Disclaimer: This presentation contains “forward-looking statements” within the meaning of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such statements generally include the words “will,” “plans,” “intends,” “targets,” “expects,” “outlook,” or similar expressions. Forward-looking statements may include, without limitation, expected financial positions, results of operations and cash flows; financing plans; business strategies and expectations; operating plans; impact of COVID-19; capital and other expenditures; competitive positions; growth opportunities for existing products; benefits from new technology and cost-reduction initiatives, plans and objectives; markets for securities and expected future repurchases of shares, including statements about the manner, amount and timing of repurchases. Actual results could differ materially from the views expressed. Factors that could cause actual results to materially differ from those contained in the forward-looking statements, or that could cause other forward-looking statements to prove incorrect, include, without limitation, adverse effects from the COVID-19 pandemic; adverse effects of general economic and financial conditions; risks related to international sales and operations; impacts of currency exchange rates and currency devaluation; compliance with U.S. and foreign regulations concerning our operations; changes in trade policy, including the imposition of tariffs; adverse conditions in the global automotive market or adoption of alternative and new technologies; competition from producers of alternative products and new technologies, and new or emerging competitors; competition from infringing intellectual property activity; worldwide air quality standards; a decrease in government infrastructure spending; the impact of adverse conditions in cyclical end markets on demand for engineered polymers products; declining volumes and downward pricing in the printing inks market; the limited supply of or lack of access to sufficient crude tall oil; a prolonged period of low energy prices; the impact of the United Kingdom’s withdrawal from the European Union; exposure to unknown or understated liabilities from the acquisition of the Perstorp Holding AB’s Capa® caprolactone business; the provision of services by third parties at several facilities; supply chain disruptions; natural disasters, such as hurricanes, winter or tropical storms, earthquakes, tornados, floods, fires; other unanticipated problems such as labor difficulties, equipment failure or unscheduled maintenance and repair; attracting and retaining key personnel; protection of intellectual property and proprietary information; information technology security breaches and other disruptions; complications with designing and implementing our new enterprise resource planning system; government policies and regulations, including, but not limited to, those affecting the environment, climate change, tax policies, tariffs and the chemicals industry; and lawsuits arising out of environmental damage or personal injuries associated with chemical or other manufacturing processes and the other factors detailed from time to time in the reports we file with the SEC, including those described under “Risk Factors” in our Annual Report on Form 10-K, our Form 10-Q for the quarter ended March 31, 2021, and other periodic filings. These forward-looking statements speak only as of the date of this presentation. Ingevity assumes no obligation to provide any revisions to, or update, any projections and forward-looking statements contained in this presentation.

Non-GAAP financial measures: This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided within the Appendix to this presentation. Investors are urged to consider carefully the comparable GAAP measures and the reconciliations to those measures provided.
Today’s Agenda

1. Second Quarter Highlights
2. Segment Performance
3. A Look Back at Q2 2019
4. Financial Review
5. Revised Guidance
6. Q&A
Second Quarter 2021 Results

Performance Highlights

- Strong Q2 results driven by higher volumes and supported by price increases across both segments

- Sales up 32.4% due to:
  - Robust activated carbon growth as Q2 2020 was impacted by North America and Europe automotive shutdowns; tempered by continued impact of the microchip shortage
  - Strong growth in Engineered Polymers and Industrial Specialties
  - Excellent start to paving season

- Adjusted EBITDA up 75.1% and adjusted EBITDA margin up 800 bps to 32.8%
  - EBITDA improvement driven by volume, price/mix, favorable plant throughput and foreign exchange
  - Higher Q2 SG&A due primarily to labor-related expenses

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2020</th>
<th>vs Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>358.4</td>
<td>270.6</td>
<td>87.8</td>
</tr>
<tr>
<td>Adj. EBITDA (1)</td>
<td>117.7</td>
<td>67.2</td>
<td>50.5</td>
</tr>
<tr>
<td>Adj. EBITDA Margin (1)</td>
<td>32.8%</td>
<td>24.8%</td>
<td>+800 bps</td>
</tr>
</tbody>
</table>

Please see appendices included at the end of this presentation for Ingevity’s use of non-GAAP financial measures, definitions of those financial measures as well as the reconciliation to the nearest GAAP financial measure.

