

PP plant in Paulínia, São Paulo, Brazil

EARNINGS CONFERENCE CALL 3Q23

NOVEMBER 9, 2023

Braskem 

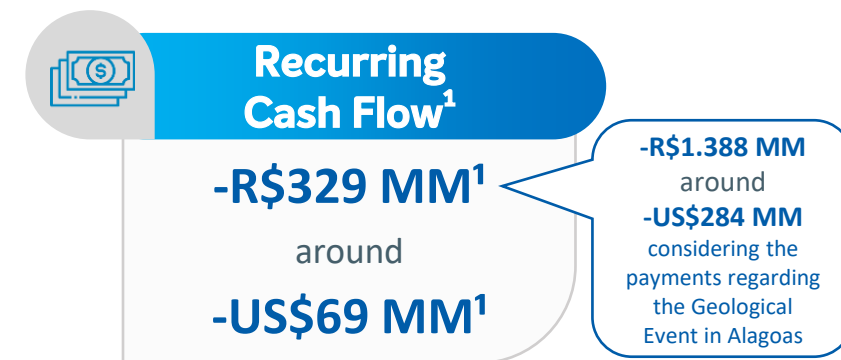
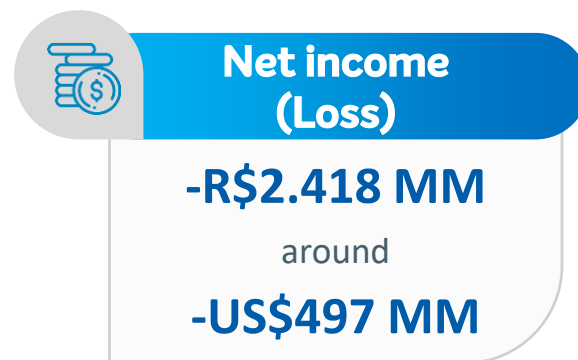
PUBLIC



FORWARD-LOOKING STATEMENTS

- ▶ This presentation includes forward-looking statements. These forward-looking statements represent not solely historical data, but also reflect the goals and expectations of Braskem’s management. The terms “anticipate,” “believe,” “expect,” “foresee,” “intend,” “plan,” “estimate,” “project,” “aim” and similar terms are used to indicate forward-looking statements. Although we believe these forward-looking statements are based on reasonable assumptions, they are subject to various risks and uncertainties, many of which beyond the Company's control, and are prepared using the information currently available to Braskem. There is no guarantee that the events, trends or expected results will actually occur.
- ▶ This presentation was updated as of September 30, 2023, and Braskem does not assume any obligation to update it in light of new information and/or future developments.
- ▶ Braskem undertakes no liability for transactions or investment decisions made based on the information in this presentation.

3Q23 Company Highlights



FINANCIAL HIGHLIGHTS

- **Maintenance of strong liquidity (US\$3.4 bi)**, sufficient to cover all liabilities coming due in the **next ~6 years**
- **Very long debt maturity profile**, with an average term of **~12 years**
- **Corporate leverage ratio** of 12.2x²
- **Maintaining the level of adjusted net debt in relation to the quarter and below historical level**

OPERATING HIGHLIGHTS

- **Global accident frequency rate** (with leave + without leave) of 0.97 (events/1MM HHT³), **reduction of 8% compared to 2Q23**
- **Increase in sales volume in the Brazil segment** in the Brazilian market (+12% vs. 2Q23), **above the growth in demand**
- **The utilization rate of Green Ethylene was 108%** (+28 p.p. vs. 2Q23), after the conclusion of the plant expansion and industrial efficiency initiatives

