403: Occup	ational Health & Safety			
103–1, 2 and 3	Management approach—GRI 103	<u>People—Management Approach: EH&amp;S</u> Avient 2021 <u>Annual Report</u> —Form 10-K Pages 6–7 Avient's <u>Position on Human Rights</u> <u>https://www.avient.com/company/sustainability/planet/environmental-stewardship</u>		
403-1	Occupational health and safety management system	<u>People—Management Approach: EH&amp;S</u> <u>People—Occupational Safety &amp; Health</u> Avient 2021 <u>Annual Report</u> —Form 10-K Pages 6–7 <u>https://www.avient.com/company/sustainability/planet/environmental-stewardship</u>		
403–2	Hazard identification, risk assessment, and incident investigation	People—Management Approach: EH&S https://www.avient.com/company/sustainability/planet/environmental-stewardship		
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 https://www.avient.com/company/sustainability/planet/environmental-stewardship		
403-5	Worker training on occupational health and safety	People—Management Approach: EH&S Management Approach: Training and Development		
403-6	Promotion of worker health	People—Occupational Safety & Health; Health and Wellness		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People—Management Approach: EH&S Products—Management Approach: Product Stewardship; Management Approach: Supplier Collaboration Avient 2021 <u>Annual Report</u> —Form 10-K Pages 6–7 <u>https://www.avient.com/company/sustainability/planet/environmental-stewardship</u>		
403-8	Workers covered by an occupational health and safety management system	People—Management Approach: EH&S Avient 2021 <u>Annual Report</u> —Form 10-K Pages 6–7		
403-9	Work-related injuries	<u>People—Management Approach: EH&amp;S</u> Avient 2021 <u>Annual Report</u> —Form 10-K Pages 6–7 <u>Metrics and Index—People and Planet Data and Metrics</u>		
403-10	Work-related ill health	People—Management Approach: EH&S Avient 2021 <u>Annual Report</u> —Form 10-K Pages 6–7 <u>Metrics and Index—People and Planet Data and Metrics</u>		
GRI 404: Training & Education				
103–1, 2 and 3	Management approach—GRI 103	People—Management Approach: Training and Development		
404-1	Average hours of training per year per employee	People—Career Training and Performance Feedback In 2021, associates received 106,000 hours of training, and has approximately 8,700 associates, which is an estimated 12.18 hrs of training per associate. Associates receive additional training based on their role, such as Lean Six Sigma, Customer Centric Selling, and Core Leadership.		

GRI Standard	Disclosure Title	Avient Disclosures
Social Topic Dis	sclosures	
GRI 404: Trainir	ng & Education	
404-2	Programs for upgrading employee skills and transition assistance programs	People—Career Training and Performance Feedback
404-3	Percentage of employees receiving regular performance and career development reviews	People—Career Training and Performance Feedback
GRI 405: Divers	ity and Equal Opportunity	
103–1, 2 and 3	Management approach—GRI 103	People—Management Approach: Diversity & Inclusion; Diversity and Inclusion: Leading from the Top
405-1	Diversity of governance bodies and employees	People—Workforce Demographics; Diversity and Inclusion: Leading from the Top
GRI 406: Non-d	iscrimination	
103–1, 2 and 3	Management approach—GRI 103	People—Management Approach: Diversity & Inclusion
406-1	Incidents of discrimination and corrective actions taken	People—Management Approach: Training and Development; Management Approach: Diversity & Inclusion As outlined in our Code of Conduct, Avient has no tolerance for discrimination or harassment of any kind based on racial, religious, sexual or ethnic differences or on any other legally protected characteristics. Allegations of discrimination or harassment are promptly investigated, and appropriate corrective action is taken for any violations of this ethical standard.
GRI 407: Freedo	om of Association and Collective Bargaining	
103–1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Supplier Collaboration Avient's <u>Position on Human Rights</u> Supplier Code of Conduct
407–1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Products—Management Approach: Supplier Collaboration To our knowledge, within Avient's operations the right to freedom of association and collective bargaining continue to remain compliant with all statutory requirements. Suppliers are expected to comply with our <u>Supplier</u> <u>Code of Conduct</u> .
GRI 408: Child L	abor	
103–1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Supplier Collaboration Avient's <u>Position on Human Rights</u> Supplier Code of Conduct
408-1	Operations and suppliers at significant risk for incidents of child labor	Products—Management Approach: Supplier Collaboration To our knowledge, within Avient's operations there is no significant risk of child labor. Suppliers are expected to comply with our <u>Supplier Code of Conduct</u> .
GRI 409: Forced	d or Compulsory Labor	
103–1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Supplier Collaboration Avient's <u>Position on Human Rights</u> Supplier Code of Conduct
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Products—Management Approach: Supplier Collaboration To our knowledge, within Avient's operations there is no significant risk of incidents of forced or compulsory labor. Suppliers are expected to comply with our <u>Supplier Code of Conduct</u> .