(1) SG&A includes Research & Technical expense.
**Performance Highlights**

- **Sales of $126 million; up 49.3%**
  - Strong sales of our automotive activated carbon products used in gasoline vapor emissions control; Q2 2020 affected by shutdowns in N. America and Europe
  - Microchip shortage continues to affect the industry globally; estimated $17 - $23 million impact to Ingevity’s Q2 2021 sales
    - China Q2 light vehicle production declined 4.9% versus prior year Q2
    - Excluding Q2 2020 pandemic levels, N. America Q2 vehicle production is at its lowest level since Q3 2011
    - N. America production at favorable Q2 ratio of 80% trucks to 20% sedans
    - June U.S. light vehicle inventories are down 2.5 million vehicles compared to June 2019’s pre-pandemic level
- **Segment EBITDA of $61 million; up 163.1%**
  - Driven by volume increases positively impacting sales and plant throughput
  - Successfully completed planned outage in Covington, Virginia

**DID YOU KNOW...**
Ingevity estimates that the gasoline emissions captured and recovered globally using our activated carbon results in a savings of ~40 million tons of CO₂ every year.

---

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2020</th>
<th>vs Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>126.0</td>
<td>84.4</td>
<td>41.6</td>
</tr>
<tr>
<td><strong>Segment EBITDA</strong></td>
<td>61.3</td>
<td>23.3</td>
<td>38.0</td>
</tr>
<tr>
<td><strong>Margin</strong></td>
<td>48.7%</td>
<td>27.6%</td>
<td>+2,110 bps</td>
</tr>
</tbody>
</table>

---

**Q2 Segment EBITDA**

- **Segment EBITDA**
  - $23.3
  - **Volume**
  - **Price/Mix**
  - **COGS**
  - **SG&A(1)**
  - **FX/Other**
  - **Q2 2021**

---

(1) SG&A includes research & technical expenses
(2) China Association of Automobile Manufacturers data
(3) Wards Automotive data
(4) Calculation based on data from Innovation Origins 2020 CO₂ data
Performance Chemicals

Performance Highlights

- **Sales of $232.4 million; up 24.8%**
  - **Pavement Technologies:** Sales up 5.9% in record Q2 and H1 of the year; growth in cold recycling technology adoption
  - **Industrial Specialties:** Sales up significantly driven by strengthening lubricants, adhesives and dispersants markets; implemented further price increases for TOR and TOFA products
  - **Engineered Polymers:** Strong increase in sales due to higher global demand in automotive, footwear and apparel, and industrial equipment applications

- **Segment EBITDA of $56.4 million up 28.5%**
  - Higher volumes and improved price/mix; strong sales of higher-margin technologies
  - Partially offset by elevated costs for raw materials, logistics and SG&A
  - Successfully completed planned outages in DeRidder, Louisiana, and Warrington, U.K.

DID YOU KNOW...

Ingevity estimates that a 1% increase in road compaction with the use of our Evotherm warm mix asphalt technology can extend road life by 10% (2)

---

<table>
<thead>
<tr>
<th>$ in millions</th>
<th>Q2 2021</th>
<th>Q2 2020</th>
<th>vs Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>232.4</td>
<td>186.2</td>
<td>46.2</td>
</tr>
<tr>
<td>Pavement Technologies</td>
<td>67.7</td>
<td>63.9</td>
<td>3.8</td>
</tr>
<tr>
<td>Industrial Specialties</td>
<td>120.1</td>
<td>90.7</td>
<td>29.4</td>
</tr>
<tr>
<td>Engineered Polymers</td>
<td>44.6</td>
<td>31.6</td>
<td>13.0</td>
</tr>
<tr>
<td><strong>Segment EBITDA</strong></td>
<td>56.4</td>
<td>43.9</td>
<td>12.5</td>
</tr>
</tbody>
</table>

**Segment EBITDA Margin**

- 24.3% vs 23.6% (+70 bps)

---

(1) SG&A includes research & technical expenses.
(2) Calculation based on 2016 Federal Highway Administration data
A Look Back at Q2 2019

Performance Highlights

- Sales in the quarter above pre-pandemic results in Q2 2019 largely due to improved price/mix
  - **Performance Materials**: Strong price improvement; weathering the negative impact of global microchip shortage
  - **Performance Chemicals**: Consistent growth in pavement through cyclical downturns
  - **Industrial Specialties**: Significant declines in oilfield chemicals and publication inks partially offset by growth in lubricants and dispersants
  - **Engineered Polymers**: Up on volume and price/mix; strong rebound after extended period of softness in industrial markets
- Adjusted EBITDA up 8.7% and adjusted EBITDA margin up 210 bps
  - Driven by improved price/mix and foreign exchange

