

First Quarter Figures 2023

Analyst presentation

05.05.2023



Disclaimer

This presentation contains certain statements that are neither reported financial results nor other historical information.

This presentation also includes forward-looking statements. Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements.

Many of these risks and uncertainties relate to factors that are beyond Clariant's ability to control or estimate precisely, such as future market conditions, geopolitical dislocation, currency fluctuations, the behavior of other market participants, the actions of governmental regulators, and other risk factors, such as: the timing and strength of new product offerings; pricing strategies of competitors;

the Company's ability to continue to receive adequate products from its vendors on acceptable terms, or at all, and to continue to obtain sufficient financing to meet its liquidity needs; and changes in the political, social, and regulatory framework in which the Company operates or in economic or technological trends or conditions, including currency fluctuations, inflation, and consumer confidence, on a global, regional, or national basis.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document.

Clariant does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

Q1 2023 reporting in the new operating structure



Business Unit Care Chemicals (CC)

Segments include Personal & Home Care, Crop Solutions, Industrial Applications, Base Chemicals, Oil Services, and Mining Solutions



Business Unit Catalysts (CA)

Segments include Propylene, Specialties, Syngas & Fuels, Ethylene, and Biofuels & Derivatives



Business Unit Adsorbents & Additives (A&A)

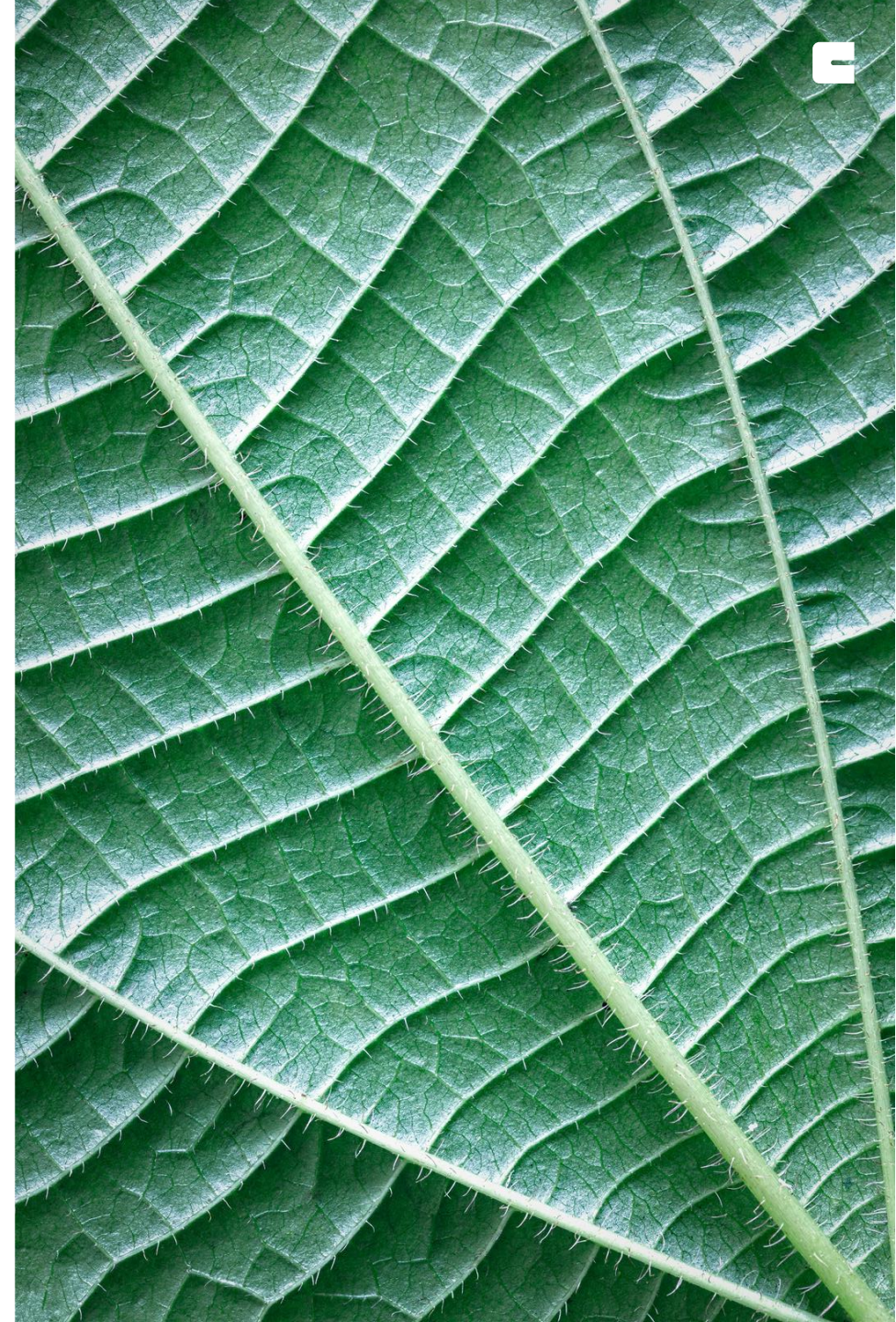
Segments include Adsorbents, Coatings & Adhesives, Plastics, and E-mobility & Electronics