STRATEGIC HIGHLIGHTS

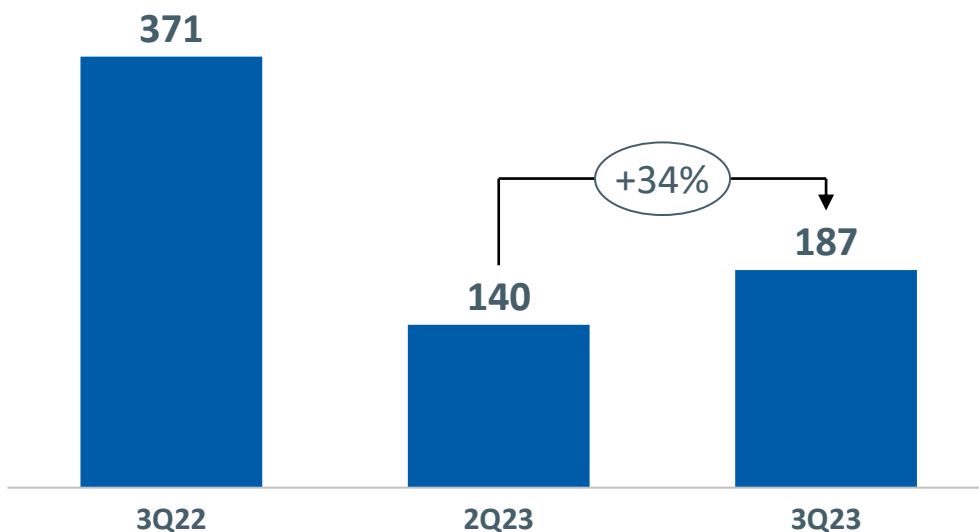
- **Opening of Braskem office in Japan**
- **Constitution of Braskem Siam⁴**, responsible for conducting the project⁵ to build a Green Ethylene plant in Thailand
- **Conclusion the financing of Ethane Import Terminal in Mexico**, which registered **physical progress of around 48%** at the end of Oct/23

Source: Braskem | Note (1): Does not consider payments related to the Alagoas geological event made, amounting to R\$ 1,059 million (~US\$ 217 million) in 3Q23; Note (2): Does not include Braskem Idesa's debt and considers the Recurring EBITDA of the last 12 months; Note (3): Events per million man-hours worked; Note (4): Joint-venture with SCG Chemicals; Note (5): The expectation for the investment decision is for 4Q24.

Highlights 3Q23 | Consolidated EBITDA

Recurring EBITDA

(US\$ million)



EBITDA
Margin

8%

4%

5%

Increase in Recurrent EBITDA explained mainly by:

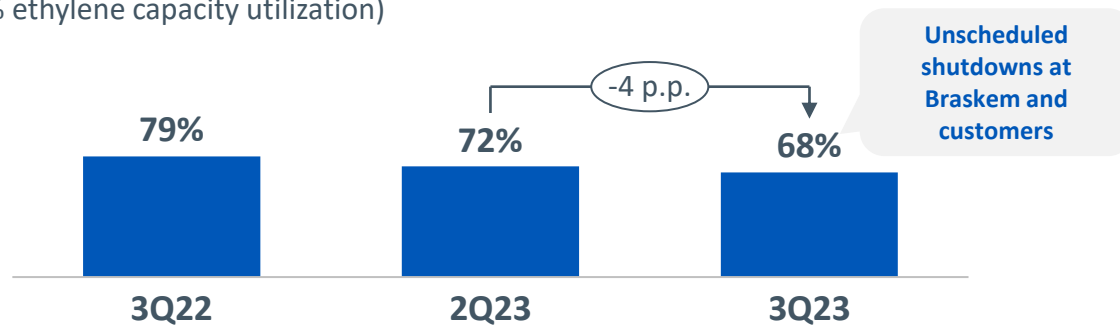
- Increase in resins sales volume, Brazilian market, and exports, and Green PE in the Brazil segment
- Increase in PP volume in the United States and Europe segment
- Recognition of tax credits related to REIQ¹

Highlights 3Q23 | Brazil



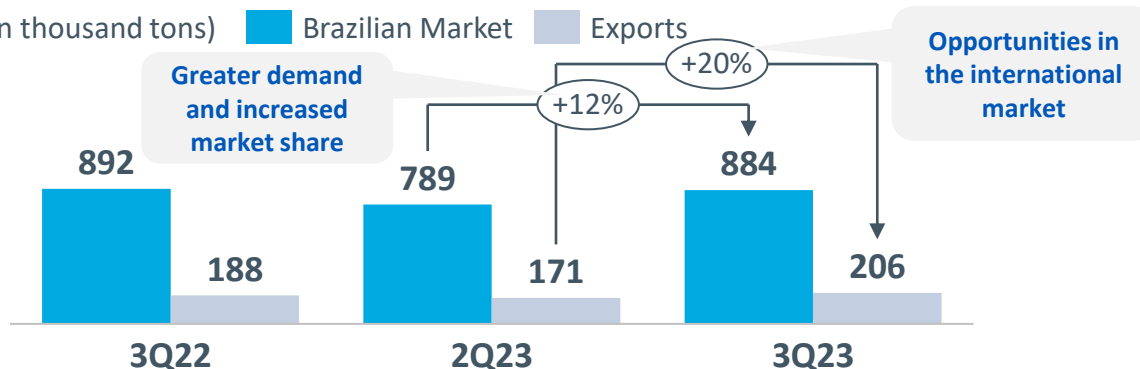
Utilization Rate of Petrochemical Complexes