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2019</th>
<th>▲ vs Q2 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>358.4</td>
<td>352.8</td>
<td>5.6</td>
</tr>
<tr>
<td><strong>Performance Materials</strong></td>
<td>126.0</td>
<td>123.1</td>
<td>2.9</td>
</tr>
<tr>
<td><strong>Performance Chemicals</strong></td>
<td>232.4</td>
<td>229.7</td>
<td>2.7</td>
</tr>
<tr>
<td>Pavement Technologies</td>
<td>67.7</td>
<td>64.6</td>
<td>3.1</td>
</tr>
<tr>
<td>Industrial Specialties</td>
<td>120.1</td>
<td>130.8</td>
<td>(10.7)</td>
</tr>
<tr>
<td>Engineered Polymers</td>
<td>44.6</td>
<td>34.3</td>
<td>10.3</td>
</tr>
<tr>
<td><strong>Adj. EBITDA (1)</strong></td>
<td>117.7</td>
<td>108.3</td>
<td>9.4</td>
</tr>
<tr>
<td><strong>Adj. EBITDA Margin</strong></td>
<td>32.8%</td>
<td>30.7%</td>
<td>+210 bps</td>
</tr>
</tbody>
</table>

(1) Please see appendices included at the end of this presentation for Ingevity's use of non-GAAP financial measures, definitions of those financial measures as well as the reconciliation to the nearest GAAP financial measure.
(2) SG&A includes Research & Technical expense.
## Second Quarter 2021 Financial Summary

<table>
<thead>
<tr>
<th>$ in millions except EPS</th>
<th>Q2 2021</th>
<th>Q2 2020</th>
<th>vs PY Δ%</th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>vs PY Δ%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated Income Statement:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net sales</td>
<td>$358.4</td>
<td>$270.6</td>
<td>32.4%</td>
<td>$678.7</td>
<td>$558.8</td>
<td>21.5%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>$139.8</td>
<td>$83.9</td>
<td>66.6%</td>
<td>$266.0</td>
<td>$198.5</td>
<td>34.0%</td>
</tr>
<tr>
<td>% margin</td>
<td>39.0%</td>
<td>31.0%</td>
<td>+800 bps</td>
<td>39.2%</td>
<td>35.5%</td>
<td>+370 bps</td>
</tr>
<tr>
<td>Core SG&amp;A (non-GAAP) (1)</td>
<td>$36.6</td>
<td>$26.6</td>
<td>37.6%</td>
<td>$65.8</td>
<td>$57.1</td>
<td>15.2%</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>10.9</td>
<td>7.9</td>
<td>38.0%</td>
<td>21.7</td>
<td>15.9</td>
<td>36.5%</td>
</tr>
<tr>
<td>Total selling, general &amp; admin expense (GAAP)</td>
<td>$47.5</td>
<td>$34.5</td>
<td>37.7%</td>
<td>$87.5</td>
<td>$73.0</td>
<td>19.9%</td>
</tr>
<tr>
<td>% of net sales - total SG&amp;A (GAAP)</td>
<td>13.3%</td>
<td>12.7%</td>
<td>+60 bps</td>
<td>12.9%</td>
<td>13.1%</td>
<td>-20 bps</td>
</tr>
<tr>
<td>% of net sales - core SG&amp;A (non-GAAP) (1)</td>
<td>10.2%</td>
<td>9.8%</td>
<td>+40 bps</td>
<td>9.7%</td>
<td>10.2%</td>
<td>-50 bps</td>
</tr>
<tr>
<td>Adjusted EBITDA (non-GAAP) (1)</td>
<td>$117.7</td>
<td>$67.2</td>
<td>75.1%</td>
<td>$223.1</td>
<td>$159.4</td>
<td>40.0%</td>
</tr>
<tr>
<td>% margin (non-GAAP) (1)</td>
<td>32.8%</td>
<td>24.8%</td>
<td>+800 bps</td>
<td>32.9%</td>
<td>28.5%</td>
<td>+440 bps</td>
</tr>
<tr>
<td>Interest expense, net Provision (benefit) for income taxes on adjusted earnings (non-GAAP) (1)</td>
<td>$12.2</td>
<td>$10.0</td>
<td>22.0%</td>
<td>$24.6</td>
<td>$20.9</td>
<td>17.7%</td>
</tr>
<tr>
<td>Adjusted earnings (loss) (non-GAAP) (1)</td>
<td>$62.3</td>
<td>$26.1</td>
<td>138.7%</td>
<td>$114.2</td>
<td>$73.3</td>
<td>55.8%</td>
</tr>
<tr>
<td>Diluted adjusted EPS (non-GAAP) (1)</td>
<td>$1.55</td>
<td>$0.63</td>
<td>146.0%</td>
<td>$2.82</td>
<td>$1.76</td>
<td>60.2%</td>
</tr>
</tbody>
</table>

