



Ashland

innovation day

September 12, 2023



ashland.com / efficacy usability allure integrity profitability™



Ashland™
always solving

forward looking statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Ashland has identified some of these forward-looking statements with words such as “anticipates,” “believes,” “expects,” “estimates,” “is likely,” “predicts,” “projects,” “forecasts,” “objectives,” “may,” “will,” “should,” “plans” and “intends” and the negative of these words or other comparable terminology. Ashland may from time to time make forward-looking statements in its annual reports, quarterly reports and other filings with the U.S. Securities and Exchange Commission (SEC), news releases and other written and oral communications. These forward-looking statements are based on Ashland's expectations and assumptions, as of the date such statements are made, regarding Ashland's future operating performance, financial condition, as well as the economy and other future events or circumstances. These statements include but may not be limited to Ashland's expectations regarding its ability to drive sales and earnings growth and effectively manage cost.

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Regulation G: Adjusted Results

The information presented herein regarding certain unaudited adjusted results does not conform to generally accepted accounting principles in the United States (U.S. GAAP) and should not be construed as an alternative to the reported results determined in accordance with U.S. GAAP. Ashland has included this non-GAAP information to assist in understanding the operating performance of the company and its reportable segments. The non-GAAP information provided may not be consistent with the methodologies used by other companies. All non-GAAP information has been reconciled with reported U.S. GAAP results under Appendix A: Non-GAAP Reconciliation of this presentation.

today's agenda

9:30 am

welcome

Seth Mrozek

Ashland update & technology plan

Guillermo Novo

innovation growth potential

Jim Minicucci

conversation with Ashland CTO

Osama Musa, Guillermo Novo

fireside chat

Guillermo Novo, Ashok Kalyana, Min Chong

closing

Guillermo Novo

Q&A session

moderated by Guillermo Novo, Seth Mrozek

12:00 pm

end of webcast

lunch served

1:00 pm

site / lab tours

life sciences / personal care

3:00 pm

end of live event

today's participants



Guillermo Novo
Chair and CEO



Min Chong
Senior Vice President
Personal Care and
Specialty Additives



Jim Minicucci
Senior Vice President,
Strategy, M&A and
Portfolio Management



Ashok Kalyana
Senior Vice President
Life Sciences and
Intermediates



Osama Musa
Senior Vice President,
Chief Technology Officer



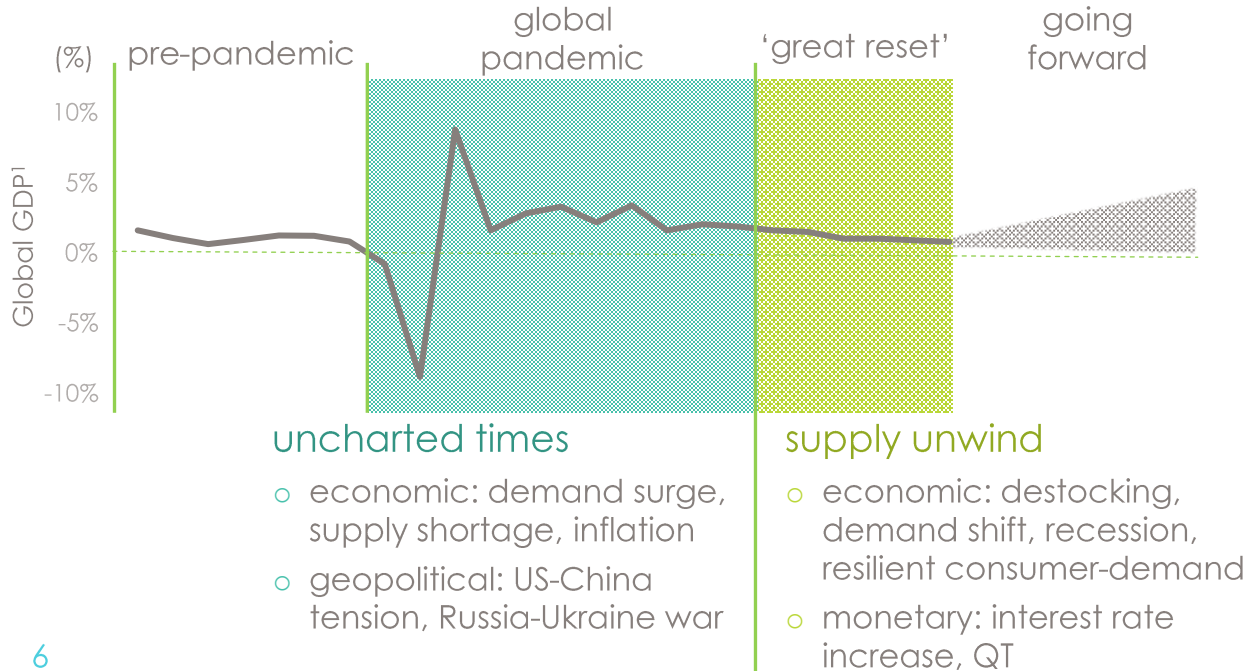
Kevin Willis
Chief Financial Officer

Ashland update

Guillermo Novo, Chair and CEO

navigated unprecedented events

focus on the fundamentals



back to fundamentals

- technology leadership
- market leadership

welcome to our 2023 innovation day

thank you for taking the time to join us

**our goal
for today**



**showcase how
innovation
is a foundational
part of our growth**

CEO message

focused additives and ingredients company serving high-value markets with a portfolio of leadership positions

1. clearly defined **portfolio** and **business model** that creates greater value and growth in attractive markets and applications
2. hyper-focus on **innovation** as a foundational part of our growth
3. new, scalable **technologies** expand our toolbox and growth opportunities



company profile¹

sales \$2.3 billion

adj. EBITDA \$533 million

adj. EBITDA margin 23.1%

adj. EPS \$5.09

life sciences
(37% of sales)

pharmaceuticals
nutrition
crop care
nutraceuticals

personal care
(27% of sales)

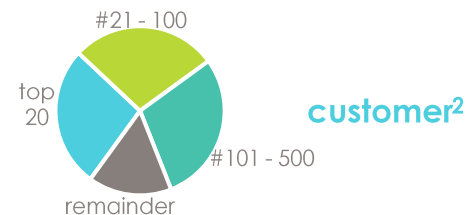
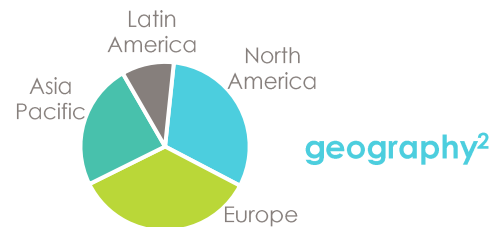
skin care
hair care
oral care
household

specialty additives
(27% of sales)

coatings
performance specialties
construction
energy/resources

intermediates
(9% of sales)

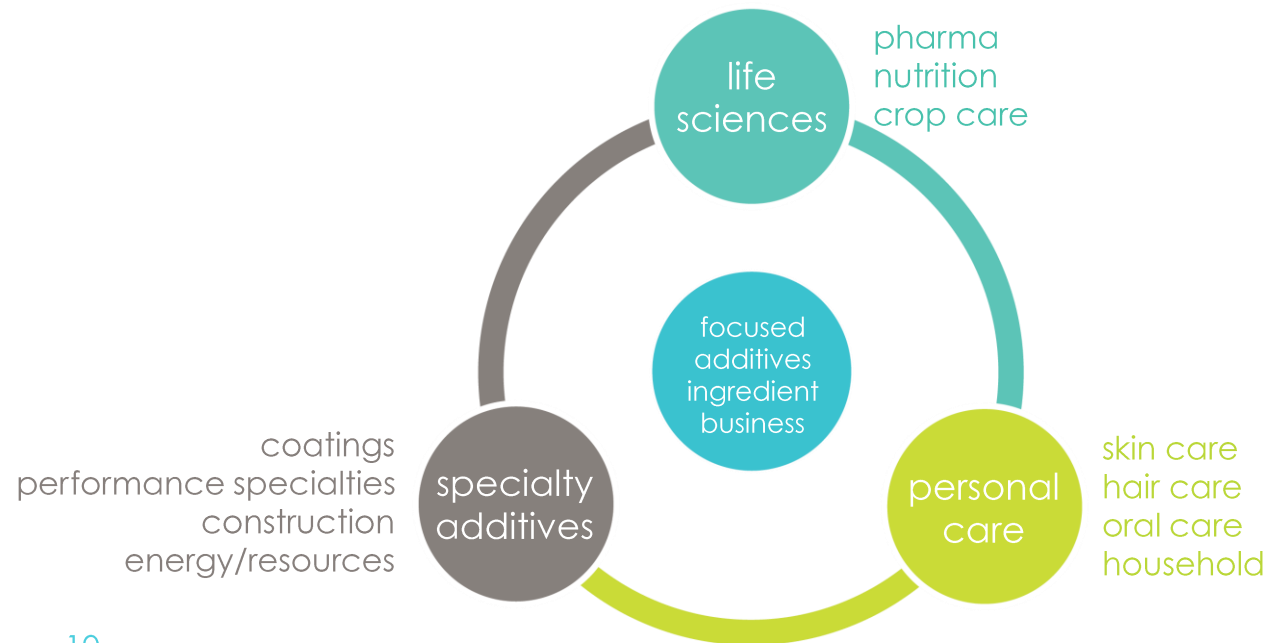
semiconductors
electric-vehicle
crop care