(% ethylene capacity utilization)



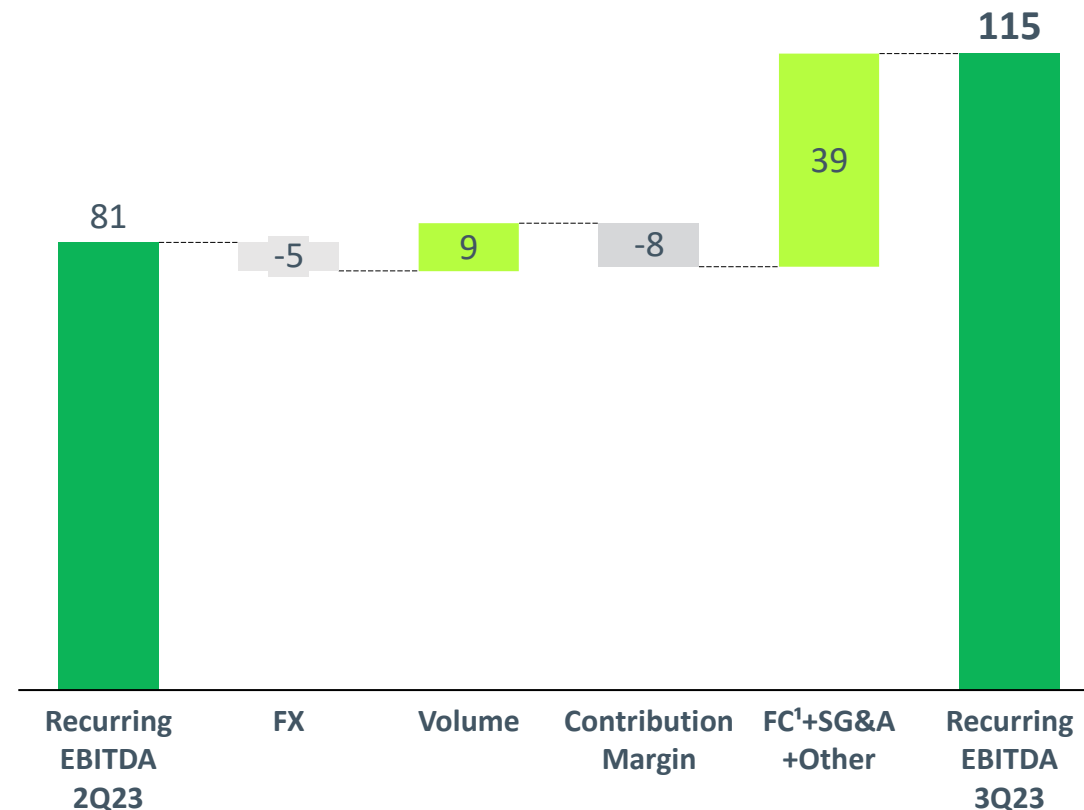
Resin Sales (PE + PP + PVC)

(in thousand tons)



Recurring EBITDA

(US\$ million)

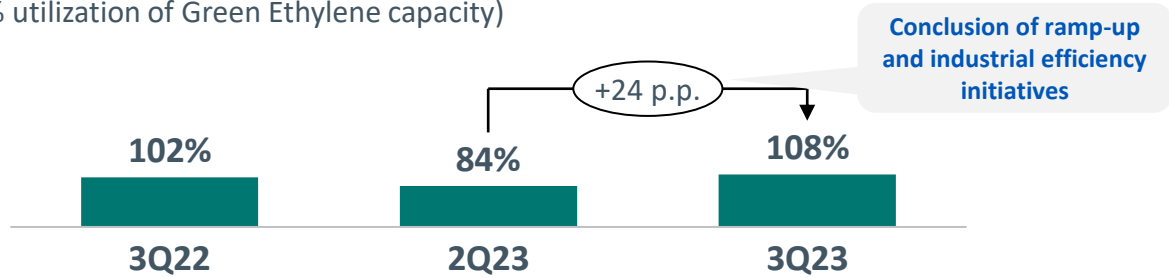


Recurring EBITDA from Brazil segment accounted for 63% of the Company's consolidated Recurring EBITDA