(1) Please see appendices included at the end of this presentation for Ingevity’s use of non-GAAP financial measures, definitions of those financial measures as well as the reconciliation to the nearest GAAP financial measure.
### Highlights

**Free cash flow (FCF)**
- Strong FCF of $42 million driven by higher Q2 earnings partially offset by seasonal working capital build

**Trade working capital**
- Increased accounts receivable and inventory to support strong sales

**Net debt ratio**
- Reduced to 2.1x, well within our 2.0x-2.5x target
- Bank leverage metrics of 2.6x (gross) and 2.2x (adj. net) are well below 4.0x covenant max

**Capital allocation**
- $29 million of share repurchases in Q2 at an average price of $80.50
- Year to date, $68 million of share repurchases (884k shares) at an average price of $77.00

### Second Quarter 2021 Financial Metrics

#### Free cash flow

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ in millions</td>
<td>71</td>
<td>122</td>
<td>158</td>
<td>161</td>
<td>122</td>
<td>42</td>
</tr>
<tr>
<td>Q1</td>
<td>73</td>
<td>41</td>
<td>34</td>
<td>182</td>
<td>34</td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>162</td>
<td>177</td>
<td>217</td>
<td>263</td>
<td>233</td>
<td>276</td>
</tr>
</tbody>
</table>

#### Trade working capital % of sales (1)

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>18%</td>
<td>18%</td>
<td>19%</td>
<td>19%</td>
<td>19%</td>
<td>21%</td>
</tr>
</tbody>
</table>

#### Net debt ratio (2)

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>x</td>
<td>1.9x</td>
<td>1.1x</td>
<td>1.6x</td>
<td>2.8x</td>
<td>2.5x</td>
<td>2.4x</td>
</tr>
</tbody>
</table>

#### Capital allocation

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ in millions</td>
<td>57</td>
<td>53</td>
<td>73</td>
<td>38</td>
<td>94</td>
<td>115</td>
</tr>
</tbody>
</table>

(1) See appendix for Non GAAP reconciliation.
(2) Metrics presented are as of and for the six months ended June 30, 2021.
2021 Revised Guidance
($M)

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2019 Actual</th>
<th>FY 2020 Actual</th>
<th>Q1 FY21 Guidance</th>
<th>Q2 Revised FY21 Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$1,293</td>
<td>$1,216</td>
<td>$1,275 - $1,325</td>
<td>$1,320 - $1,360</td>
</tr>
<tr>
<td>Adjusted EBITDA (1)</td>
<td>$397</td>
<td>$398</td>
<td>$410 - $430</td>
<td>$425 - $440</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>$115</td>
<td>$82</td>
<td>$100 - 120</td>
<td>$100 - 120</td>
</tr>
<tr>
<td>Free cash flow (1)</td>
<td>$161</td>
<td>$270</td>
<td>≥$200</td>
<td>≥$200</td>
</tr>
<tr>
<td>Net debt ratio (1)</td>
<td>2.8x</td>
<td>2.5x</td>
<td>2.0 - 2.5x</td>
<td>2.0 - 2.5x</td>
</tr>
</tbody>
</table>

Headwinds
- Ongoing logistics challenges related to availability and rising costs
- Raw materials inflation
- Automotive sector input disruptions persist in second half 2021

Tailwinds
- Continued robust demand for Engineered Polymers, Pavement Technologies and certain Industrial Specialties applications
- Continued favorable pricing conditions to offset higher raw materials costs
- Pent up demand in automotive expected to drive NGVT volumes in 2022+

Guiding assumptions

Lower vehicle production levels will correct and remain steady, driving NGVT volume

<table>
<thead>
<tr>
<th>Year</th>
<th>Global light vehicle production</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Vehicles (millions)</td>
</tr>
<tr>
<td>2019A</td>
<td>89.0</td>
</tr>
<tr>
<td>2020A</td>
<td>74.6 (+16%)</td>
</tr>
<tr>
<td>2021F</td>
<td>82.0 (+10%)</td>
</tr>
<tr>
<td>2022F</td>
<td>90.7 (+11%)</td>
</tr>
</tbody>
</table>

(1) Please see appendices included at the end of this presentation for Ingevity’s use of non-GAAP financial measures, definitions of those financial measures as well as the reconciliation to the nearest GAAP financial measure.
For More Information

Investors
Bill Hamilton
(843) 740-2138

Media
Caroline Monahan
(843) 740-2068

Thank you for your interest in Ingevity.
Appendix
Non-GAAP Financial Measures

Ingevity has presented certain financial measures, defined below, which have not been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and has provided a reconciliation to the most directly comparable financial measure calculated in accordance with GAAP. These financial measures are not meant to be considered in isolation or as a substitute for the most directly comparable financial measure calculated in accordance with GAAP. The company believes these non-GAAP measures provide investors, potential investors, securities analysts and others with useful information to evaluate the performance of the business, because such measures, when viewed together with our financial results computed in accordance with GAAP, provide a more complete understanding of the factors and trends affecting our historical financial performance and projected future results.