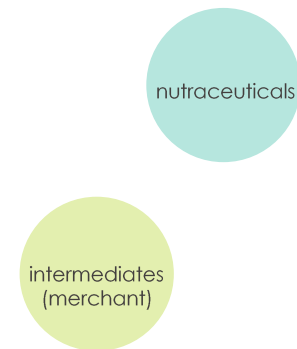
¹ all figures as of the last twelve months ended June 30, 2023. all figure as presented on an adjusted basis except sales. adjusted eps excludes amortization. Appendix A reconciles adjusted amounts to amounts reported under GAAP. ² sales as a percent of last twelve months ended June 30, 2023 sales

business segment profile

segments in-scope today¹: \$2.1 billion (adj. sales)



out-of-scope

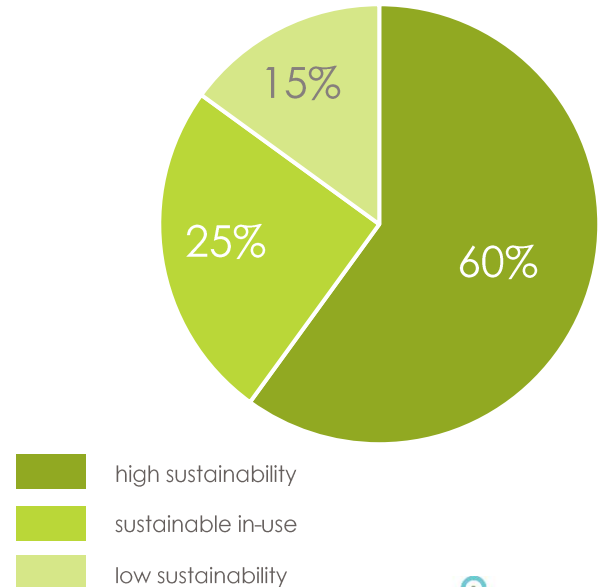


sustainability profile

integral to our future

- purpose-driven, to create shareholder value while **positively impacting** how business is conducted
- **innovation** advancing our sustainability goals
- submitted **Science Based Targets** aligned with 1.5C; approval in-process by the SBT initiative (SBTi)
- obtained supply chain **certifications** (FSC, PEFC, RSPO); more sustainably-sourced raw materials
- achieved **EcoVadis** gold in 2022

FY 2022 sales¹



11

¹ 1 percent of FY 2022 adjusted sales; adjustment excludes merchant intermediates and nutraceuticals. high sustainability (natural, nature-derived, inherently biodegradable under OECD). sustainable in-use (sustainability impact on our customers). low sustainability (synthetic and not inherently biodegradable under OECD). FSC (forest stewardship council). PEFC (programme for the endorsement of forest certification). RSPO (roundtable on sustainable palm oil)



market focus

big3 strategic growth markets

big3

(80% of portfolio¹)

pharma

- leading position in high-purity excipients (oral solid dose)
- building injectables and new drug delivery modality offerings
- API² manufacturing consumables

personal care

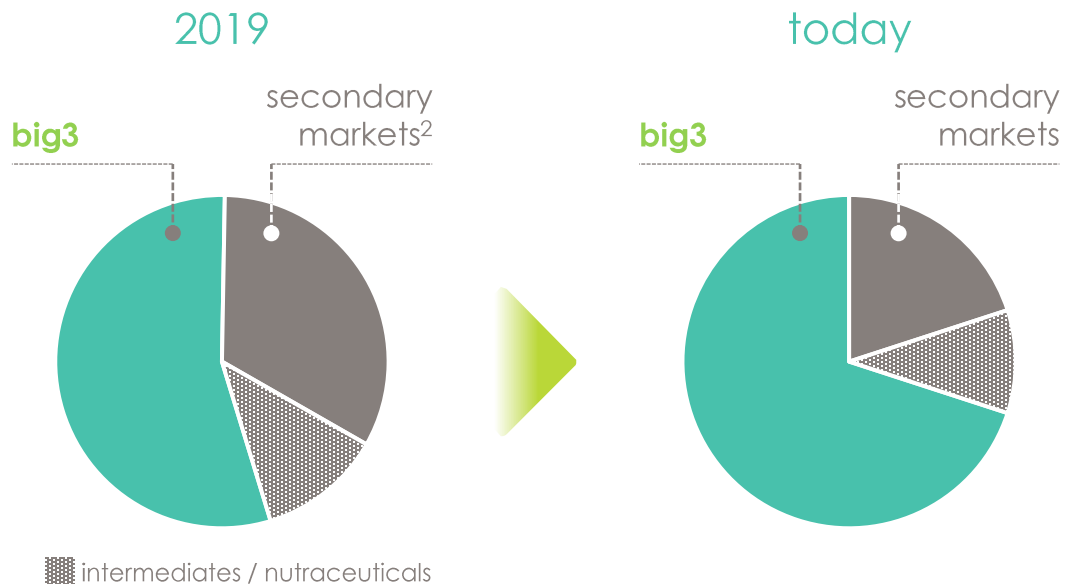
- industry leading product portfolio for oral, hair, skin care ingredients
- strong offering of natural and nature-derived products
- leading the ESG³ transition

coatings

- leading product offering in rheology
- expanding new additives beyond rheology
- well-positioned in architectural, growing in industrial

portfolio¹

growing the big3



13

¹ all figures represent sales as a percent of total sales. FY 2019 sales (including Adhesives, which was divested FY2022). today is last twelve months sales ended June 30, 2023.

² secondary markets include rest of portfolio (excluding big3, merchant intermediates, nutraceuticals)

going forward

- continue to increase focus and scale in the **big3**
- consumer-based markets with strong secular growth drivers
- ESG and other key megatrends provide opportunity for new products
- additives and ingredients profile (low cost-in-use / high value-in-use)
- differentiation through innovation, quality and supply reliability



technology focus

existing technology platforms

- HEC
- HPC
- CMC
- EC
- MC
- guar

nature-derived

- VP&D
- vinyl ether & derivatives
- aquaflo
- acrylic, polyurethane, ...

synthetic polymers

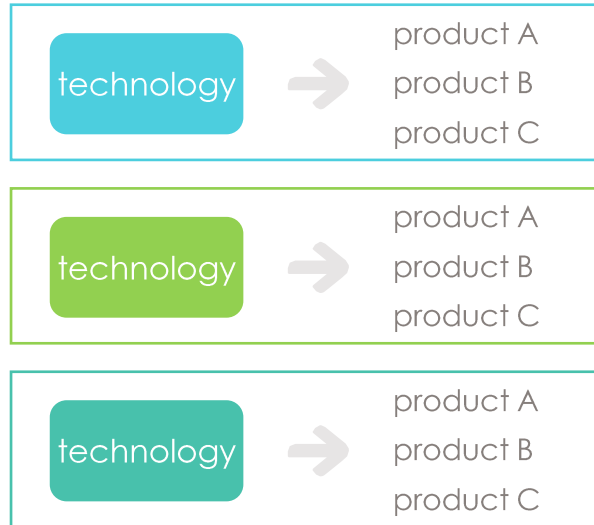
- biofunctionals
- microbial protection
- extraction / biotech
- others

other sustainable

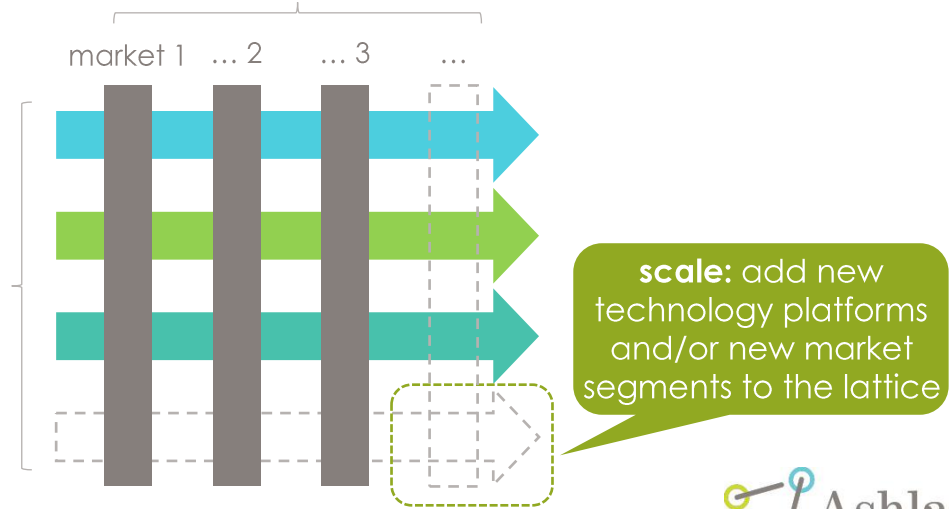
growing in additives & ingredients

model to build **scale**

leverage technology platforms to design functional products



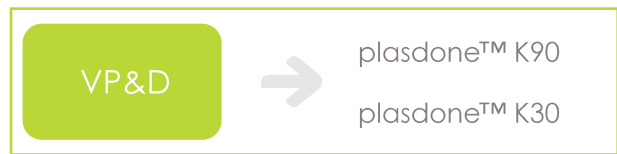
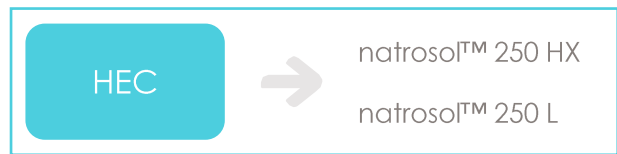
... for targeted market segments