Key financial figures 2022

Sales **CHF 2937 m**
19.5 % EBITDA margin

Sales **CHF 989 m**
9.4 % EBITDA margin

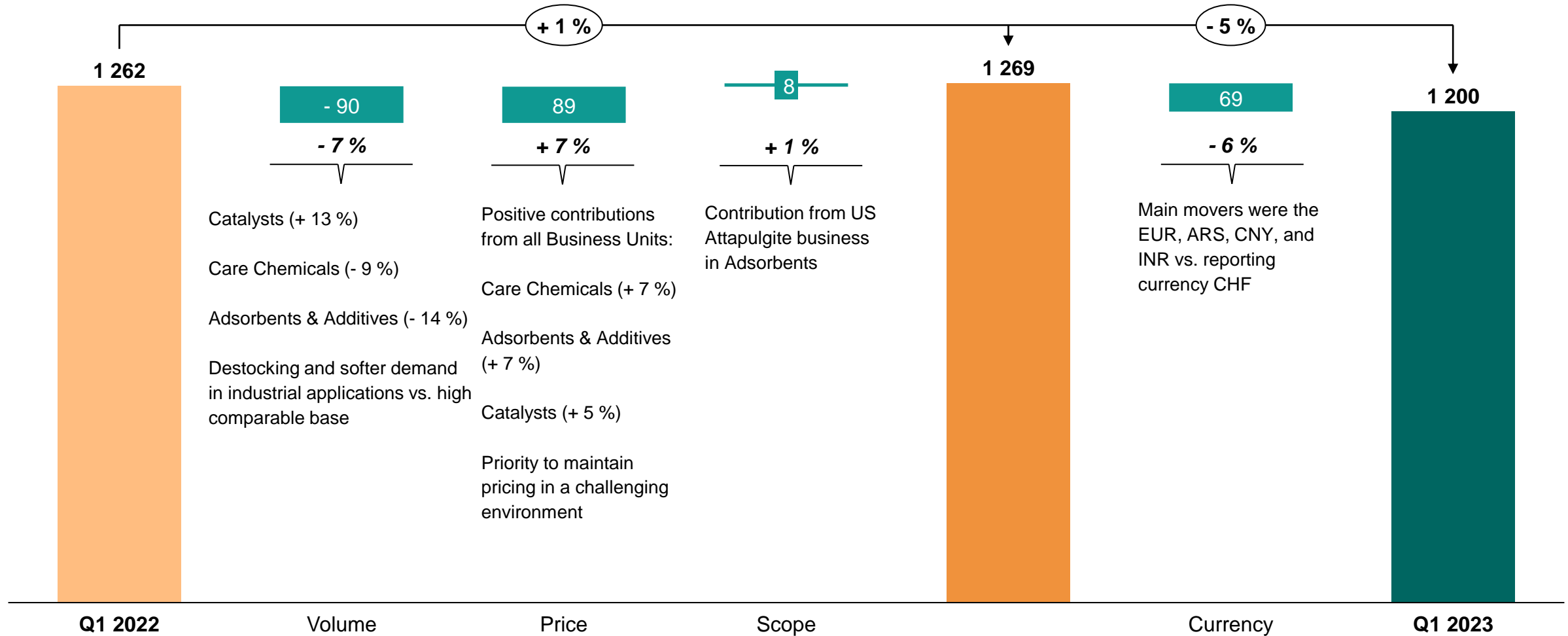
Sales **CHF 1272 m**
21.7 % EBITDA margin



Group performance



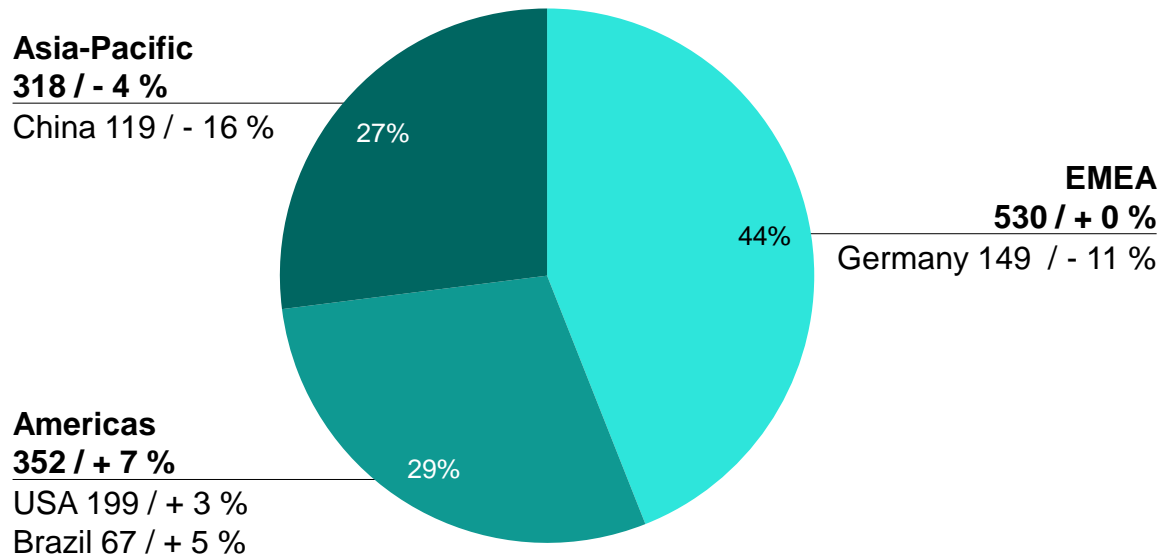
Resilient top line in challenging environment vs. high comparison base