GRI Standard	Disclosure Title	Avient Disclosures
Social Topic Dis	sclosures	
GRI 412: Humai	n Rights Assessment	
412-2	Employee training on human rights policies or procedures	Performance—The Highest Ethical Standards
GRI 413: Local (	Communities	
413-1	Operations with local community engagement, impact assessments, and development programs	Planet—Community Service; Community Engagement
413-2	Operations with significant actual and potential negative impacts on local communities	<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	Supplier Assessment	
103–1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Supplier Collaboration Supplier Code of Conduct
414-1	New suppliers that were screened using social criteria	Products—Management Approach: Supplier Collaboration
414-2	Negative social impacts in the supply chain and actions taken	Products—Management Approach: Supplier Collaboration
GRI 415: Public	Policy	
415-1	Political contributions	Planet—Political Contributions
GRI 416: Custor	ner Health and Safety	
103–1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Product Stewardship
416-1	Assessment of the health and safety impacts of product and service categories	Products—Management Approach: Product Stewardship
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Products—Management Approach: Product Stewardship
GRI 417: Market	ting and Labeling	
103–1, 2 and 3	Management approach—GRI 103	Products—Management Approach: Product Stewardship
417-1	Requirements for product and service information and labeling	Products—Management Approach: Product Stewardship
417–2	Incidents of non-compliance concerning product and service information and labeling	Products—Management Approach: Product Stewardship
417-3	Incidents of non-compliance concerning marketing communications	Products—Management Approach: Product Stewardship
GRI 418: Custor	ner Privacy	
103–1, 2 and 3	Management approach—GRI 103	People—Security
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There have been zero substantiated complaints concerning breaches of customer privacy and losses of customer data for this reporting period.
GRI 419: Socio I	Economic Compliance	
419-1	Non-compliance with laws and regulations in the social and economic area	To our knowledge, within Avient's operations, there is material compliance to all applicable laws and regulations in the social and economic areas.
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#### Sustainability Accounting Standards Board (SASB) Chemicals Standard Index