Ashland business model

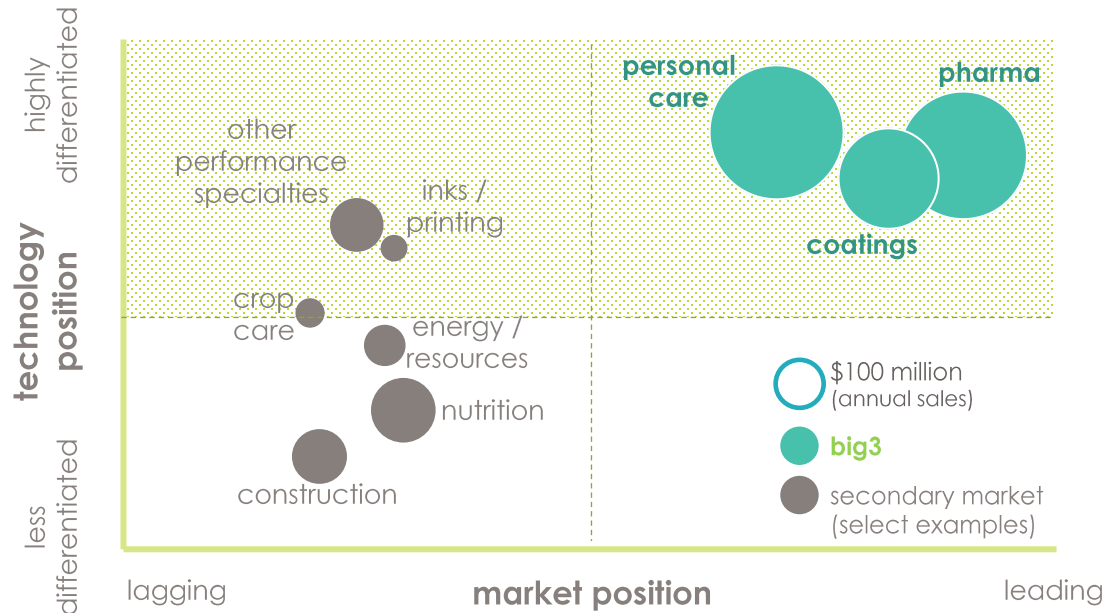
strategic coherence and leadership

existing technology platforms¹
(select examples)



business portfolio map¹

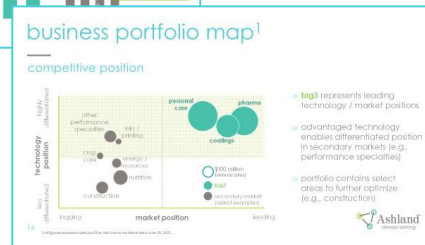
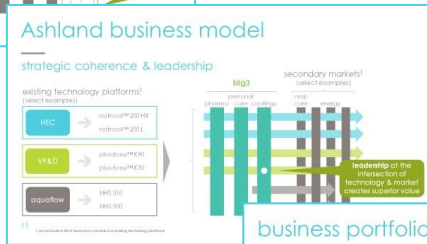
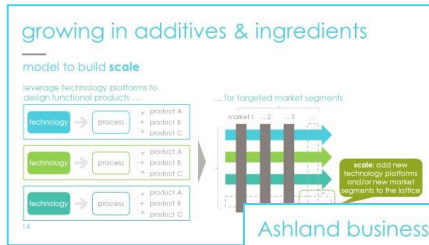
competitive position



- **big3** represents leading technology / market positions
- advantaged technology enables differentiated position in secondary markets (e.g., performance specialties)
- portfolio contains select areas to further optimize (e.g., construction)

putting the pieces together

framing the priorities



- establish leadership at the intersection of technology/market
- innovate at scale by leveraging technologies from the **big3** into secondary markets
- coherence from leveraging existing technologies in focused markets
- develop new technologies that span across markets ('adding to the lattice')
- optimize final parts of the portfolio

strategic priorities

shape and grow the portfolio

focus for
today



execute

- expand leading technology capacity
- exit select product / business lines

globalize

- high-value product segments in key geographies
- expand big3 in Asia

innovate

- existing technology platforms
- new technology platforms

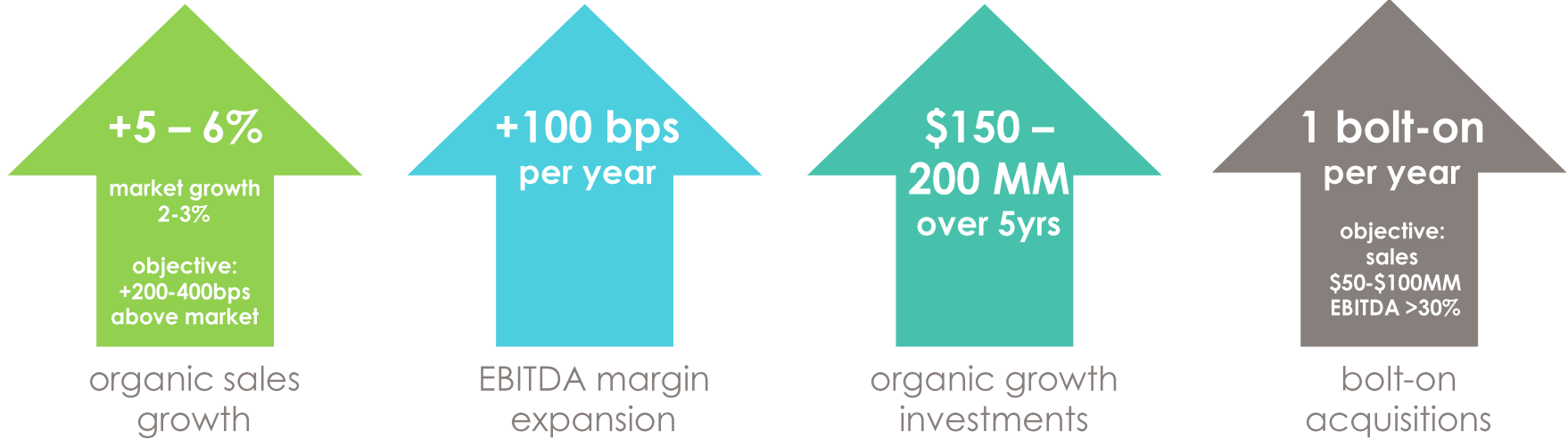
acquire

- drug delivery technologies
- natural & biotech technologies
- high-value additives

sustainably shape and grow

core growth objectives unchanged

executing our model



compelling path forward
growth, margin expansion and cash generation

Ashland sales growth algorithm

long-term outperformance

value of new technology platforms

- 'de-risk' core growth
- enable growth above core

core growth

MSD

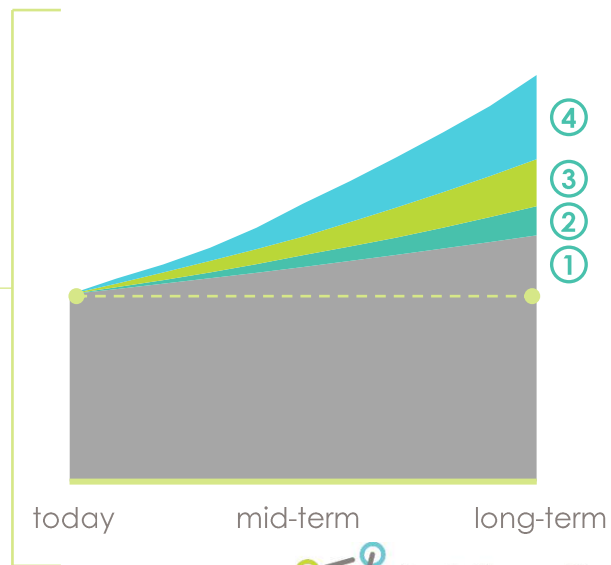
- 1 execute: base business
- 2 globalize: key segments
- 3 innovate: existing tech. platforms



step-out growth

L-MSD

- 4 innovate: new tech. platforms



technology plan

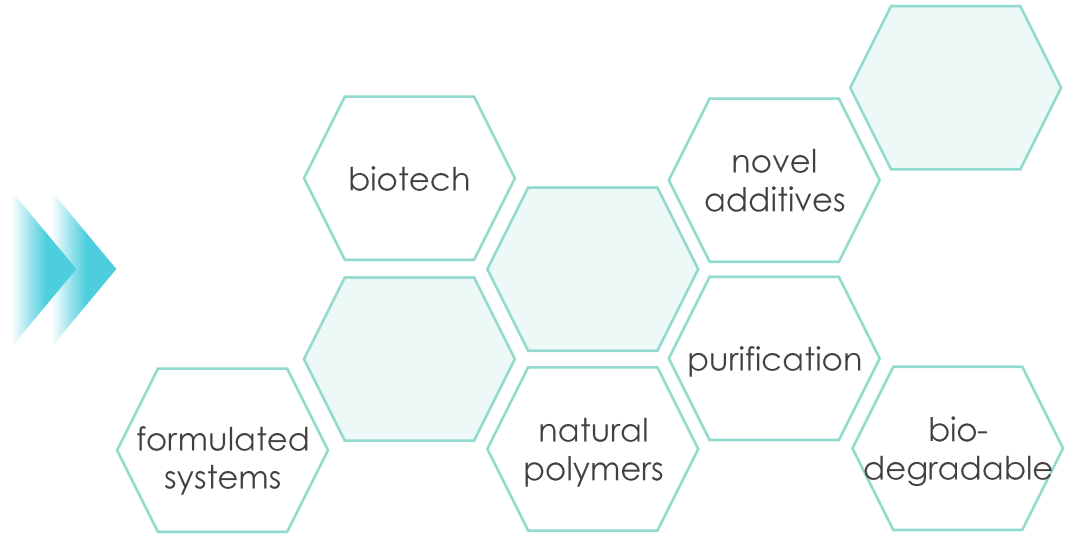
Guillermo Novo

need to expand the toolbox

address limitations in some existing technology platforms

develop new technology platforms that:

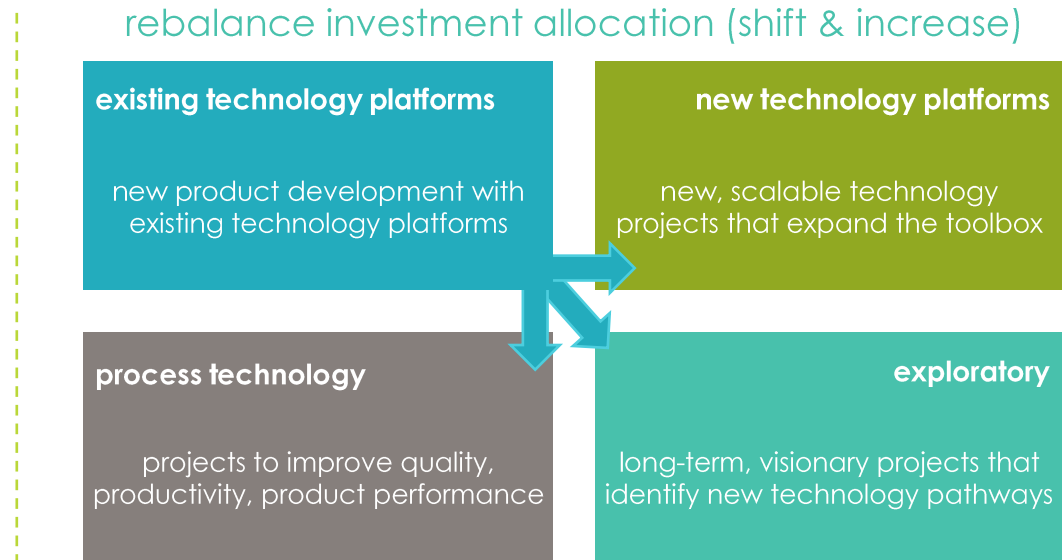
- strengthen leadership in the **big3**
- extend into secondary markets (build new leadership positions)
- create new, differentiated capabilities



innovation process

disciplined project and portfolio management processes

- BU-led Innova project management (gate) process
- corporate-led portfolio management process
- data-based and risk-adjusted portfolio and investment decisions
- disciplined investment rebalancing actions



new technology platforms

expanding our toolbox with 5 new platforms



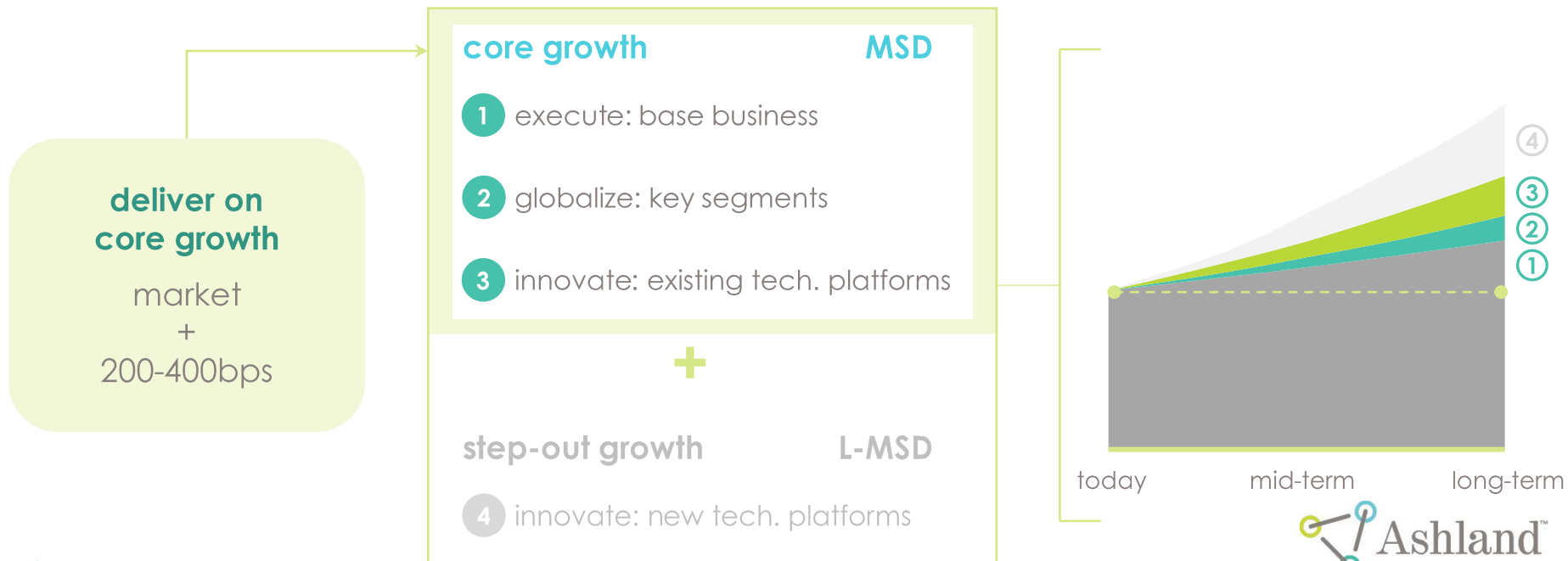
and more coming soon

innovation growth potential

Jim Minicucci, SVP, Strategy, M&A and Portfolio Management

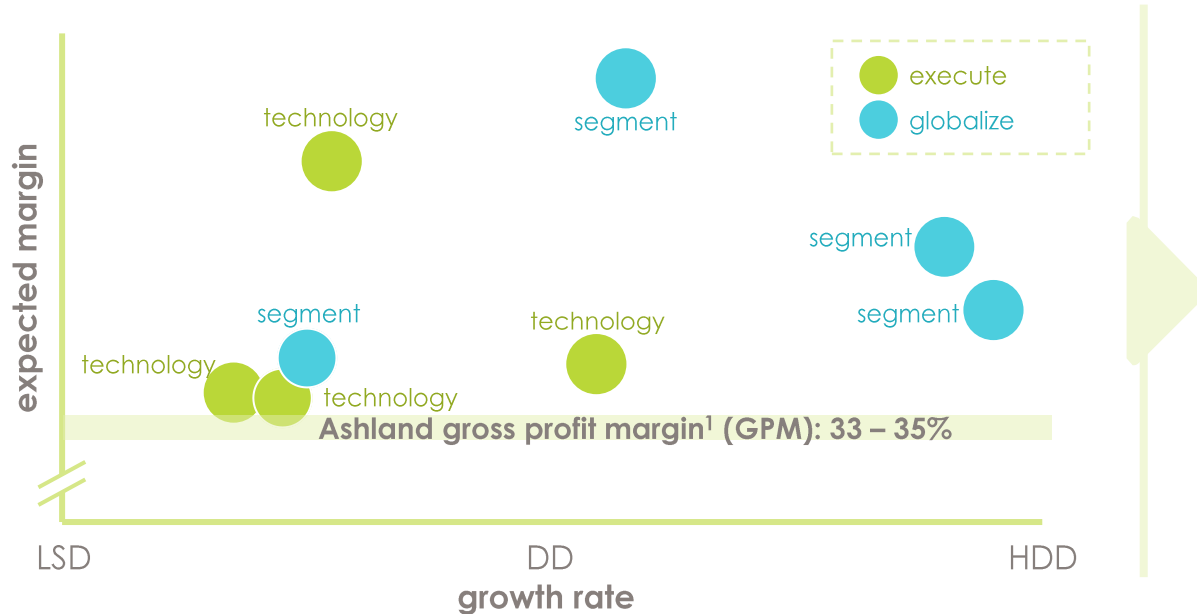
Ashland sales growth algorithm

core growth: three parts



execute & globalize - accretive

investing in profitable, high-value growth segments
(accretive to growth and margins)



execute (4) technology
capacity expansions

- HEC
- aquafloTM
- klucelTM
- benecelTM

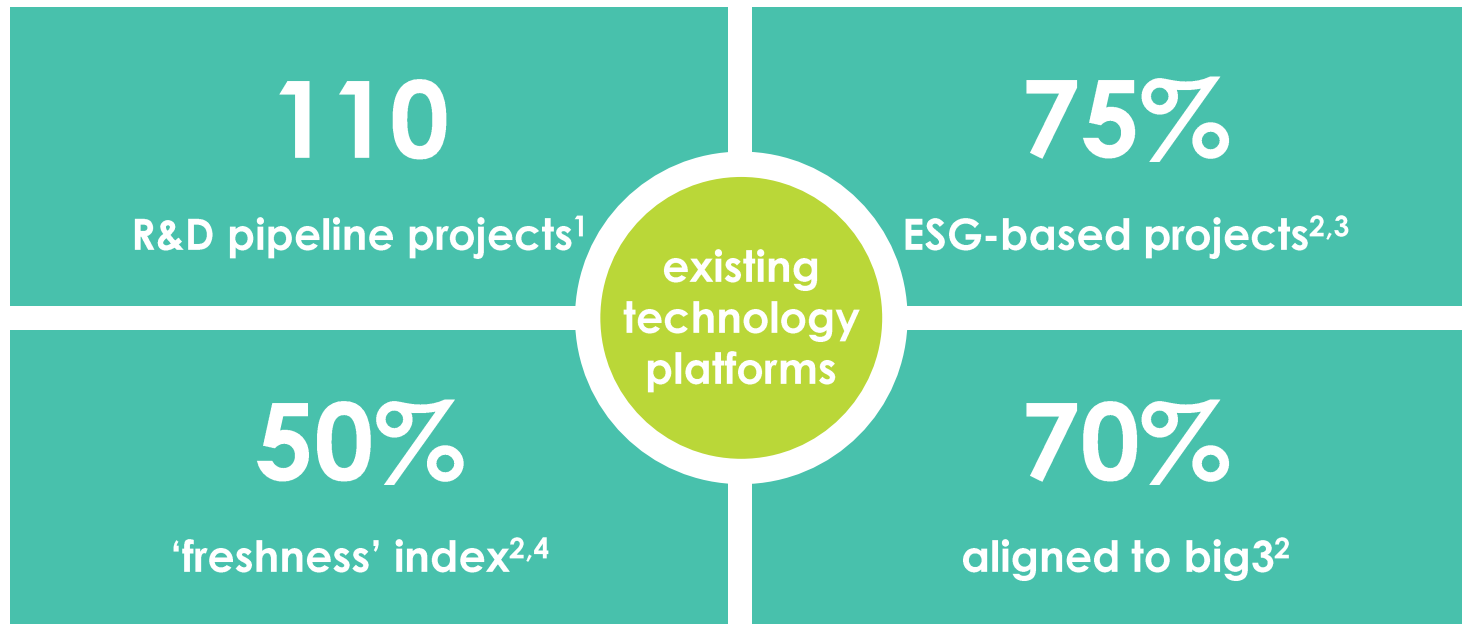
globalize (4) key segments

- biofunctionals
- microbial protection
- tablet film coating
- injectables



robust innovation pipeline

clear pipeline of innovative, sustainable solutions



2022 / 2023 NPI

existing technology platform product launch¹

29 launches

- 70% aligned to **big3**
- 90% ESG-based

>2x launches vs. 2019

select highlight

- next-gen controlled release excipient (pharma)