Ingevity uses the following non-GAAP measures:

- **Adjusted earnings (loss)** is defined as net income (loss) plus restructuring and other (income) charges, net, acquisition and other-related costs, pension and postretirement settlement and curtailment (income) charges and the income tax expense (benefit) on those items, less the provision (benefit) from certain discrete tax items.
- **Diluted adjusted earnings (loss)** per share is defined as diluted earnings (loss) per common share plus restructuring and other (income) charges, net per share, acquisition and other-related costs per share, and postretirement settlement and curtailment (income) charges per share and the income tax expense (benefit) per share on those items, less the per share tax provision (benefit) from certain discrete tax items per share.
- **Adjusted EBITDA** is defined as net income (loss) plus provision (benefit) for income taxes, interest expense, depreciation and amortization, restructuring and other (income) charges, net, acquisition and other-related costs, and pension and postretirement settlement and curtailment (income) charges.
- **Adjusted EBITDA Margin** is defined as Adjusted EBITDA divided by Net sales.
- **Adjusted earnings (loss) before income taxes** is defined as Adjusted EBITDA less depreciation and amortization and interest expense, net.
- **Provision (benefit) for Income Taxes on Adjusted earnings (loss)** is defined as provision for income taxes plus the tax expense (benefit) on restructuring and other (income) charges, net, acquisition and other-related costs, pension and postretirement settlement and curtailment (income) charges, less the provision (benefit) from certain discrete tax items.
- **Adjusted Tax Rate** is defined as the Provision (benefit) for Income taxes on Adjusted earnings (loss) divided by Adjusted earnings (loss) before income taxes.
- **Core SG&A** is defined as selling, general, and administrative costs less depreciation and amortization.
- **Core SG&A as a Percent of Sales** is defined as Core SG&A divided by Net sales.
- **Net Debt** is defined as the sum of short-term debt, current maturities of long-term debt and long-term debt less the sum of cash and cash equivalents and restricted investment.
- **Net Debt Ratio** is defined as Net Debt divided by last twelve months Adjusted EBITDA, inclusive of acquisition-related pro forma adjustments.
- **Free Cash Flow** is defined as the sum of cash provided by (used in) the following items: operating activities less capital expenditures.

Ingevity also uses the above financial measures as the primary measures of profitability used by managers of the business. In addition, Ingevity believes Adjusted EBITDA and Adjusted EBITDA Margin are useful measures because they exclude the effects of financing and investment activities as well as non-operating activities. None of the above non-GAAP financial measures are intended to replace the presentation of financial results in accordance with GAAP and investors should consider the limitations associated with these non-GAAP measures, including the potential lack of comparability of these measures from one company to another. Reconciliations of these non-GAAP financial measures are set forth within the following pages.