Accounting or Activity Metric	Code	Avient Disclosures
Greenhouse Gas Emissions		
Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	RT-CH-110a.1	Scope 1: 18,216 MT CO2e 0% covered under an emission limiting regulation <u>Metrics and Index—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 & 2 greenhouse gas (GHG) emissions by 60% with 2019 as a baseline and achieve operational carbon neutrality by 2050. 2030 Sustainability Goals Planet—Climate Change, Energy and Greenhouse Gas Emissions (GHG)
Air Quality		
Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	RT-CH-120a.1	1. NOx: 0.09 MT 2. SOx: 0.08 MT 3. VOCs: 42.95 MT 4. HAPs: 1.18 MT <u>Metrics and Index—People and Planet Data and Metrics</u>
Energy Management		
(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	RT-CH-130a.1	<ol> <li>Total energy: 1,671,768 GJ</li> <li>% Grid electricity: 77.53%</li> <li>% renewable: 43.71%</li> <li>total self-generated: 3755 GJ</li> <li>Metrics and Index—People and Planet Data and Metrics</li> </ol>
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	<ol> <li>Total water withdrawn: 1,263 thousand m3</li> <li>Percentage of total water withdrawn and consumed from regions of high water stress: 35.3% Metrics and Index—People and Planet Data and Metrics</li> </ol>
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	RT-CH-140a.2	Reportable releases (above permitted limits): 0 Metrics and Index—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 recycling processes cooling dominating. Further, the vast majority of Avient sites are generally comparably smaller scale and located in urban or suburban areas. As such, we manage both water and biodiversity responsibly, and in accordance with applicable laws, but these topics do not reach the threshold of materiality compared with other operational areas. Planet—Water Intensity and Biodiversity
Hazardous Waste Management		
Amount of hazardous waste generated, percentage recycled	RT-CH-150a.1	Total Hazardous Waste: 2,233 MT Total Hazardous Waste Recycled: 47%

Accounting or Activity Metric	Code	Avient Disclosures				
Community Relations						
Discussion of engagement processes to manage risks and opportunities associated with community interests	RT-CH-210a.1	Our internal team of business and functional leaders and their teams at all levels of the organization assess and identify key topics for our stakeholders on an ongoing basis to ensure our channels of engagement support ongoing collaboration. More specifically, we engage with local communities to address identified topics, including sustainability, emergency preparedness, safety and environmental protection, and employment opportunities. To ensure a positive relationship, we engage in a number of different ways, such as site management touchpoints with community leaders, employee community service, and our Chamber of Commerce and other memberships. Our process includes a focus on equal opportunity and respect for all people regardless of religious beliefs, age, race, gender, or sexual orientation, as fully explained in Avient's Code of Conduct and its Position on Human Rights. This also includes being a passionate steward of our natural resources for the long-term health and vitality of our planet. Through continuous collaboration with local communities, we manage the risks and opportunities associated in the areas where we conduct business.				
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	<ol> <li>TRIR for Direct Employees: 0.55</li> <li>TRIR for Contractors: 0.00</li> <li>Fatality rate for contractors and direct employees is both 0.00</li> <li>Metrics and Index—People and Planet Data and Metrics</li> </ol>				
Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	RT-CH-320a.2	Avient's EH&S Management System (EH&S MS) is managed by its Corporate Environmental, Health, Safety and Product Stewardship Department, and degreed technical experts employed in all regions and businesses. Avient's Vice President of EH&S and SVP of Global Operations and Process Improvement are responsible for reporting to the EH&S Committee of the Board of Directors. The foundation of our Management Approach to EH&S is rooted in ACC Responsible Care <sup>®</sup> . 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 American Chemistry Council's Responsible Care Management System (RCMS) Standard, which incorporates the principle of continuous improvement. It applies to all Avient sites and our contractors globally. <u>People—Management Approach: EH&amp;S</u>				
Product Design for Use-phase Efficiency						
Revenue from products designed for use-phase resource efficiency	RT-CH-410a.1	\$915 million Performance—Sustainable Solutions Performance				
Safety & Environmental Stewardship of Chemicals						
(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	RT-CH-410b.1	<ol> <li>&lt;5% of 2021 revenue were from products classified as GHS category 1 or 2</li> <li>The majority of our products are not labeled or transported as hazardous materials. Despite this, we are committed to the process and have completed 40% of prioritized risk assessments.</li> <li><u>Products—Management Approach: Product Stewardship</u></li> </ol>				