Geographic split

Q1 sales CHF 1200 m
in CHF m, % in local currency

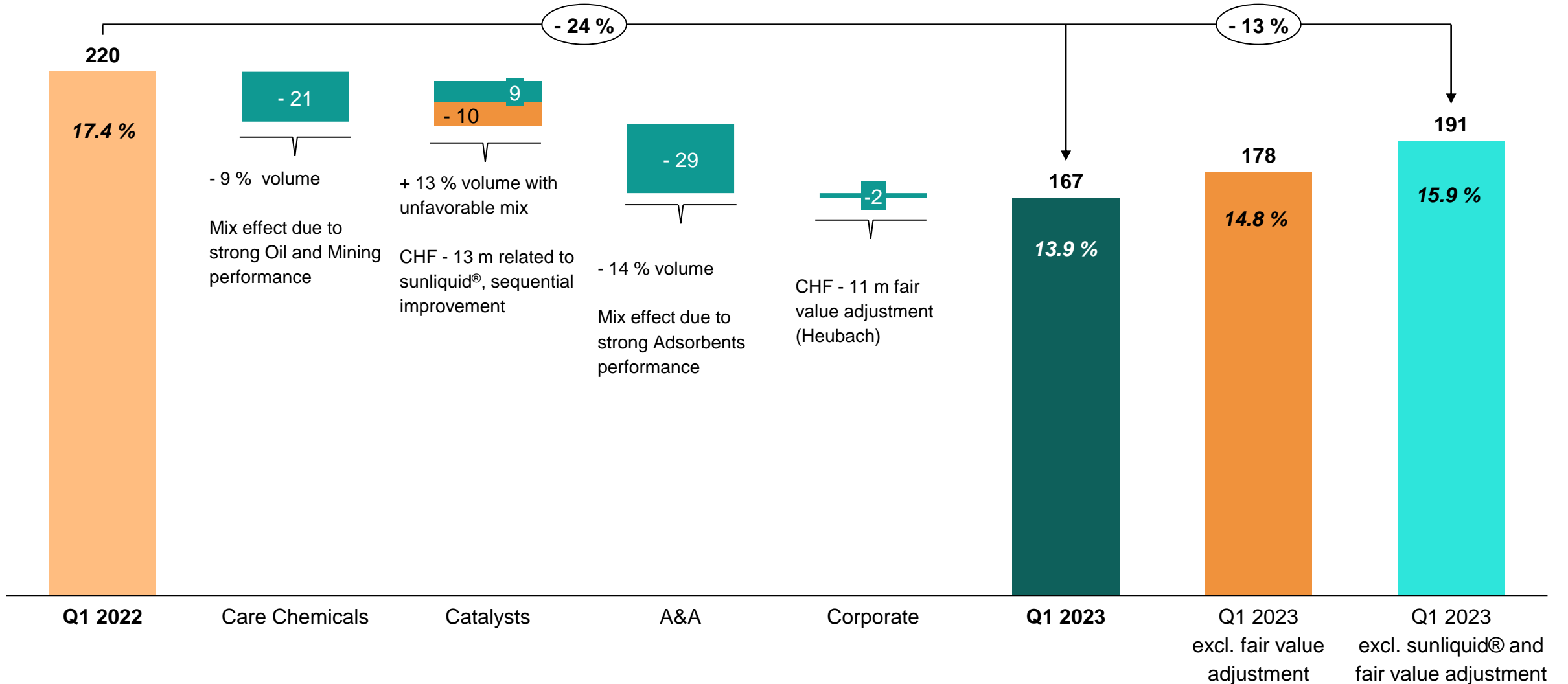


Growth in the Americas – Asia softer

- Strong growth in **Americas** due to positive pricing, growth in Brazil (all BUs), and notable improvement in Adsorbents & Additives in the US (Attapulgit integration)
- **EMEA** sales stable, growth in Catalysts (volume and price), offset by volume decline in Care Chemicals and Adsorbents & Additives (pricing positive)
- **Asia-Pacific** sales down slightly with China more pronounced, volume decline in Care Chemicals and Adsorbents & Additives, only partially offset by Catalysts growing volume and price



Profitability impacted by lower volumes, sunliquid®, and fair value adjustment



First Quarter 2023 Strategic Priorities

- **Performance programs**
 - On track to meet upgraded 2025 cost savings target of CHF 160 m by achieving CHF 93 m savings as of Q1 2023
 - CHF 8 m additional savings delivered in Q1 2023 across the performance programs in the Business Units and Corporate
- **Portfolio optimization**
 - Closing of the North American Land Oil business divestment to Dorf Ketal on 31 March 2023
 - Integration of US Attapulgitte business – first full quarter post closing (Q1: CHF 8 m sales contribution)
 - Closing of Quats divestment expected in Q2 2023
- **Further greenhouse gas emissions reduction**
 - Additional 3 % Scope 1 & 2 reduction in Q1 2023 (LTM¹) vs. FY 2022 increasing the total reduction to 13 % vs. 2019 base line
 - Additional 5 % Scope 3 reduction in Q1 2023 (LTM¹) vs. FY 2022 increasing the total reduction to 10 % vs. 2019 base line

¹ Last Twelve Months (Q2 2022 – Q1 2023)



A high-speed photograph of a water splash, showing numerous clear, spherical bubbles of various sizes rising from the surface of the water. The water is a vibrant light blue, and the background is a soft, out-of-focus white and light blue.

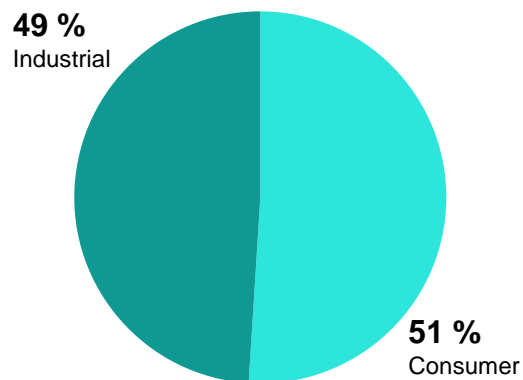
Business performance



First Quarter 2023 Care Chemicals

<i>in CHF m</i>	Q1 2023	Q1 2022	% CHF	% LC ¹
Sales	703	758	- 7	- 2
EBITDA	128	149	- 14	
EBITDA margin	18.2 %	19.7 %		
EBITDA b.e.i. ²	130	151	- 14	
<i>EBITDA b.e.i.² margin</i>	18.5 %	19.9 %		

	Q1 2023
Volumes	- 9 %
Price	+ 7 %
Currency	- 5 %
Scope	0 %



Q1 2023 highlights

- **Volume** declined versus very strong comparison base due to customer destocking, weaker demand, and supplier force majeure events that impacted US sales
- **Positive pricing** year-on-year
- **Segments:** Oil Services up significantly; less pronounced growth in Mining and Crop; Personal & Home Care decreased at mid-single-digit percentage rate, while Industrial Applications was down at mid-teen rate despite positive Aviation
- Sales declined in all regions except Latin America
- **EBITDA** impacted by lower operating leverage and business mix vs. high comparison base

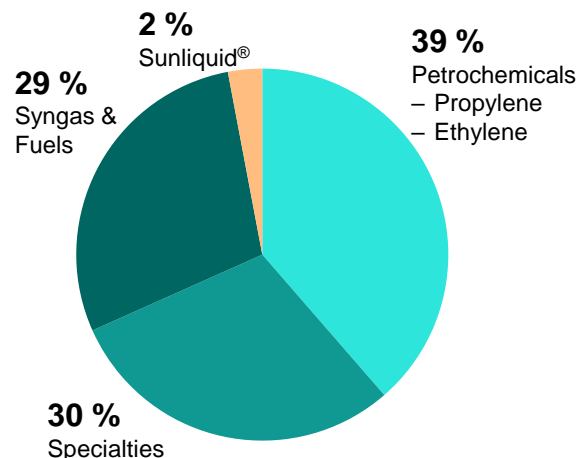
¹ local currency; ² before exceptional items



First Quarter 2023 Catalysts

<i>in CHF m</i>	Q1 2023	Q1 2022	% CHF	% LC ¹
Sales	205	185	+ 11	+ 18
EBITDA	13	14	- 7	
EBITDA margin	6.3 %	7.6 %		
EBITDA b.e.i. ²	13	14	- 7	
EBITDA b.e.i. ² margin	6.3 %	7.6 %		

	Q1 2023
Volumes	+ 13 %
Price	+ 5 %
Currency	- 7 %
Scope	0 %



Q1 2023 highlights

- **Volume** growth in almost all segments, same for **pricing**
- **Segments:** Strongest growth in Syngas & Fuels, followed by Propylene and Ethylene (Petrochemicals); Specialties up at a mid-single-digit rate from high base
- Project nature of business impacted regional dynamics; largest market Asia-Pacific clearly up due to CATOFIN®
- **EBITDA** impacted by
 - CHF 13 m negative sunliquid® effect, despite sequential improvement vs. Q4 2022
 - Less favorable product mix
- Excluding sunliquid® EBITDA at 12.9 %, 360 bps improvement vs. Q1 2022 (like-for-like)