A reconciliation of net income to adjusted EBITDA as projected for 2021 is not provided. Ingevity does not forecast net income as it cannot, without unreasonable effort, estimate or predict with certainty various components of net income. These components, net of tax, include further restructuring and other income (charges), net; additional acquisition and other related costs in connection with the acquisition of PERSTORP Holding AB's Capa caprolactone business; additional pension and postretirement settlement and curtailment (income) charges; and revisions due to future legislative tax rate changes. Additionally, discrete tax items could drive variability in our projected effective tax rate. All of these components could significantly impact such financial measures. Further, in the future, other items with similar characteristics to those currently included in adjusted EBITDA, that have a similar impact on comparability of periods, and which are not known at this time, may exist and impact adjusted EBITDA. A reconciliation of our GAAP effective tax rate to adjusted tax rate as projected for 2021 is not provided due to the same reasons as listed under the net income to adjusted EBITDA as projected for 2021 detailed above. A reconciliation of our total debt to net income ratio to our net debt ratio as projected for 2021 is not provided as we do not forecast net income as noted above.
### Reconciliation of Net Income (Loss) (GAAP) to Adjusted Earnings (Loss) (Non-GAAP)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended June 30,</th>
<th>Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td><strong>Net income (loss) (GAAP)</strong></td>
<td>44.3</td>
<td>20.2</td>
</tr>
<tr>
<td><strong>Restructuring and other (income) charges (1)</strong></td>
<td>4.3</td>
<td>7.3</td>
</tr>
<tr>
<td><strong>Acquisition and other related costs (2)</strong></td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Tax effect on items above</strong></td>
<td>(1.1)</td>
<td>(1.8)</td>
</tr>
<tr>
<td><strong>Certain discrete tax provision (benefit) (3)</strong></td>
<td>14.4</td>
<td>—</td>
</tr>
<tr>
<td><strong>Adjusted earnings (loss) (Non-GAAP)</strong></td>
<td>62.3</td>
<td>26.1</td>
</tr>
<tr>
<td><strong>Diluted earnings (loss) per common share (GAAP)</strong></td>
<td>1.10</td>
<td>0.49</td>
</tr>
<tr>
<td><strong>Restructuring and other (income) charges</strong></td>
<td>0.11</td>
<td>0.17</td>
</tr>
<tr>
<td><strong>Acquisition and other related costs</strong></td>
<td>0.01</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Tax effect on items above</strong></td>
<td>(0.03)</td>
<td>(0.04)</td>
</tr>
<tr>
<td><strong>Certain discrete tax provision (benefit)</strong></td>
<td>0.36</td>
<td>—</td>
</tr>
<tr>
<td><strong>Diluted adjusted earnings (loss) per share (Non-GAAP)</strong></td>
<td>1.55</td>
<td>0.63</td>
</tr>
<tr>
<td><strong>Weighted average common shares outstanding - Diluted</strong></td>
<td>40.3</td>
<td>41.4</td>
</tr>
</tbody>
</table>

(1) Income (charges) for all periods presented relate to restructuring activity and costs associated with the business transformation initiative. For the three and six months ended June 30, 2021, charges of $1.7 million and $3.4 million relate to the Performance Materials segment and charges of $2.6 million and $4.8 million relate to the Performance Chemicals segment, respectively. For the three and six months ended June 30, 2020, charges of $2.7 million and $4.6 million relate to the Performance Materials segment and charges of $2.9 million and $4.9 million relate to the Performance Chemicals segment, respectively.

(2) For the three and six months ended June 30, 2021, charges of $0.2 million and $0.2 million relate to the acquisition of a strategic investment in the Performance Materials segment and charges of $0.2 million and $0.5 million relate to the integration of the Perstorp Capa business into our Performance Chemicals segment, respectively. For the three and six months ended June 30, 2020, all charges relate to the integration of the Perstorp Capa business into our Performance Chemicals segment.

(3) Represents certain discrete tax items such as excess tax benefits on stock compensation and impacts of legislative tax rate changes. Management believes excluding these discrete tax items assists investors, potential investors, securities analysts, and others in understanding the tax provision and the effective tax rate related to continuing operating results thereby providing useful supplemental information about operational performance.
Reconciliation of Net Income (Loss) (GAAP) to Adjusted EBITDA (Non-GAAP)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended June 30,</th>
<th>Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td>Net income (loss) (GAAP)</td>
<td>$ 44.3</td>
<td>$ 20.2</td>
</tr>
<tr>
<td>Provision (benefit) for income taxes</td>
<td>29.4</td>
<td>5.2</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>12.2</td>
<td>10.0</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>27.1</td>
<td>24.1</td>
</tr>
<tr>
<td>Restructuring and other (income) charges, net</td>
<td>4.3</td>
<td>7.3</td>
</tr>
<tr>
<td>Acquisition and other related costs</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Adjusted EBITDA (Non-GAAP)</td>
<td>$ 117.7</td>
<td>$ 67.2</td>
</tr>
<tr>
<td>Net sales</td>
<td>$ 358.4</td>
<td>$ 270.6</td>
</tr>
<tr>
<td>Net income (loss) margin</td>
<td>12.4 %</td>
<td>7.5 %</td>
</tr>
<tr>
<td>Adjusted EBITDA margin</td>
<td>32.8 %</td>
<td>24.8 %</td>
</tr>
</tbody>
</table>

|                                | Three Months Ended June 30, |
|                                | 2021  | 2019  |
| Net income (loss) (GAAP)       | $ 44.3 | $ 56.8 |
| Provision (benefit) for income taxes | 29.4  | 15.9  |
| Interest expense, net          | 12.2  | 13.1  |
| Depreciation and amortization  | 27.1  | 21.4  |
| Restructuring and other (income) charges, net | 4.3   | 0.3   |
| Acquisition and other related costs | 0.4   | 0.8   |
| Adjusted EBITDA (Non-GAAP)     | $ 117.7 | $ 108.3 |
| Net sales                      | $ 358.4 | $ 352.8 |
| Net income (loss) margin       | 12.4 % | 16.1 % |
| Adjusted EBITDA margin         | 32.8 % | 30.7 % |
Reconciliation of Provision (Benefit) for Income Taxes (GAAP) to Provision (Benefit) for Income Taxes on Adjusted Earnings (loss) (Non-GAAP)