2022

15 launches

- 90% aligned to **big3**
- 90% ESG-based
- 15% sales increase / project (vs. 2022 launches)

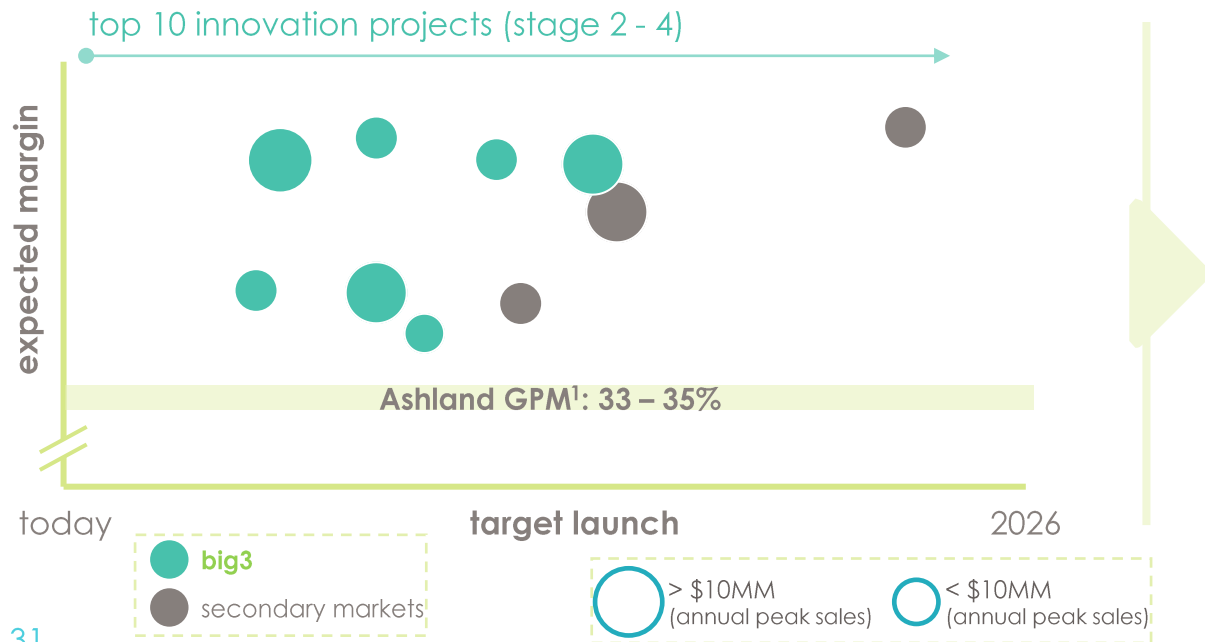
select highlight

- natural flower small-RNA extract (skin)

2023 YTD

existing technology pipeline

margin and growth accretive innovation portfolio



- \$175 – 225MM cumulative, incremental sales
- balanced portfolio
- focus pipeline on high-impact projects
- 20-30 launches per year
- 18-month development cycle (on-average; stage 2-4)



realizing accretive core growth

several components enable growth above market

- 1 execute:** base business
 - capacity expansions for existing technologies with margins and growth profiles above company average
- 2 globalize:** key segments
 - expanding four business lines with growth and margin levels that are significantly above the company average
- 3 innovate:** existing technology platforms
 - balanced pipeline across markets and platforms with new introductions expected to generate considerable growth and accretive margins



Ashland sales growth algorithm

step-out growth: strengthen & expand our profitable, growth potential

value of new technology platforms

- 'de-risk' core growth
- enable growth above core

new markets

current markets

core growth

MSD

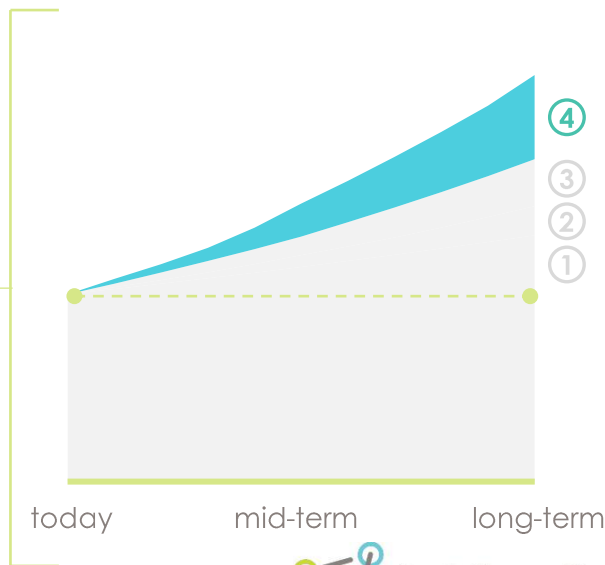
- 1 execute: base business
- 2 globalize: key segments
- 3 innovate: existing tech. platforms



step-out growth

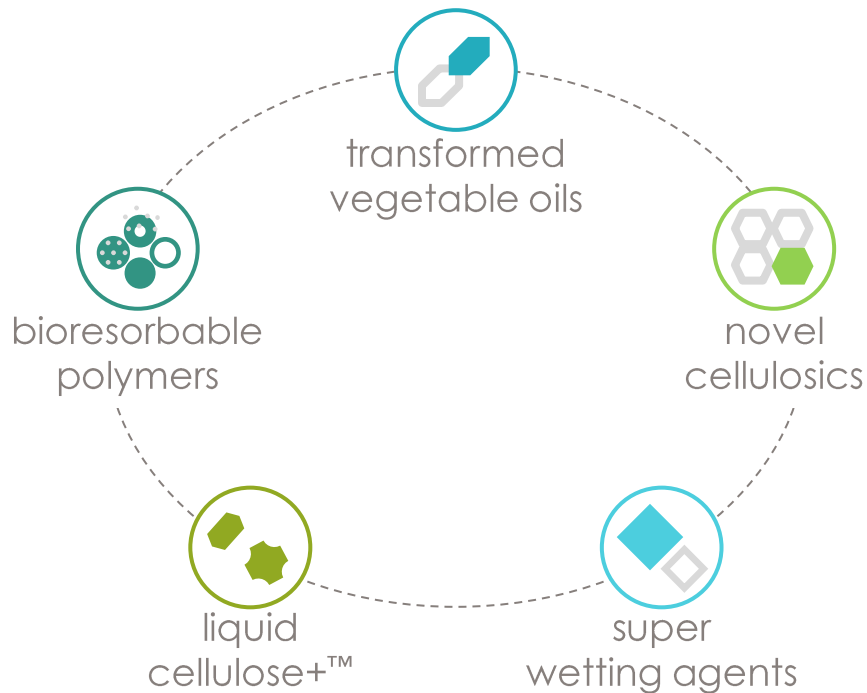
L-MSD

- 4 innovate: new tech. platforms



new technology platforms

expanding our toolbox



differentiated & sustainable platforms



transformed
vegetable oils

nature-derived, 4-in-1 functionality with tunable water solubility



novel
cellulose

nature-derived, EO-free, multifunctional additive



super
wetting agents

high-performing silicone-free, sustainable wetter



liquid
cellulose+™

efficient, formulated liquid rheology modifier



bioresorbable
polymers




degradable carrier for drug delivery applications



in-development

new, superior performing, sustainable additives

unlock next-gen scalable growth

		big3			secondary markets			
		pharma	personal care	coatings	crop care	inks / printing	other	
transformed vegetable oils		✓	✓	✓	✓	✓	✓	
novel cellulose		✓	✓	✓		✓	✓	
super wetting agents		✓	✓	✓	✓	✓	✓	
liquid cellulose+™			✓	✓			✓	<div style="border: 1px dashed black; padding: 5px;"> <p>✓ initial launch</p> <p>✓ extension</p> </div>
bioresorbable polymers		✓	✓					

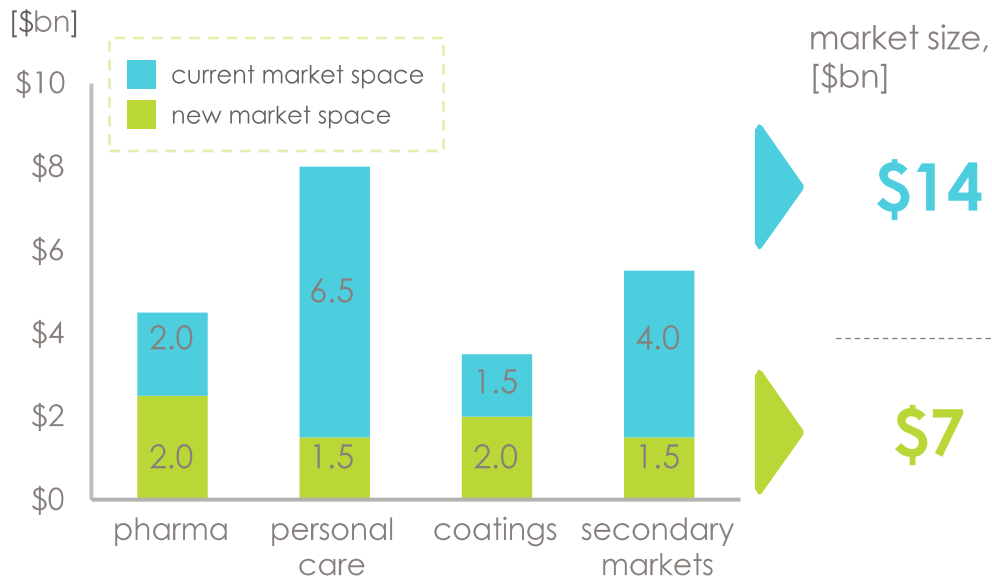
expanding market opportunity¹

more than 50% increase



significant opportunity to expand

several sources of growth¹



3 sources of growth

enable share growth in current markets (increase position)

defend / strengthen existing positions (cannibalization)

expand new market space (grow new markets / technologies)

dimension the opportunity

market size¹,
[\$bn]