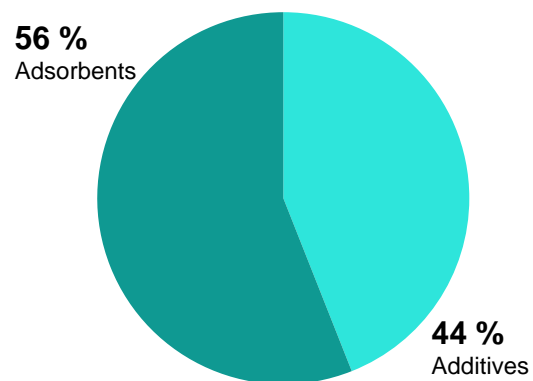
¹ local currency; ² before exceptional items



First Quarter 2023 Adsorbents & Additives

<i>in CHF m</i>	Q1 2023	Q1 2022	% CHF	% LC ¹
Sales	292	319	- 8	- 5
EBITDA	54	83	- 35	
EBITDA margin	18.5 %	26.0 %		
EBITDA b.e.i. ²	55	83	- 34	
<i>EBITDA b.e.i.² margin</i>	18.8 %	26.0 %		

	Q1 2023
Volumes	- 14 %
Price	+ 7 %
Currency	- 3 %
Scope	+ 2 %



Q1 2023 highlights

- **Volume** decline, partially compensated by **positive pricing**
- **Segments:**
 - Double-digit growth in Adsorbents (Purification and Foundry) with 2 % contribution from US Attapulгите
 - Additives down at a double-digit rate against very strong comparison base, continued destocking, and cautious demand in key end markets
- Very strong growth in the Americas (largely US Attapulгите), lower sales in Europe and Asia, notably China
- **EBITDA** lower vs. record-high prior year due to lower operating leverage, inventory revaluation delta, and business mix (Adsorbents > Additives)

¹ local currency; ² before exceptional items

Extraordinary Factors – Details

Podari update

- Negative EBITDA impact of CHF 13 m in Q1 2023
- Notable sequential improvement due to efforts to address ramp-up challenges of this first-of-a-kind technology toward achieving commercial viability
- Anticipate sequentially similar level impact in Q2 2023

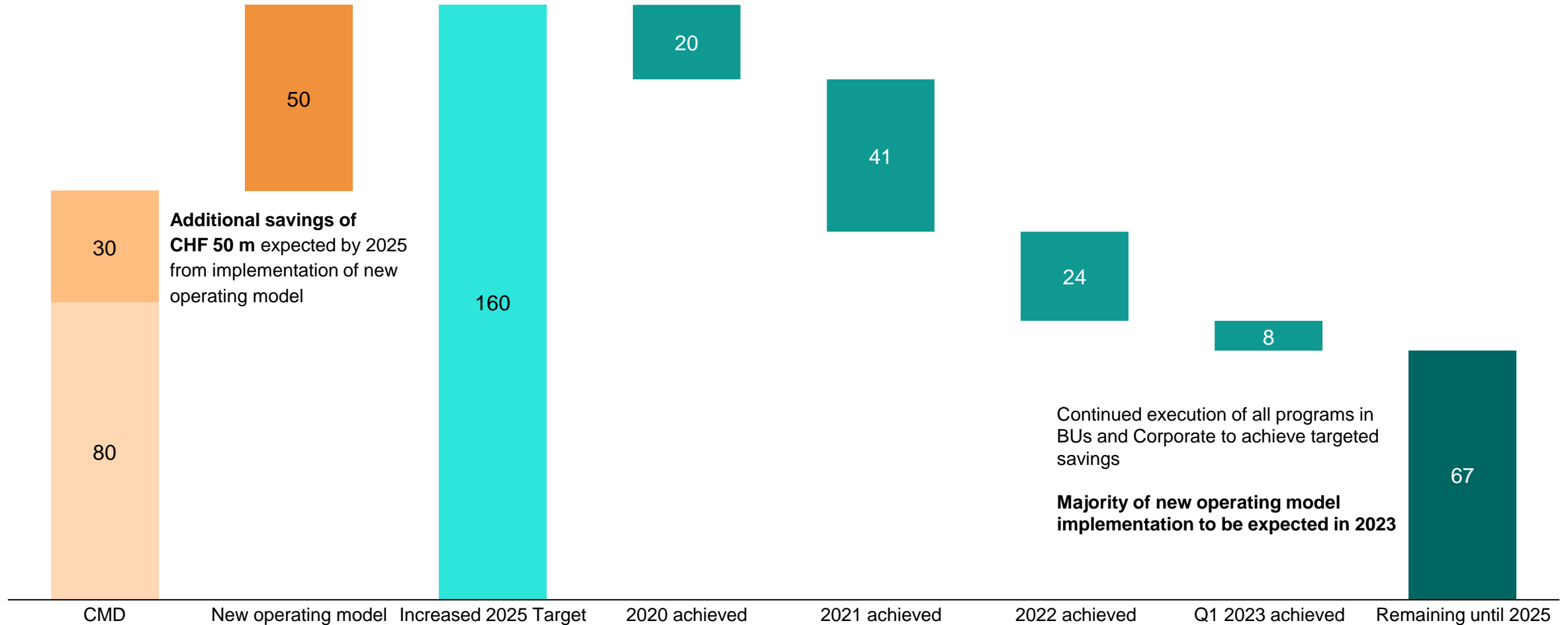
Fair value adjustment of Heubach Group participation

- Reporting method changed to a financial asset
- Change triggered the need for a fair value adjustment, resulting in a CHF 11 million one-off adjustment





On track to achieve total cost savings of CHF 160 m by 2025 – Q1 2023 delivered additional CHF 8 m savings




Outlook 2023

Outlook 2023 unchanged – macroeconomic environment challenging

2023

Sales (CHF)

 ~ 5 bn

(5.2 b in 2022)

EBITDA margin

**Slight
improvement**

(15.6 % in 2022)

Confirmed commitment towards 2025 financial targets



Profitable sales growth
(4 – 6 % CAGR)



Group EBITDA margin
between 19 – 21 %



Free cash flow conversion
of around 40 %

Internal Factors

- Maintain pricing in softer economic environment
- Execute new operating model
- Complete Quats disposal and integrate US Attapulgitte bolt-on acquisition → total top line net impact of CHF - 130 m
- Further improve sunliquid® performance
- **Adjust Capex:** reduced to CHF 250 m in 2023

External Factors

- Soft recessionary environment expected in H1 2023
- Moderation in general inflation
- Economic recovery expected in H2 2023, however uncertainties and risks remain
- China reopening
- Raw material and energy cost to remain high, potential recovery in H2 might result in an upward trend again

Appendix





First Quarter 2023 – Overview

Group

<i>in CHF m</i>	Q1 2023	Q1 2022	% CHF	% LC ¹
Sales	1 200	1 262	- 5	+ 1
EBITDA	167	220	- 24	
EBITDA margin	13.9 %	17.4 %		
EBITDA b.e.i. ²	184	238	- 23	
EBITDA b.e.i.² margin	15.3 %	18.9 %		
Sales Bridge	Price + 7 %	Volume - 7 %	Currency - 6 %	Scope + 1 %