Highlights 3Q23 | Green PE

Utilization Rate of Green Ethylene

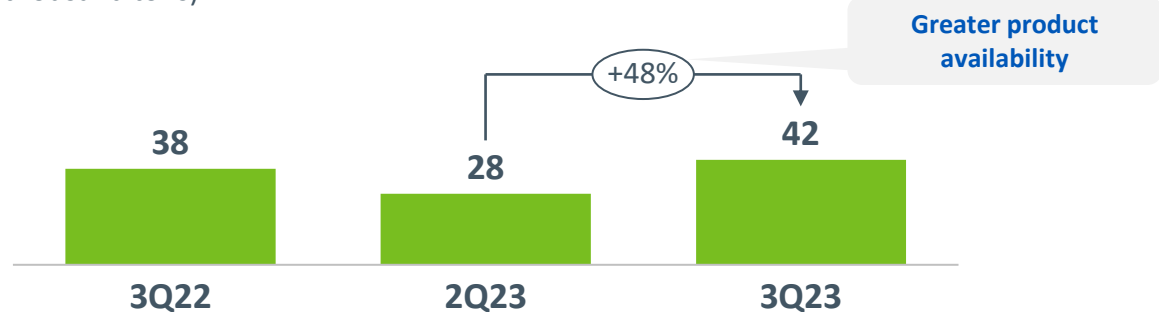
(% utilization of Green Ethylene capacity)



Production Capacity	200 thousand tons	228 thousand tons	260 thousand tons
	3Q22	2Q23	3Q23

Sales of Green PE

(in thousand tons)

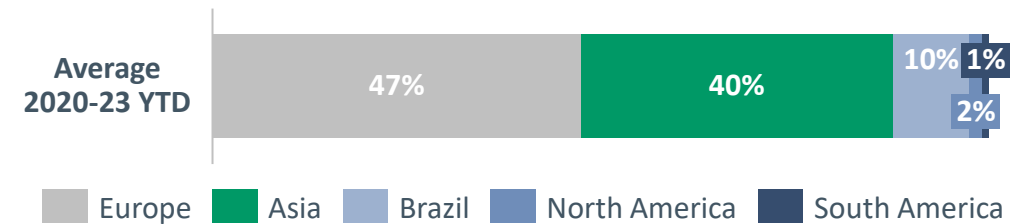


Opening of a Braskem office in Japan



In recent years, Japan has been developing and implementing public policies to expand the use of plastics derived from renewable sources in its economy

Sales of Green PE by region



Japan is an important and strategic market for I'm Green™ Green PE

Green PE operations are part of Braskem's corporate strategy for 2030 through the Bio-based growth avenue

Highlights 3Q23 | Bio-based Growth Avenue



Establishment of JV Braskem Siam¹

BraskemSiam

BIO-BASED POLYETHYLENE

Joint venture between &

- I Corporate Structure** JV between Braskem and SCG Chemicals, with 51% and 49% stake, respectively
- II Production Capacity** up to 200 thousand tons of green ethylene
- III Status** Front End Engineering Design (FEED)
- IV FID² expectation** 4Q24
- V Technology** EtE EverGreen™