Accounting or Activity Metric	Code	Avient Disclosures
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	The current and future focus is on continued Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) assessments, reclassifications and communication on the safe use and handling of these substances. Many other countries are following suit on the EU REACH chemicals regulation or a similar framework. In 2021, we successfully completed the pre-registration for UK REACH post Brexit. We continue to complete and update Poison Control Center notifications associated with our European portfolio. We continue to monitor risk assessments associated with the U.S. Environmental Protection Agency's (EPA) Toxic Substance Control Act (TSCA) inventory reset rule. At this time, we believe we have no materials subject to EPA risk assessments. Management and monitoring these global inventory changes and other emerging issues by our regional product stewardship experts ensures a quick evaluation and proactive response to potential regulatory risks. To further facilitate our and our customer's management of these changes, Avient implemented a new software in 2021 to decrease overall response time. This commitment to managing and monitoring these business activities is demonstrated through our Global Chemical Management Policy. This policy was updated in 2021 to outline our risk assessment target and our commitment to animal welfare through our newly adopted Animal Testing Policy. Products—Global Chemical Management Global Chemical Management Policy. Products—Management Approach: Product Stewardship
Genetically Modified Organisms		
Percentage of products by revenue that contain genetically modified organisms (GMOs)	RT-CH-410c.1	This metric was omitted due to lack of applicability.
Management of the Legal & Regulatory Environment		
Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	RT-CH-530a.1	Avient does not fund political parties or members of government. In the United States, employees at Avient have made use of their right to establish a Political Action Committee (PAC), which is a voluntary, federally registered employee association that collects donations for political purposes and decides how these are used, in accordance with U.S. law. <u>Performance—The Highest Ethical Standards; Ethics Hotline and Reporting; Enterprise Risk Management</u> Avient 2021 <u>Annual Report</u> : Form 10-K Pages 9–12
Operational Safety, Emergency Preparedness & Respon	se	
Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	RT-CH-540a.1	1. PSIC: 0 2. PSTIR: 0.00 3. PSISR: 0.00 <u>Metrics and Index—People and Planet Data and Metrics</u>
Number of transport incidents	RT-CH-540a.2	Number of Transport Incidents: 0 Metrics and Index—People and Planet Data and Metrics
Activity Metric		
Production by reportable segment	RT-CH-000.A	Revenue by Geography and End Market: Geography: 50% US/Canada, 25% EMEA, 16% Asia, 8% Latin America End Market: 23% Consumer, 19% Packaging, 15% Healthcare, 16% Industrial, 11% Transportation, 10% Building and Construction, 4% Telecommunications, 2% Energy 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 <u>Planet—Climate Change</u> Avient 2022 <u>Proxy Statement</u> Pages 31–32, 34 2021 CDP Climate Change Response—C1.1b
Describe management's role in assessing and managing climate-related risks and opportunities	Message from Avient's VP of Sustainability <u>People—Management Approach EH&amp;S</u> <u>Planet—Climate Change</u> 2021 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	2021 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	2021 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	2021 CDP Climate Change Response—C3.1a, C3.1g
Risk Management	
Describe the organization's processes for identifying and assessing climate-related risks	<u>Planet—Climate Change</u> 2021 CDP Climate Change Response—C2.2, C2.2a, C2.2b
Describe the organization's processes for managing climate-related risks	<u>Planet—Climate Change</u> 2021 Climate Change Response—C2.2, C2.2d
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	<u>Planet—Climate Change</u> 2021 CDP Climate Change Response—C2.2, C3.1c
Metrics & Targets	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	<u>Planet—Climate Change</u> 2021 CDP Climate Change Response—C6.1, C6.2, C6.3, C6.5
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks	Metrics and Index—People and Planet Data and Metrics Planet—Climate Change 2021 CDP Climate Change Response—C6.1, C6.2, C6.3, C6.5
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Metrics and Index—People and Planet Data and Metrics 2030 Sustainability Goals 2021 CDP Climate Change Response—C4