Catalysts

<i>in CHF m</i>	Q1 2023	Q1 2022	% CHF	% LC ¹
Sales	205	185	+ 11	+ 18
EBITDA	13	14	- 7	
EBITDA margin	6.3 %	7.6 %		
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Sales Bridge	Price + 5 %	Volume + 13 %	Currency - 7 %	Scope 0 %

Care Chemicals

<i>in CHF m</i>	Q1 2023	Q1 2022	% CHF	% LC ¹
Sales	703	758	- 7	- 2
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Sales Bridge	Price + 7 %	Volume - 9 %	Currency - 5 %	Scope 0 %

Adsorbents & Additives

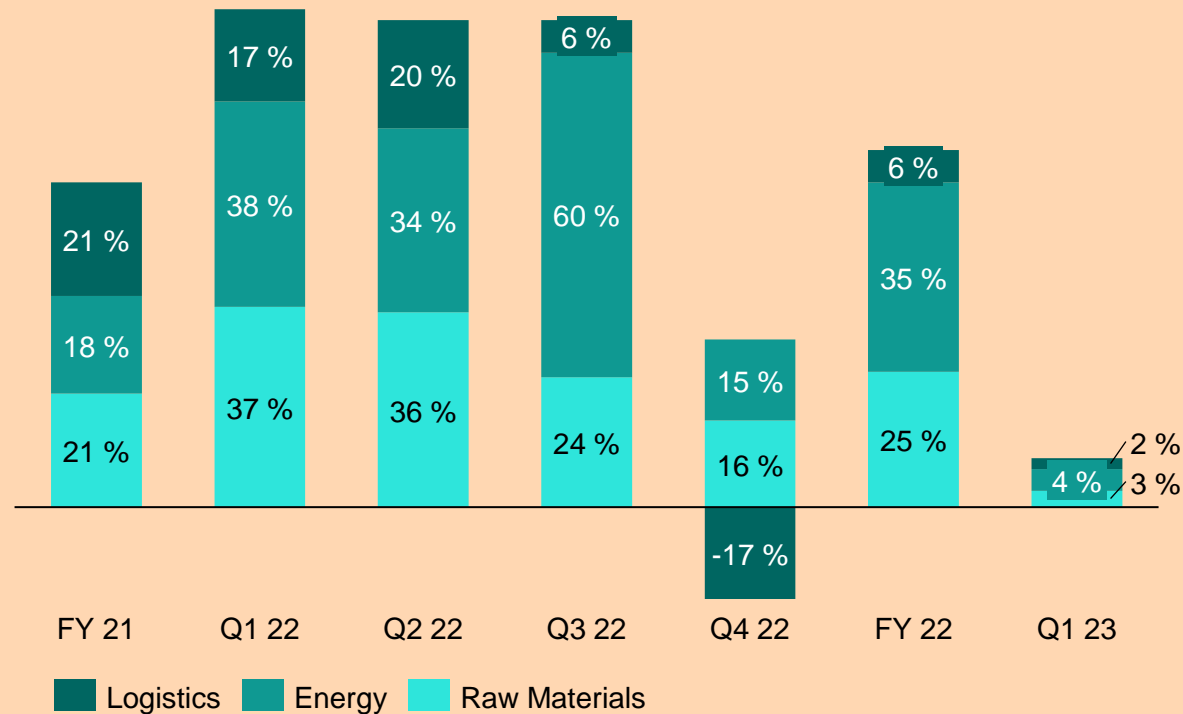
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Sales Bridge	Price + 7 %	Volume - 14 %	Currency - 3 %	Scope + 2 %

¹ local currency; ² before exceptional items



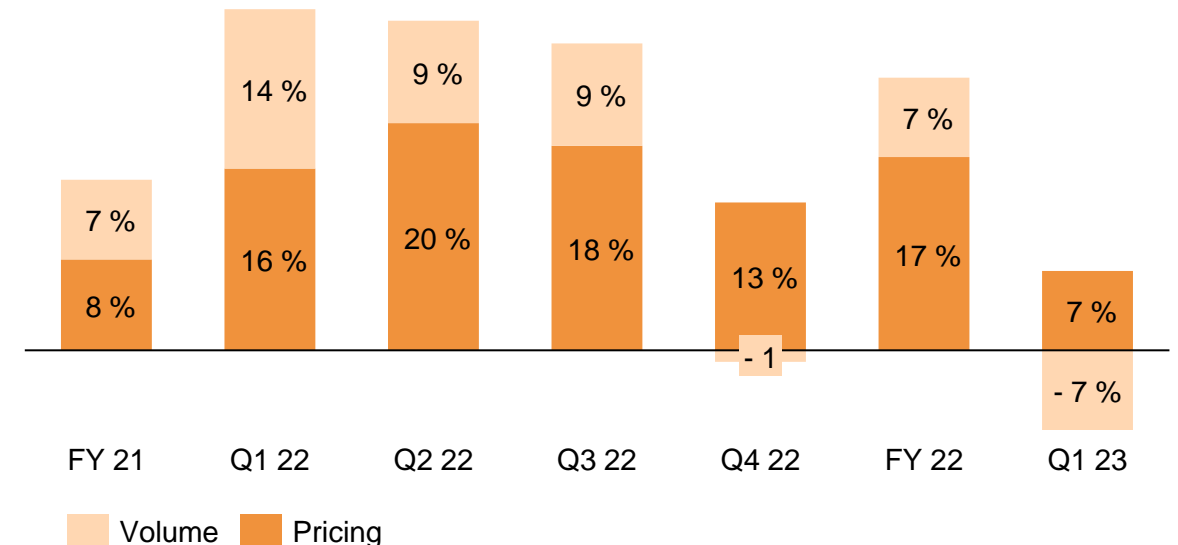
Cost dynamics – up year-on-year but mostly lower sequentially

- **Raw materials** increased year-on-year
- **Energy** up year-on-year
- **Logistics** increased year-on-year



Positive Pricing – Volumes impacted by macro environment

- Soft recessionary economic environment in Q1
- Increased **pricing** in all Business Units (sequentially + 2 %)
- **Volumes** year-on-year in CA + 13 %, CC - 9 %, and A&A - 14 %; Group structurally higher vs. strong prior year
- Continued destocking, weakened industrial application demand
- Demand trends stable on Q4 levels, volumes sequentially - 5 % (CA seasonality)



2022 – Reflecting Business Unit Structure as of 1 Jan 2023

SALES and EBITDA reported & before exceptional items (b.e.i.)