Proprietary Technology a collaboration between &



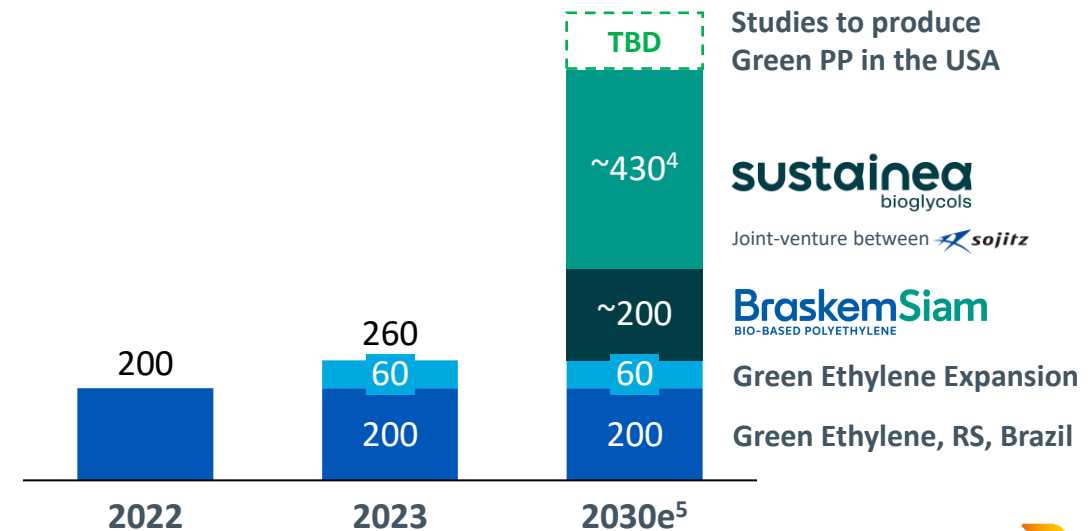
BRASKEM GLOBAL STRATEGY FOR 2030

Growth Avenue Bio-based

- Grow in bio-based resins and chemical products
- Increase the use of renewable feedstocks

Objective of expanding the production capacity of green products to 1 million tons by 2030³

Production Capacity of Green Products (in thousand tons)



Source: Braskem | Note (1): Subject to approval by antitrust authorities; Note (2): Final Investment Decision; Note (3): Achieving the sustainable Macro-Objectives disclosed by the Company (within projected costs and expected deadlines) is also subject to uncertainties and risks that include, but are not limited to: advances, availability, development and financial accessibility of the technology necessary to achieve these objectives; Note (4): Conditional on technology approval; Note (5) Expectation based on the sum of the total production of ongoing projects.



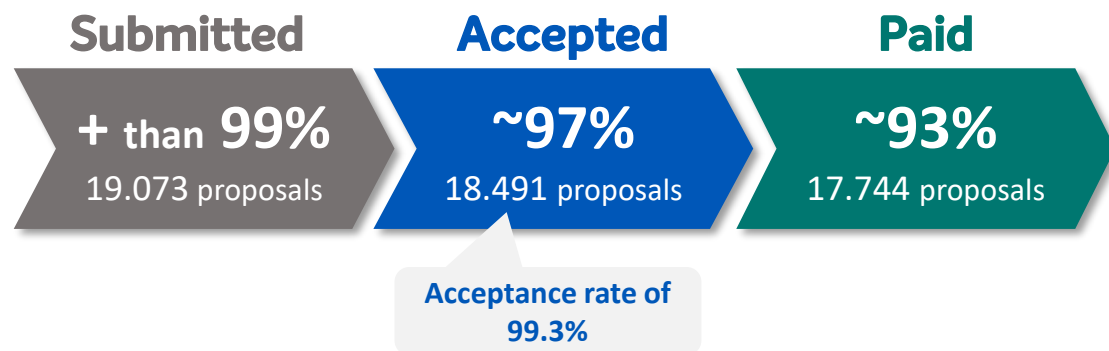
Geological event in Alagoas | Updates (1/2)



Relocation & Compensation – PCF¹

(Status as of 09/30/2023)

- Update on Relocation and Compensation Proposals in relation to the total amount expected