Ashland sales²,
[\$bn]

implied share,
[%]

value potential

current
market
space

\$14

\$2.1



14-16%

share growth in current market:
\$140MM per 100bps share increase

new
market
space

\$7








create similar, current market share:

\$0.9 – 1.1bn

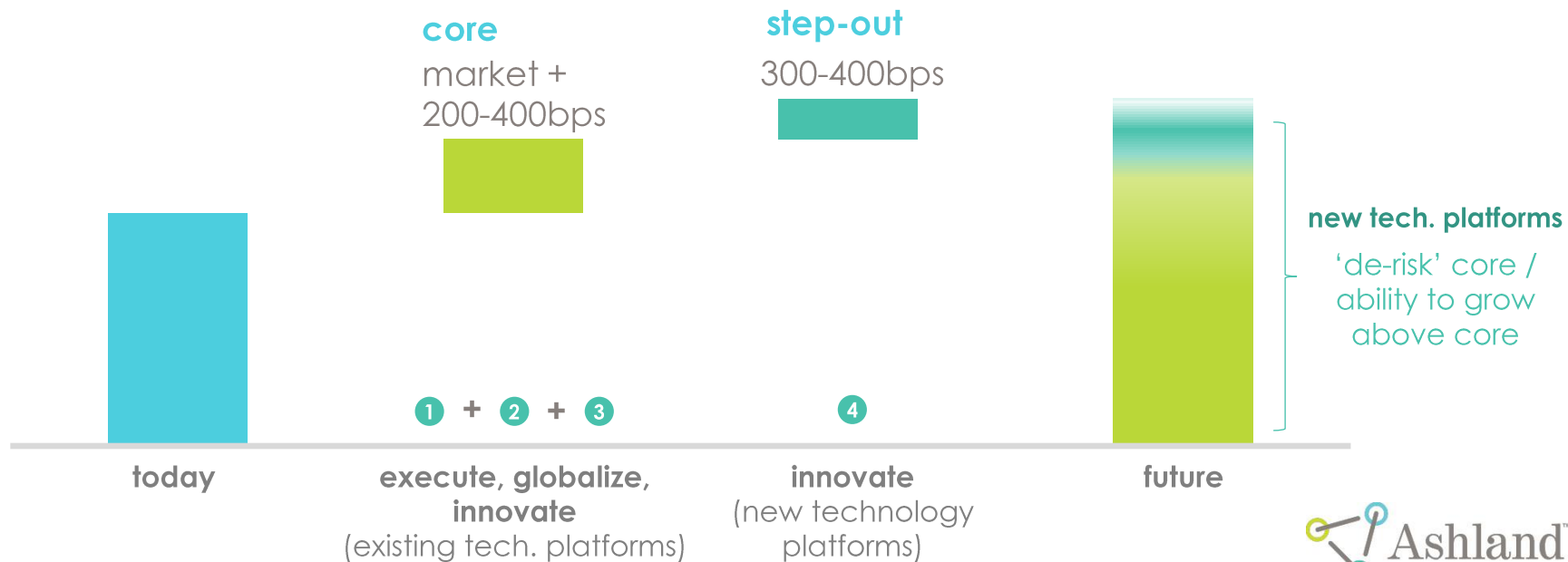
large, attractive opportunity

outlook: de-risk & accelerate growth

		technology / commercial		capital investment		
		launch	comments	existing asset	repurpose / new	considerations
transformed vegetable oils		✓	personal care – extend across portfolio	✓		regionalize in-future and/or license
novel cellulotics			several late-stage innovation projects		✓	exploring repurpose of CMC/MC assets
super wetting agents		✓	at Ashland-level; accelerate adoption	✓		using an existing, unutilized asset
liquid cellulose+™		✓	coatings – regional expansion	✓		tolling. build as needed. region-specific
bioresorbable polymers		✓	ramp in-line with pharma-type launch		✓	new investment. expanding now

Ashland sales growth algorithm

compelling path forward



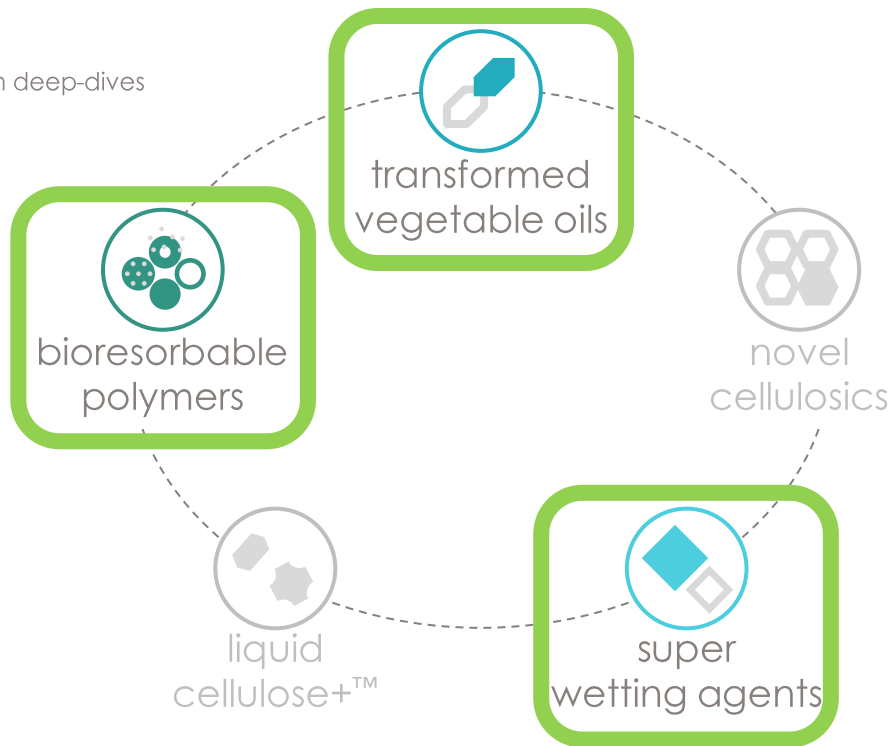
CTO conversation

Osama Musa, SVP and Chief Technology Officer,
Guillermo Novo, Chair and CEO

new technology platforms

taking a closer look

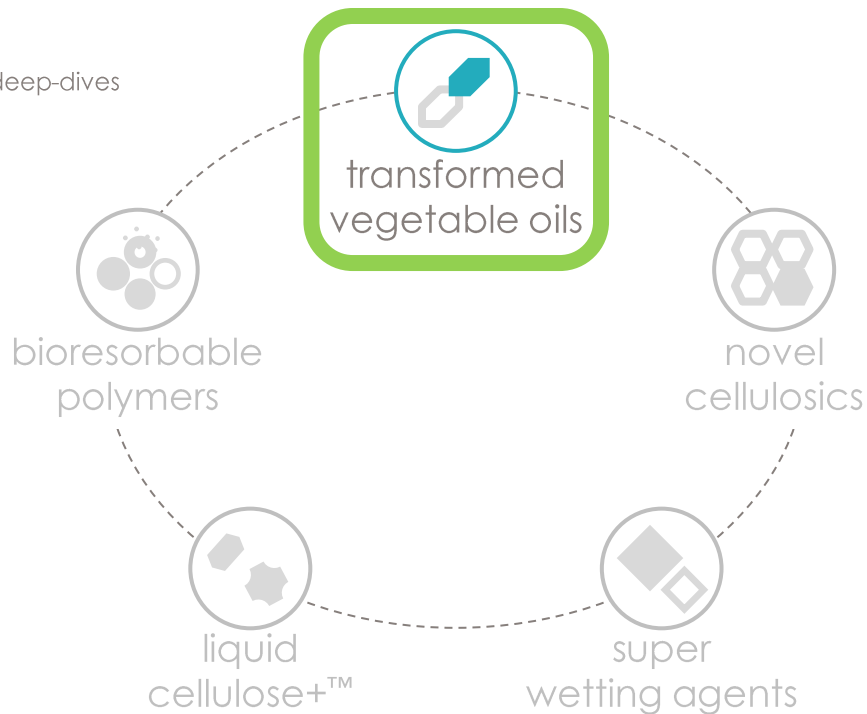
 platform deep-dives



new technology platforms

taking a closer look – transformed vegetable oils

 platform deep-dives



transformed vegetable oils

new to the world additive

vegetable oils offer attractive characteristics

- sustainable solution
- renewable and natural
- biodegradable
- non-microplastic
- non-GMO, vegan (as required)
- IP protected

built on the attractive characteristics and created a technology with many functionalities

dissolves in water



precise control on % dissolved in water

multifunctional

4 in 1

dispersant, film former, binder, delivery system



transformed vegetable oils

big3 – personal care newly launched, best-in-class products



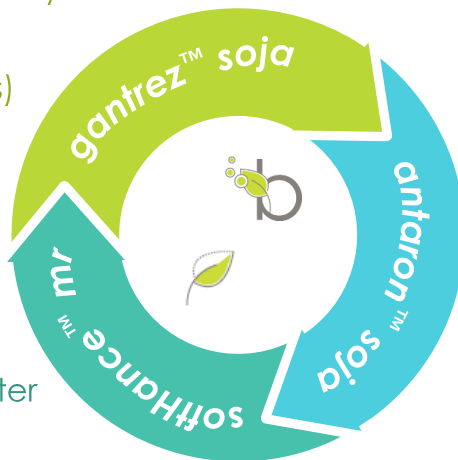
oral (toothpaste/mouthwash)

- dissolves in water
- delivery system (actives)
- sustained release
- launch: 4Q FY23



skin (hand/body wash)

- does not dissolve in water
- moisture retention
- skin conditioning
- launch: 2Q FY23



skin (sun care/color cosmetic)

- does not dissolve in water
- boosts SPF
- dispersant (pigment)
- film former
- launch: 3Q FY22