<i>in CHF m</i>	Q1 2022			Q2 2022			Q3 2022			Q4 2022			FY 2022		
	Sales	EBITDA reported	EBITDA b.e.i.	Sales	EBITDA reported	EBITDA b.e.i.	Sales	EBITDA reported	EBITDA b.e.i.	Sales	EBITDA reported	EBITDA b.e.i.	Sales	EBITDA reported	EBITDA b.e.i.
Care Chemicals¹	758	149	151	740	142	140	725	144	144	714	138	143	2 937	573	578
<i>margin</i>		19.7 %	19.9 %		19.2 %	18.9 %		19.9 %	19.9 %		19.3 %	20.0 %		19.5 %	19.7 %
Catalysts²	185	14	14	232	13	14	262	30	31	310	36	39	989	93	98
<i>margin</i>		7.6 %	7.6 %		5.6 %	6.0 %		11.5 %	11.8 %		11.6 %	12.6 %		9.4 %	9.9 %
Adsorbents & Additives³	319	83	83	329	79	80	325	79	79	299	35	39	1 272	276	281
<i>margin</i>		26.0 %	26.0 %		24.0 %	24.3 %		24.3 %	24.3 %		11.7 %	13.0 %		21.7 %	22.1 %
Business Units Total	1 262	246	248	1 301	234	234	1 312	253	254	1 323	209	221	5 198	942	957
Corporate		- 26	- 10		- 18	- 24		- 33	- 12		- 55	- 18		- 132	- 64
Total Contin. Operations	1 262	220	238	1 301	216	210	1 312	220	242	1 323	154	203	5 198	810	893
<i>margin</i>		17.4 %	18.9 %		16.6 %	16.1 %		16.8 %	18.4 %		11.6 %	15.3 %		15.6 %	17.2 %

¹ BU Care Chemicals includes former BA Care Chemicals and BU Oil & Mining Services; ² BU Catalysts unchanged from former BA Catalysis; ³ BU Adsorbents & Additives includes former BU Functional Minerals and BU Additives



Exposure to Attractive Consumer Markets of around 50 %... ...with Accelerating Demand for Sustainable Products

Sales by End Market (Q1 2023 LTM¹)

Catalysts 19 %

Other Industrial < 5 %

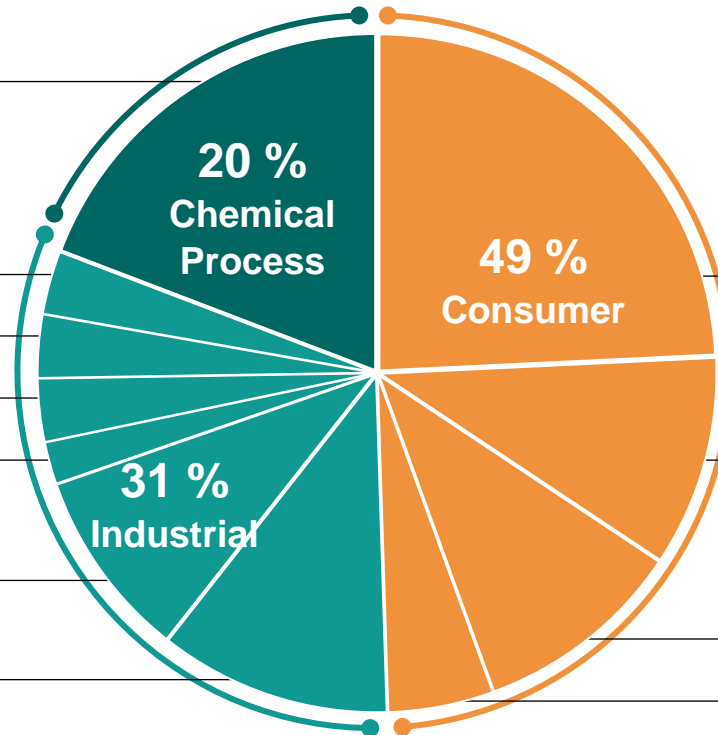
Mining < 5 %

Aviation < 5 %

Building & Construction < 5 %

Automotive < 10 %

Oil ~ 10 %



Home & Personal Care ~ 25 %

Coatings & Adhesives ~ 10 %

Agriculture & Food ~ 10 %

Electrical & Electronics < 5 %

¹ Last Twelve Months (Q2 2022 – Q1 2023)

ESG – Clariant’s Sustainability Transformation Commitment

Sustainability priorities

Fighting Climate Change

Reducing our own carbon footprint and creating value for customers with low-carbon, high-performing solutions

Zero Waste and Pollution

Eliminating waste and pollution from our operations and value chains



Social Value Creation

Creating value for our employees, in our business networks, and in society as a whole

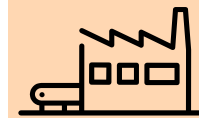
Increasing Circularity

Products and solutions that enable reducing, reusing, and recycling

Sustainable Bio-economy

Creating a sustainable bio-economy by protecting nature and maintaining high social standards

Investment in operations & portfolio



Sustainable operations

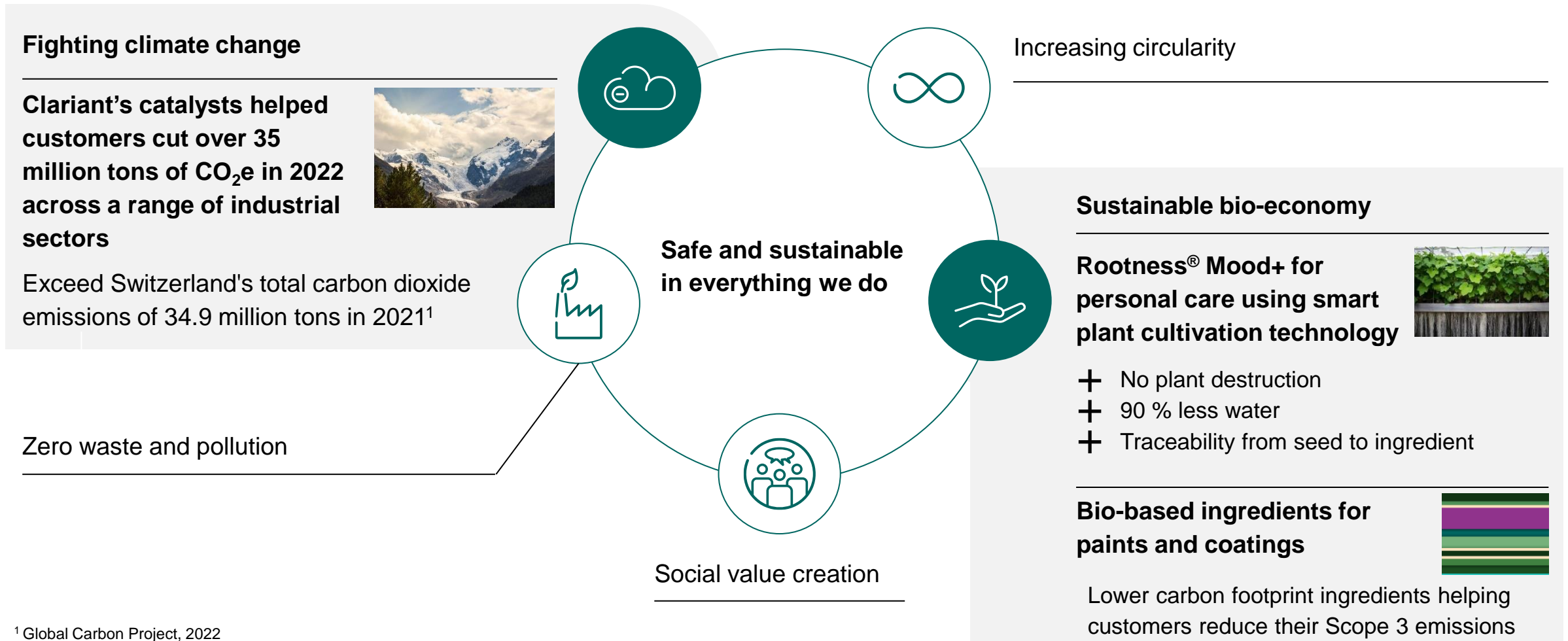
Future-proof our operations for a climate-neutral, sustainable world