<table>
<thead>
<tr>
<th>In millions (unaudited)</th>
<th>Three Months Ended June 30,</th>
<th>Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td>Adjusted EBITDA (Non-GAAP)</td>
<td>$117.7</td>
<td>$67.2</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>27.1</td>
<td>24.1</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>12.2</td>
<td>10.0</td>
</tr>
<tr>
<td>Adjusted earnings (loss) before taxes (Non-GAAP)</td>
<td>$78.4</td>
<td>$33.1</td>
</tr>
<tr>
<td>Provision (benefit) for income taxes (GAAP)</td>
<td>$29.4</td>
<td>$5.2</td>
</tr>
<tr>
<td>Tax effect on certain items</td>
<td>(1.1)</td>
<td>(1.8)</td>
</tr>
<tr>
<td>Discrete tax provision (benefit)</td>
<td>14.4</td>
<td>—</td>
</tr>
<tr>
<td>Provision (benefit) for Income Taxes on Adjusted Earnings (Non-GAAP)</td>
<td>$16.1</td>
<td>$7.0</td>
</tr>
<tr>
<td>Tax Rate (GAAP)</td>
<td>39.9 %</td>
<td>20.5 %</td>
</tr>
<tr>
<td>Adjusted Tax Rate (Non-GAAP)</td>
<td>20.5 %</td>
<td>21.1 %</td>
</tr>
</tbody>
</table>

(1) Primarily related to legislative tax rate changes enacted in the United Kingdom (“UK”) and the resulting revaluation of our net deferred tax liability associated with our UK operations.

Reconciliation of Selling, General and Admin (SG&A) (GAAP) to Core SG&A (Non-GAAP)

<table>
<thead>
<tr>
<th>In millions (unaudited)</th>
<th>Three Months Ended June 30,</th>
<th>Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td>SG&amp;A (GAAP)</td>
<td>$47.5</td>
<td>$34.5</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>10.9</td>
<td>7.9</td>
</tr>
<tr>
<td>Core SG&amp;A (Non-GAAP)</td>
<td>$36.6</td>
<td>$26.6</td>
</tr>
<tr>
<td>Net sales</td>
<td>$358.4</td>
<td>$270.6</td>
</tr>
<tr>
<td>SG&amp;A as a percent of Net sales</td>
<td>13.3 %</td>
<td>12.7 %</td>
</tr>
<tr>
<td>Core SG&amp;A as a percent of sales</td>
<td>10.2 %</td>
<td>9.8 %</td>
</tr>
</tbody>
</table>
### Reconciliation of Cash Flow from Operations (GAAP) to Free Cash Flow (Non-GAAP)

<table>
<thead>
<tr>
<th>In millions (unaudited)</th>
<th>Three Months Ended June 30,</th>
<th>Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td>Cash Flow from Operations</td>
<td>$65.8</td>
<td>$48.9</td>
</tr>
<tr>
<td>Less: Capital Expenditures</td>
<td>23.9</td>
<td>15.0</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$41.9</td>
<td>$33.9</td>
</tr>
</tbody>
</table>

### Calculation of Historical Free Cash Flow (Non-GAAP)

<table>
<thead>
<tr>
<th>In millions (unaudited)</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow from Operations</td>
<td>$127.9</td>
<td>$174.3</td>
<td>$252.0</td>
<td>$275.7</td>
<td>$60.2</td>
<td>$48.9</td>
<td>$90.0</td>
<td>$153.3</td>
<td>$51.1</td>
<td>$65.8</td>
</tr>
<tr>
<td>Less: Capital Expenditures</td>
<td>56.7</td>
<td>52.6</td>
<td>93.9</td>
<td>114.8</td>
<td>19.5</td>
<td>15.0</td>
<td>16.5</td>
<td>31.1</td>
<td>17.0</td>
<td>23.9</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$71.2</td>
<td>$121.7</td>
<td>$158.1</td>
<td>$160.9</td>
<td>$40.7</td>
<td>$33.9</td>
<td>$73.5</td>
<td>$122.2</td>
<td>$34.1</td>
<td>$41.9</td>
</tr>
</tbody>
</table>
## Calculation of Net Debt to Adjusted EBITDA Ratio (Non-GAAP)