#### Reconciliation of Non-GAAP Financial Measures (Unaudited) (Dollars in millions, except for per share data)

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

						Year End December 31		)							D	Year Ende December 31		9	Pro Forma Adjusted Avient           18.6         \$ 3,981.3           72.9         \$ 301.4           33.4)         (92.9)           —         2.1		
Reconciliation of Pro Forma Adjusted Earnings per Share		Avient		Special Items <sup>(1)</sup>		Adjusted Avient		Clariant MB Pro Forma Adjustments <sup>(2)</sup>		Pro Forma Adjusted Avient		Avient		Special Items <sup>(1)</sup>		Adjusted Avient	Clariant MB Pro Forma Adjustments <sup>(2)</sup>				
Sales	\$	3,242.1	\$	_	\$	3,242.1	\$	540.4	\$	3,782.5	\$	2,862.7	\$	_	\$	2,862.7	\$	1,118.6	\$	3,981.3	
Operating income	\$	189.3	\$	73.7	\$	263.0	\$	45.0	\$	308.0	\$	156.8	\$	71.7	\$	228.5	\$	72.9	\$	301.4	
Interest expense, net		(74.6)		10.1		(64.5)		(18.1)		(82.6)		(59.5)		—		(59.5)		(33.4)		(92.9)	
Other income, net		24.3		(17.6)		6.7		_		6.7		12.1		(10.0)		2.1		_		2.1	
Income taxes		(5.2)		(41.4)		(46.6)		(6.2)		(52.8)		(33.7)		(5.9)		(39.6)		(9.1)		(48.7)	
Net income attributable to noncontrolling interests		(1.8)		_		(1.8)		_		(1.8)		(0.2)		_		(0.2)		_		(0.2)	
Net income from continuing operations attributable to Avient shareholders	¢	132.0	\$	24.8	\$	156.8	\$	20.7	\$	177.5	\$	75.5	\$	55.8	\$	131.3	\$	30.4	¢	161 7	
	φ	132.0	φ	24.0	ф Т	100.0	φ	20.7	φ	177.5	φ	75.5	φ	55.6	φ	131.3	φ	30.4	φ	101.7	
Weighted average diluted shares										90.6										77.7	
Impact to diluted shares from January 2	2020	equity offering	9							1.5										15.3	
Pro forma weighted average diluted sha	ares									92.1										93.0	
Pro forma adjusted EPS									\$	1.93									\$	1.74	
				Year Ende	d																

	Avient	Spec	ial Items <sup>(1)</sup>		Adjusted Avient	
\$	4,818.8	\$	_	\$	4,818.8	
\$	381.2	\$	47.8	\$	429.0	
	(75.3)		_		(75.3)	
	(1.3)		9.3		8.0	
	(74.0)		(7.1)		(81.1)	
	0.2		_		0.2	
\$	230.8	\$	50.0	\$	280.8	
					92.1	
ems				\$	3.05	
	\$	Avient           \$         4,818.8           \$         381.2           (75.3)         (1.3)           (74.0)         0.2           \$         230.8	Avient         Speci           \$         4,818.8         \$           \$         381.2         \$           (75.3)         (1.3)         (1.3)           (74.0)         0.2         \$           \$         230.8         \$	Avient         Special Items <sup>(1)</sup> \$         4,818.8         \$            \$         381.2         \$         47.8           (75.3)          -           (1.3)         9.3         -           (74.0)         (7.1)         -           0.2          -           \$         230.8         \$         50.0	\$       4,818.8       \$       -       \$         \$       381.2       \$       47.8       \$         (75.3)       -       -       -         (11.3)       9.3       -       -         (74.0)       (7.1)       -       -         \$       230.8       \$       50.0       \$	

December 31, 2021

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

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



2021 Sustainability Report

#### Challenge Accepted.

This report contains forward-looking statements. Forward-looking statements will give current expectations or forecasts of future events and are not guarantees of future performance. They are based on management's expectation and involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in, or implied by, the forward-looking statement. Some of these risks and uncertainties can be found in the company's filings with the Securities and Exchange Commission. While Avient believes all information in this report is accurate, such information is made without any warranty or guarantee and shall establish no legal duty on the part of Avient, its subsidiaries and affiliates. Sustainability metrics represent 2021 data or 12-month approximate values based on available data from reporting facilities and are often made in reliance on third-party supplier information.

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