Sustainability-driven portfolio change

Increase the safety and sustainability of our products and help our customers achieve their sustainability goals

ESG update – Q1 milestones: Executing the strategy to lead through sustainability and innovation across the portfolio

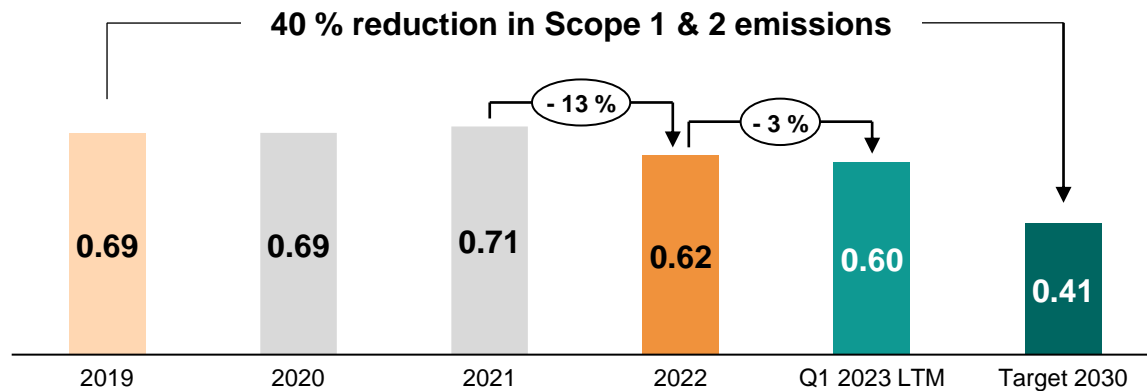


¹ Global Carbon Project, 2022



Continued advance on climate roadmap, further reducing greenhouse gas (GHG) emissions in Q1 2023 (LTM¹) on the path to 2030 target

Reducing our carbon footprint...

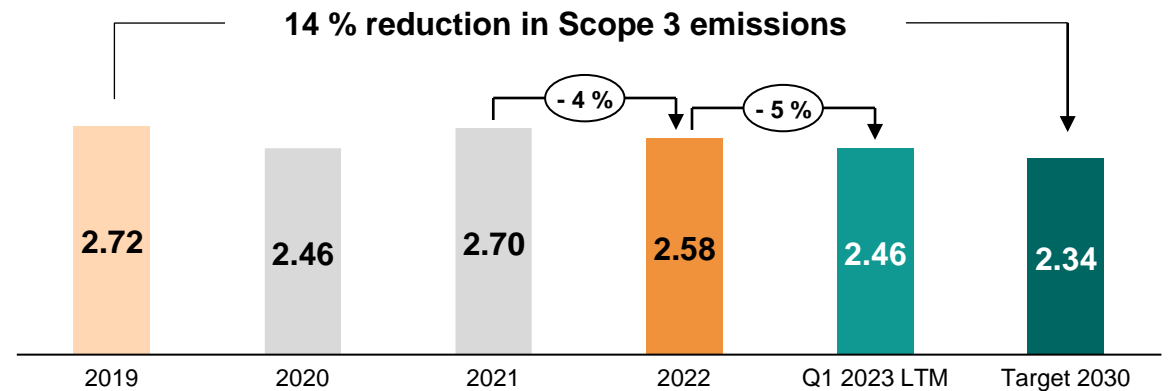


Scope 1 & 2 GHG emissions

in m tCO₂e, corresponding to - 13 % since 2019

- Clariant continues to increase the share of green electricity (Q1 2023: 56 %)
- In 2023, Clariant will further reduce the use of coal. In an Absorbents site in Indonesia, coal will be replaced by natural gas. At a site in India, steam is generated from sustainable biomass instead of coal
- FY emissions are expected to remain below last year’s level despite the inclusion of additional sites in the reported Scope 1 & 2 emissions: the acquired Attapulgitte site in the US and the bioethanol site in Romania


...and the carbon footprint of our raw materials



Scope 3 GHG emissions from purchased goods and services

in m tCO₂e, corresponding to - 10 % since 2019

- In 2022, several projects have been implemented to switch to lower-emission raw materials, thus positively impacting Q1 2023
- Q1 Scope 3 emission reduction headwind, due to lower quantities compared to Q1 2022
- 2030 target achievement will rely on broader decarbonization and increased transparency of emissions of raw material value chains

 EcoVadis Sustainability Procurement Leadership Award 2023, “Best Value Chain Engagement”

¹ Last Twelve Months (Q2 2022 – Q1 2023)

Clariant is well recognized as an industry leader by important ESG ratings and rankings