### In millions, except ratios (unaudited)

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes payable and current maturities of long-term debt</td>
<td>$19.5</td>
</tr>
<tr>
<td>Long-term debt including finance lease obligations</td>
<td>1,258.7</td>
</tr>
<tr>
<td>Debt issuance costs</td>
<td>12.1</td>
</tr>
<tr>
<td><strong>Total Debt</strong></td>
<td>1,290.3</td>
</tr>
<tr>
<td><strong>Less:</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents (^{(1)})</td>
<td>233.6</td>
</tr>
<tr>
<td>Restricted investment</td>
<td>74.9</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td>$981.8</td>
</tr>
</tbody>
</table>

### Net Debt Ratio (Non GAAP)

| Description | | |
|-------------|--------------|
| Adjusted EBITDA \(^{(2)}\) | |
| Twelve months ended December 31, 2020 | $397.9 |
| Six months ended June 30, 2020 | (159.4) |
| Six months ended June 30, 2021 | 223.1 |
| Adjusted EBITDA - last twelve months (LTM) as of June 30, 2021 | $461.6 |
| **Net debt ratio (Non GAAP)** | 2.1x |

---

\(^{(1)}\) Includes $0.3 million of Restricted Cash related to the New Market Tax Credit arrangement.

\(^{(2)}\) Refer to the Reconciliation of Net Income (GAAP) to Adjusted EBITDA (Non-GAAP) schedule for the reconciliation to the most comparable GAAP financial measure.
Calculation of Historical Net Debt Ratio (Non-GAAP)

<table>
<thead>
<tr>
<th>In millions, except ratios (unaudited)</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debt (1)</td>
<td>$391.7</td>
<td>$295.8</td>
<td>$610.2</td>
<td>$1,121.0</td>
<td>$1,113.3</td>
<td>$1,078.5</td>
<td>$1,032.0</td>
<td>$974.8</td>
<td>$982.6</td>
<td>$981.8</td>
</tr>
<tr>
<td>Adjusted EBITDA (2)</td>
<td>202.4</td>
<td>242.7</td>
<td>320.5</td>
<td>396.9</td>
<td>405.6</td>
<td>364.5</td>
<td>378.1</td>
<td>397.9</td>
<td>411.1</td>
<td>461.6</td>
</tr>
<tr>
<td>Pine Chemical Pro Forma (3)</td>
<td>—</td>
<td>26.9</td>
<td>4.8</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Caprolactone Pro Forma (3)</td>
<td>—</td>
<td>—</td>
<td>61.1</td>
<td>5.5</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>LTM Pro Forma Adjusted EBITDA</td>
<td>202.4</td>
<td>269.6</td>
<td>386.4</td>
<td>402.4</td>
<td>405.6</td>
<td>364.5</td>
<td>378.1</td>
<td>397.9</td>
<td>411.1</td>
<td>461.6</td>
</tr>
<tr>
<td>Net Debt Ratio</td>
<td>1.9x</td>
<td>1.1x</td>
<td>1.6x</td>
<td>2.8x</td>
<td>2.7x</td>
<td>3.0x</td>
<td>2.7x</td>
<td>2.4x</td>
<td>2.4x</td>
<td>2.1x</td>
</tr>
</tbody>
</table>

1. Represents total debt including capital lease obligation, excluding deferred financing fees, less cash and cash equivalents less restricted investment for each period included above. See the Company’s Form 10-Q for each period for more information. This does not include any pro forma adjustment for acquisition related debt.

2. Represents net income (loss) plus provision for income taxes, interest expense, depreciation and amortization, restructuring and other (income) charges, acquisition and other related costs, and pension and postretirement settlement and curtailment (income) charges for each period included above. See the Company’s Form 10-Q for each period for more information.

3. Pro forma amounts include historical results of the Pine Chemical Business and Caprolactone Business, prior to the acquisition dates of March 8, 2018 and February 13, 2019, respectively. These amounts also include adjustments as if the acquisitions had occurred on January 1st of the year preceding the acquisition date. The pro forma amounts do not include adjustments for expenses related to integration activities, cost savings, or synergies that have been or may have been realized had we acquired the businesses on January 1st of the year preceding the acquisition date. Details associated with the pro forma results for both acquisitions are included within the Management Discussion and Analysis section of the Company's Form 10-Q for each respective period.