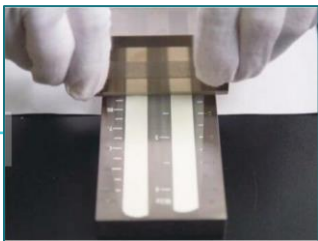


transformed vegetable oils

extending to other markets

coatings

- dispersant (TiO₂, pigments)
- film forming
- nature-derived (alternatives synthetic)
- 1 additive - multifunction
- enhanced performance (hegman's scale, color)



pharma

- tablet film coating
- high efficiency (pigment loading %)
- improved sustained release
- enhanced low-soluble drugs



crop care

- seed treatment
- high, dust-off efficiency
- nature-derived, non-GMO, biodegradable
- non-microplastic
- film forming / binding

Ashland



benchmark

new technology platforms

taking a closer look – super wetting agents

 platform deep-dives



wetting

high-value market

how well a liquid maintains contact with a solid surface

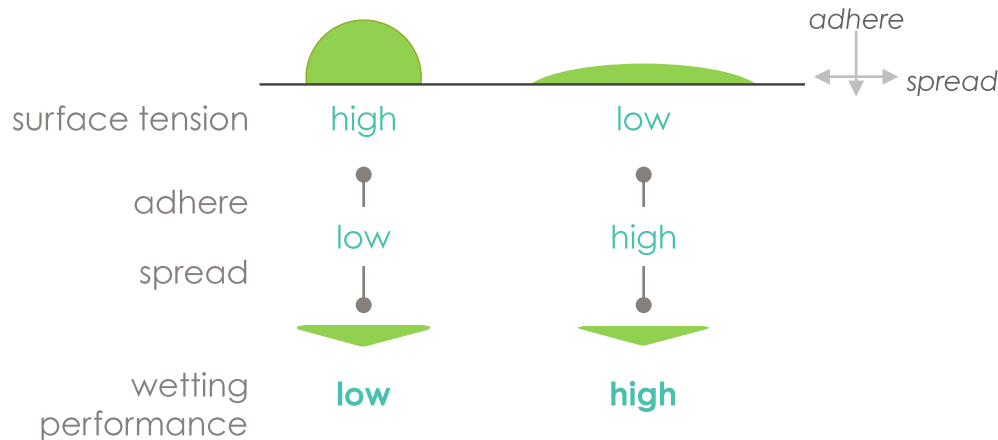
determined by



adhere + spread

main wetting products

- silicone-based
- fluorocarbon-based
- other synthetics



super wetting agents

our technology platform

competition	<u>performance</u>	<u>sustainability</u>
silicone-based / fluorocarbon-based	✓ ✓ ✓	✓
non-silicone-based	✓ ✓	✓ ✓
Ashland (non-silicone, non-fluoro)	✓ ✓ ✓	✓ ✓ ✓



Ashland new technology platform



- precise control of composition
- easy to adjust ratio ('tunable')
- platform creates a library of wetting agents
- efficient process (100% yield, no solvent, no waste)
- biodegradable

super wetting agents

easy-wet™ 300: Ashland product launch (4Q FY23)

(initial launch in wood coatings)

differentiated

- silicone-free
- zero VOC
- non-ionic
- biodegradable
- IP protected

superior performance

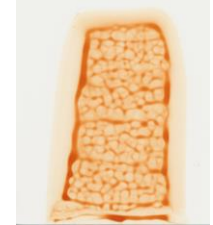
- high-efficiency
- no surface defects
- anti-foaming
- low surface tension
- low-leveling
- improved finish appearance



**Ashland
easy-wet™ 300
(non-silicone)**



**silicone
benchmark**



**non-silicone
benchmark**

super wetting agents

high-value performance across multiple markets



coatings

- superior metal wetting
- defect free film
- no-foam



pharma

- injectables: replaces benchmark wetting agent
- high-purity for biologics
- enhances drug solubility/stability



crop care

- superior leaf wetting
- low phytotoxicity
- increases pesticide contact
- sustainable, silicone-free

personal care

- skin/hair
- biodegradable emulsifier
- silicone replacement
- active/fragrance solubilizer



new technology platforms



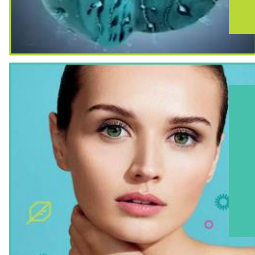
taking a closer look – bioresorbable polymers

 platform deep-dives



bioresorbable polymers

scalable technology platform with multiple applications

market segment	application	polymer function
 long-acting injectables	chronic disease, patient compliance, animal health	controlled release matrix for injectables
 advanced drug delivery	improved mRNA delivery	'carrier' to delivery mRNA to cells
 medical devices & regenerative medicine	dermal fillers, sutures, screws	degradable devices & fillers

bioresorbable polymer = tunable degradable platform

bioresorbable polymers

viatel™ ultrapure: product launch (4Q FY23)

- ultra-high purity and color
- superior drug stability
- longer lasting performance
- more consistent drug release

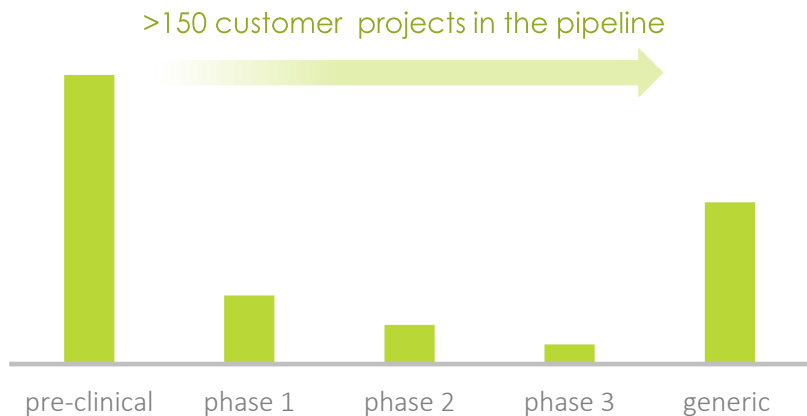
long acting injectables – advantages:

- reduced dosing frequency = 1 injection / 6 months
- tunable and targeted: controlled, sustained drug release
- reduced side-effects and local delivery
- improved patient compliance and treatment outcomes



bioresorbable polymers

major project pipeline growth and capability investment



- pipeline: oncology, animal health and dermal fillers
- cleanroom GMP production / R&D labs (co-located)
- expanding manufacturing capacity and R&D

2.5x

headcount
increase

4.5x

footprint
increase

\$15_{MM}

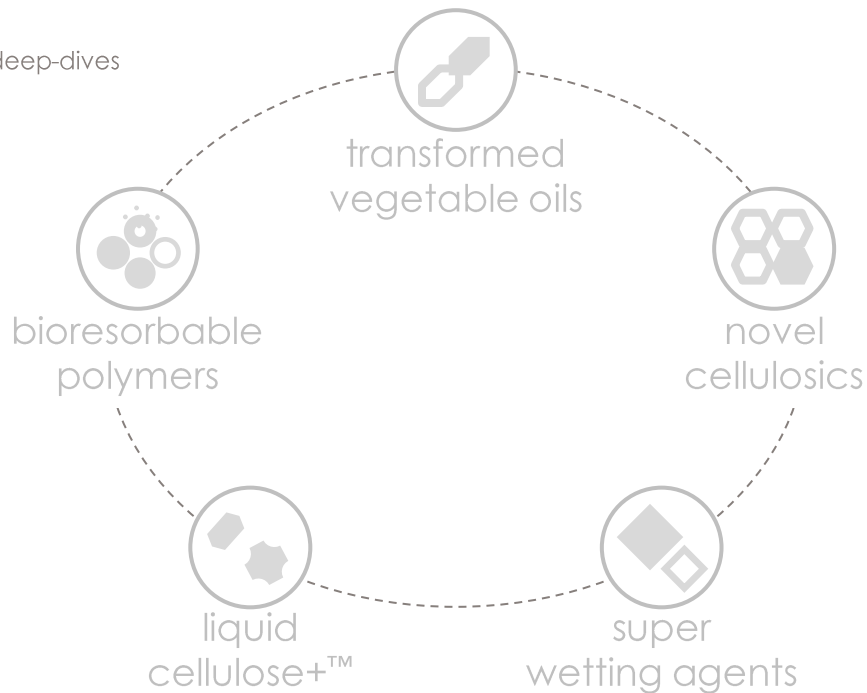
capital
investment



new technology platforms

taking a closer look – in-development

 platform deep-dives

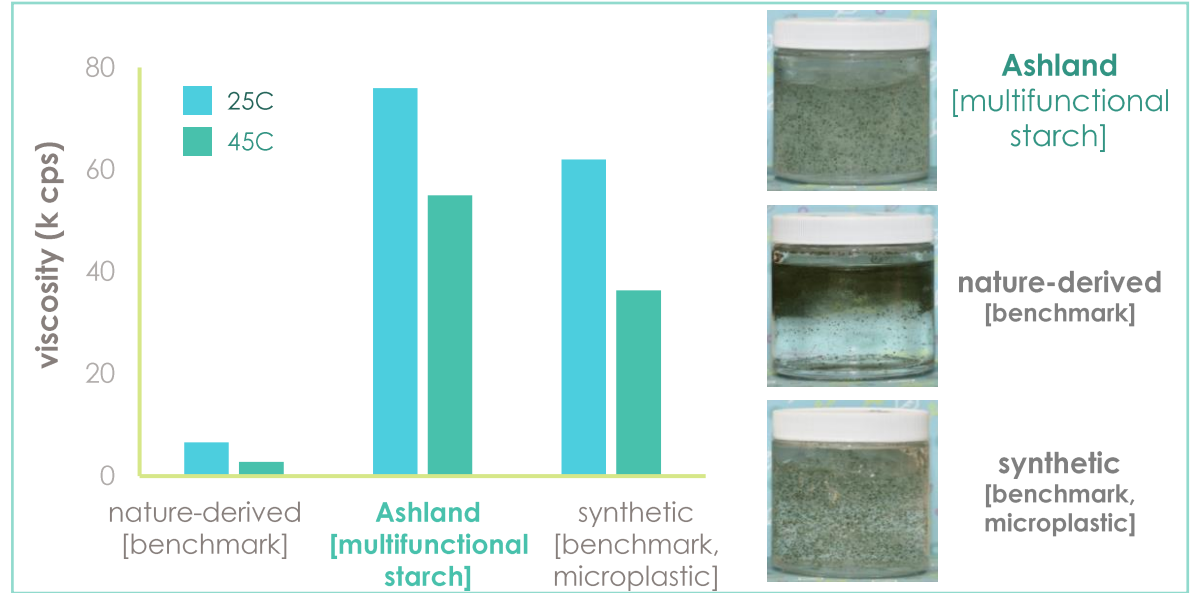


multifunctional starch

high-performing, nature-derived suspending polymer

clear replacement for synthetic suspending agents:

- ESG solution
- nature-derived
- non-microplastic
- superior heat stability
- desirable skin feel/texture
- new to world additive



pH neutralizer

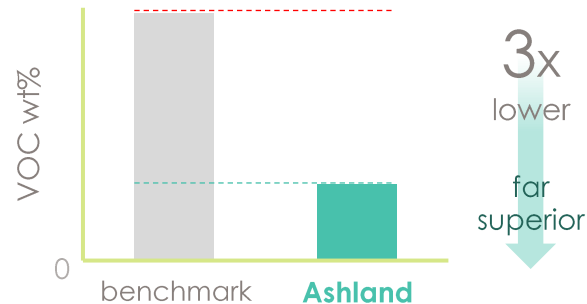
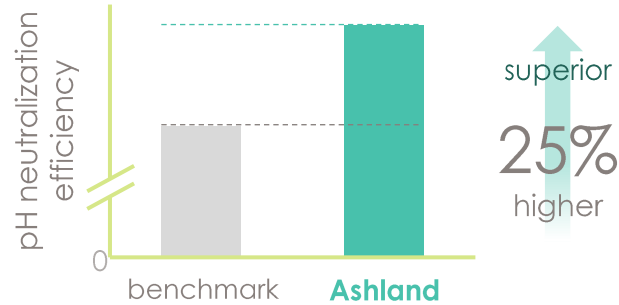
superior additive for very-high-value markets

multi-market opportunity

- o pharma, coatings, personal care (**big3**)

product profile

- o patent protected
- o high efficiency / low VOC
- o improved sustainability
- o 100% yield / no waste
- o easy to adjust composition ('tunable')



benchmark

Ashland

- o clear (no yellowing)
- o no odor
- o water soluble

fireside chat

Guillermo Novo, Min Chong, Ashok Kalyana

fireside chat



Ashok Kalyana
Senior Vice President
Life Sciences and
Intermediates



Guillermo Novo
Chair and CEO



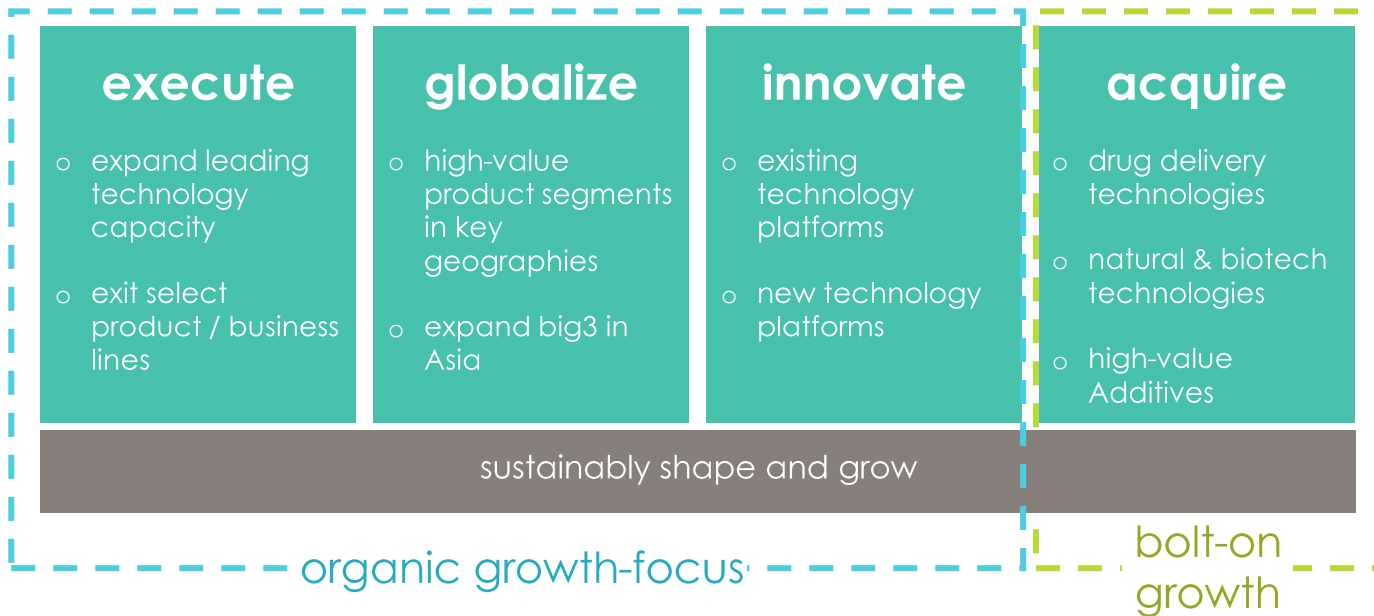
Min Chong
Senior Vice President
Personal Care and
Specialty Additives

closing remarks

Guillermo Novo

strategic priorities

executing on our profitable, organic growth priorities



- prioritize organic, profitable growth
- innovation-enabled
- disciplined investments and execution
- leverage bolt-on M&A to augment organic growth

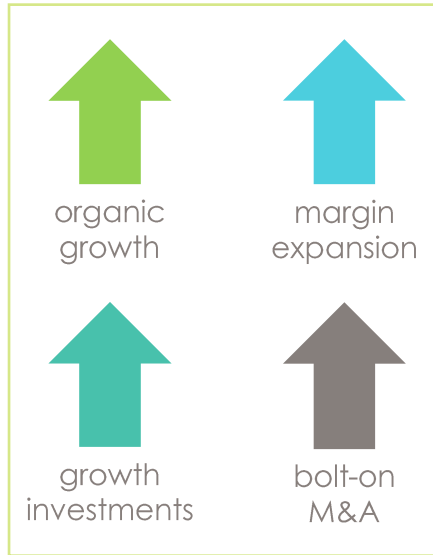
enable a clear and coherent strategy

invest in organic growth



enhanced growth algorithm

clear & coherent strategy to drive long-term outperformance



core growth

MSD

- 1 execute: base business
- 2 globalize: key segments
- 3 innovate: existing tech. platforms



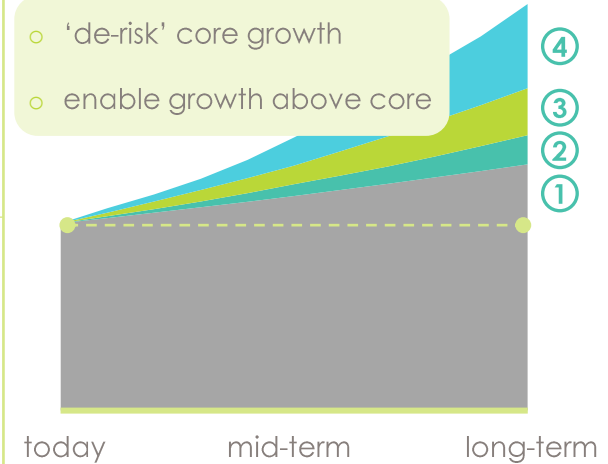
step-out growth

L-MSD

- 4 innovate: new tech. platforms

value of new technology platforms

- 'de-risk' core growth
- enable growth above core



takeaways

- **focus:** big3 market focus and existing technology platforms create a **coherent portfolio** based on a clear **business model**
- **leadership:** majority of portfolio with leading **technology** and/or **market** positions that can be extended and globalized
- **innovation:** robust **pipeline** in existing technology platforms and new, scalable **technologies** that expand our toolbox and growth potential
- **growth:** increasing **organic investment** to expand / globalize highly profitable businesses and capture a new, large, attractive and profitable market
- **execution:** disciplined **portfolio** management and **capital** allocation

Q&A

appendix A: adjusted results summary

Ashland Inc. and Consolidated Subsidiaries
Reconciliation of Non-GAAP Data
 for 12 Months Ended June 30, 2023

(\$ millions, except per share and percentages)

Sales¹	Q3 23	Q2 23	Q1 23	Q4 22	Total
Life Sciences	\$ 219	\$ 240	\$ 207	\$ 213	\$ 879
Personal Care	146	167	138	188	639
Specialty Additives	152	161	143	187	643
Intermediates	43	51	54	64	212
Less: Intercompany Eliminations	(14)	(16)	(17)	(21)	(68)
Total	\$ 546	\$ 603	\$ 525	\$ 631	\$ 2,305

Adjusted EBITDA¹	Q3 23	Q2 23	Q1 23	Q4 22	Total	Adjusted EBITDA Margin
Life Sciences	\$ 72	\$ 75	\$ 52	\$ 57	\$ 256	29.1%
Personal Care	35	35	32	56	158	24.7%
Specialty Additives	29	34	23	43	129	20.1%
Intermediates	16	20	23	17	76	35.8%
<i>Unallocated</i>	(19)	(19)	(22)	(26)	(86)	
Total	\$ 133	\$ 145	\$ 108	\$ 147	\$ 533	23.1%

	Q3 23	Q2 23	Q1 23	Q4 22	Total
Adjusted diluted EPS excluding intangibles amortization expense¹	\$ 1.23	\$ 1.43	\$ 0.97	\$ 1.46	\$ 5.09



AshlandTM
always solving