Status as of December 2022

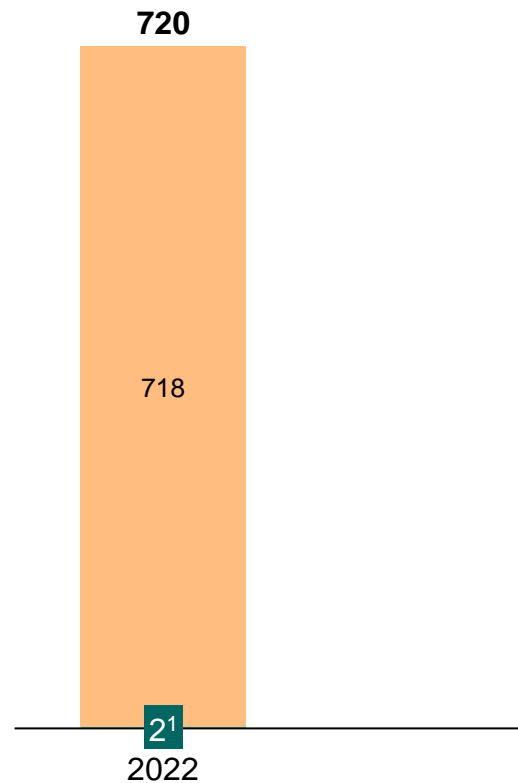
Index / Ranking / Rating	Clariant score / Percentile rank or range	Status		First year of inclusion
 Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA	72 / 96 th percentile	DJSI Europe Member, Sustainability Yearbook 2022 member	Sustainability Yearbook Member 2022 S&P Global	2012
	81 / 98 th percentile	Leader (compared to industry peers)		2016
	AA / Range: AAA to CCC	Second best score		2015
	B- / Top 10%	“Prime” status and industry leader		2013
	3.7 / 77 th percentile	Included in FTSE4 Good Index		2015
	75 / 98 th percentile	-		2012
	60/100 – “advanced”	Included in Ethibel and Euronext indices		2014
	Climate: B / Range: A to D- - Water → B- / Range: A to D- - Forests →	Above global average Forests: above global average Water: below global average		2013



Debt Maturity Profile as of 31 December 2022

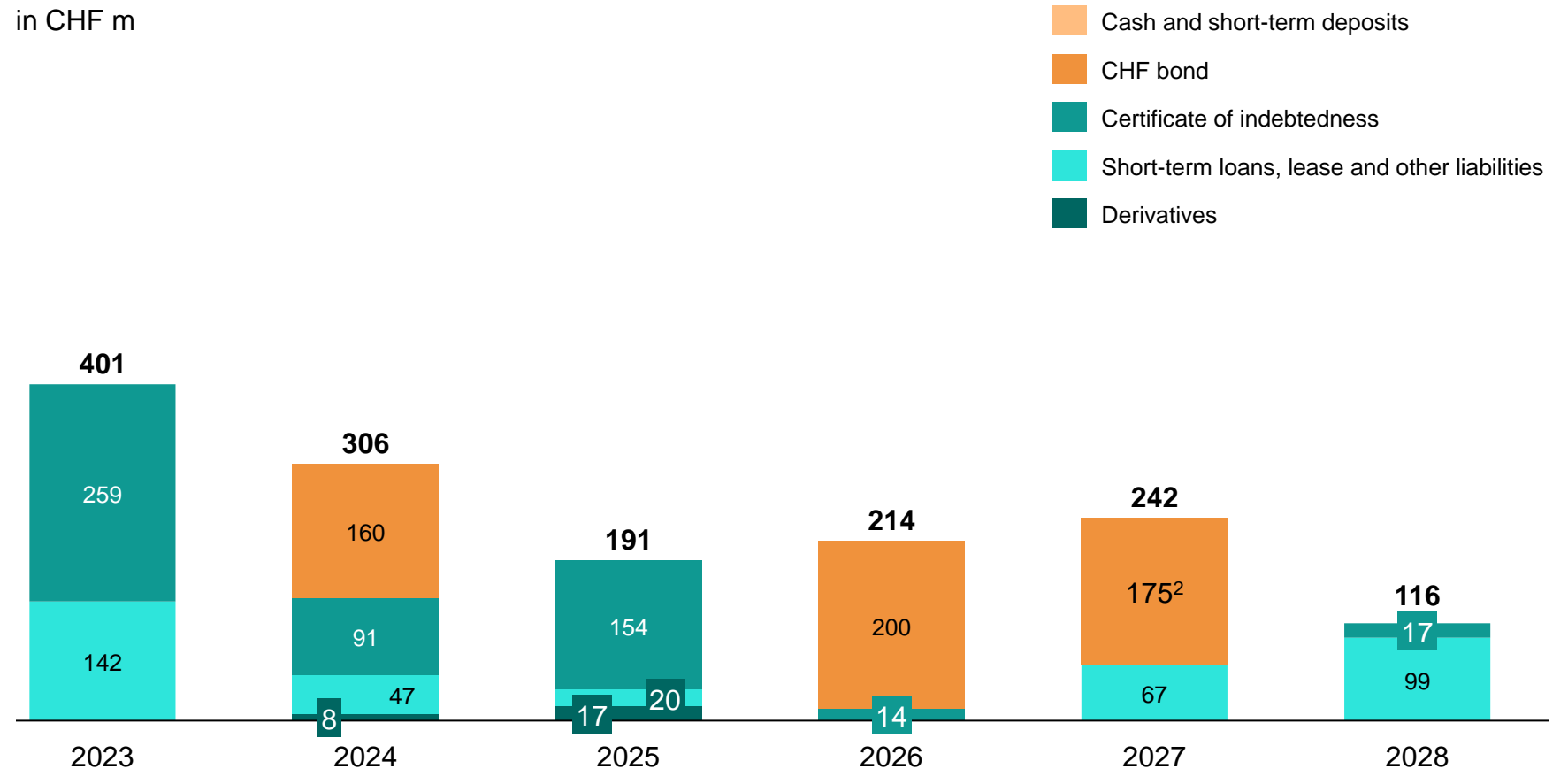
Liquidity

in CHF m



Financial debt maturities

in CHF m



¹ financial derivatives with positive fair values reported under other current assets

² Green Bond as issued under Clariant Green Financing Framework

Calendar of Upcoming Corporate Events

2023

2024

30 October 2023

Third Quarter /
Nine Month 2023
Reporting

9 April 2024

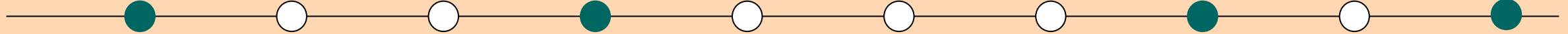
AGM 2024

28 July 2023

Second Quarter /
First Half Year 2023
Reporting

29 February 2024

Fourth Quarter /
Full Year 2023
Reporting



The Executive Leadership Team



Conrad Keijzer
Chief Executive Officer

Executive Leadership Team

Executive Steering Committee



Christian Vang
Business President
CC & Americas



Jens Cuntze
Business President
CA & APAC



Angela Cackovich
Business President
AA & EMEA



Bill Collins
Chief Financial
Officer



Tatiana Berardinelli
Chief Human
Resources Officer



Judith Bischof
General Counsel



Richard Haldimann
Chief Technology &
Sustainability Officer



Chris Hansen
Chief Corp.
Development Officer

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THIJS BOUWENS

Investor Relations Officer

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Email: investor-relations@clariant.com

Thank you