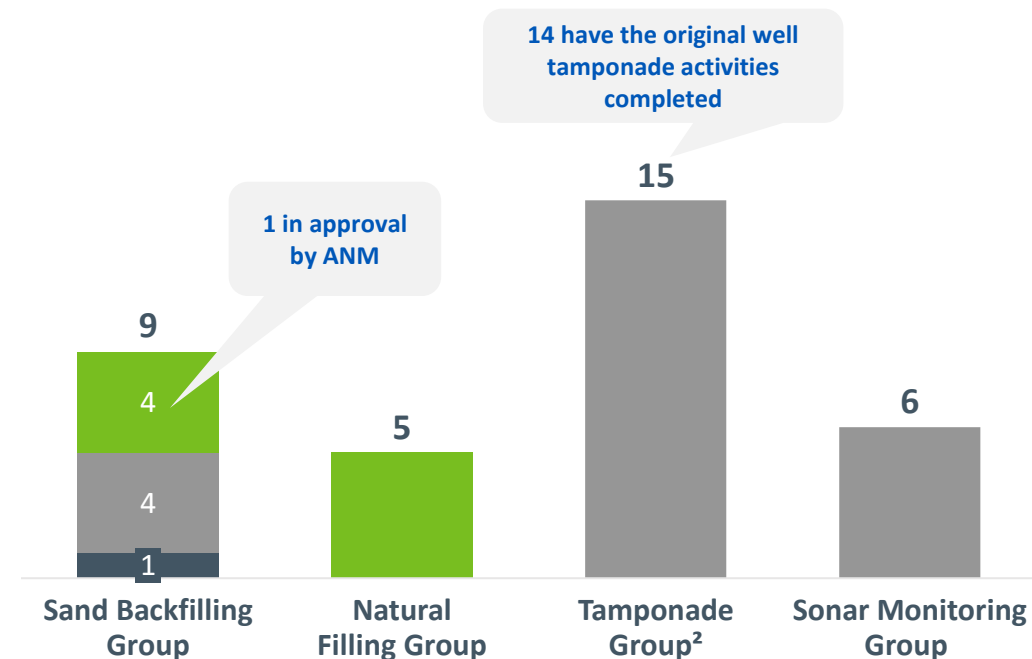


Relocation Program with 99,2% of execution until Sep/23

Closing & Monitoring of Wells

(Status as of 09/30/2023)

■ Concluded
 ■ In progress
 ■ Not started



The Company cannot eliminate future developments related to the matter or its associated expenses, and the costs to be incurred by Braskem could differ from its estimates or accrued amounts

Source: Braskem | Note (1): PCF: Financial Compensation and Support for Relocation Program. Note (2): Tamponade technique consists of implementing physical barriers, such as cement paste, to prevent fluids from penetrating between permeable geological formations through the well and/or migration of fluids to the surface.

Geological event in Alagoas | Updates (2/2)



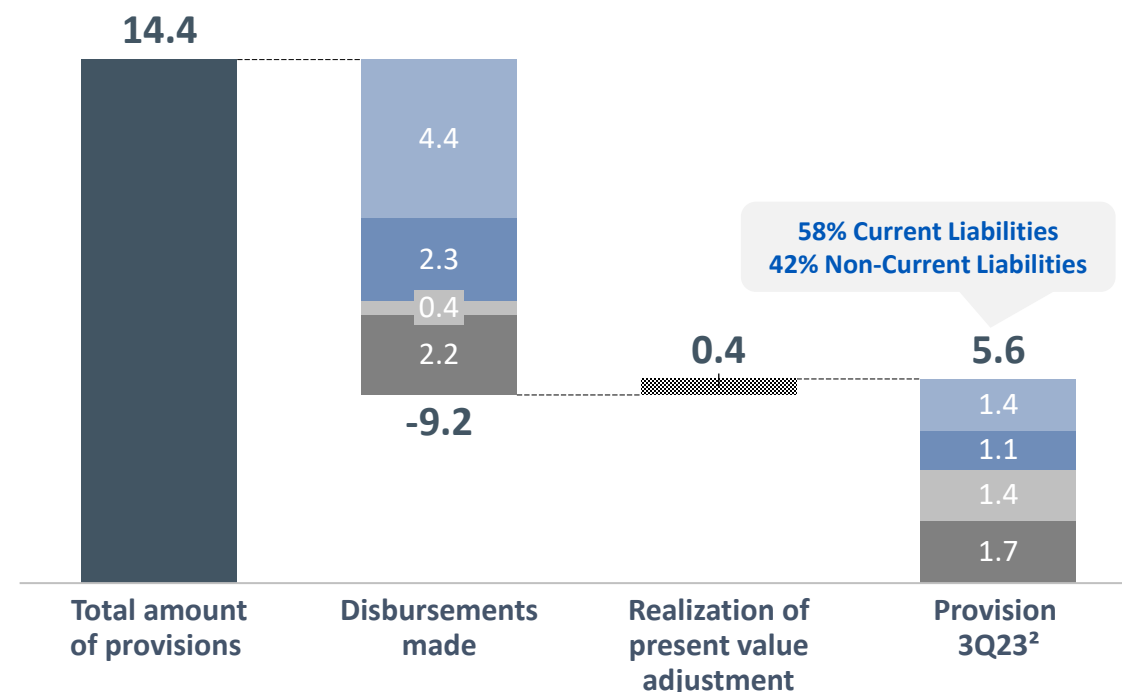
Advances on Socio-urbanistic and Environmental Measures

(Status as of 09/30/2023)

- All 11 Urban Mobility actions are in progress, 8 of which already have executive projects concluded. **Of these actions, 3 are already in the construction phase**, and 1 is planned to start in 4Q23
- Advances in the **Urban Integration and Development of Flexais Project**, highlighting 11 urban requalification actions implemented out of the 23 planned actions
- **The operationalization of the Environmental Plan actions is ongoing**

Total Amount and Balance of Provisions¹

(R\$ billion)



The Company cannot eliminate future developments related to the matter or its associated expenses, and the costs to be incurred by Braskem could differ from its estimates or accrued amounts

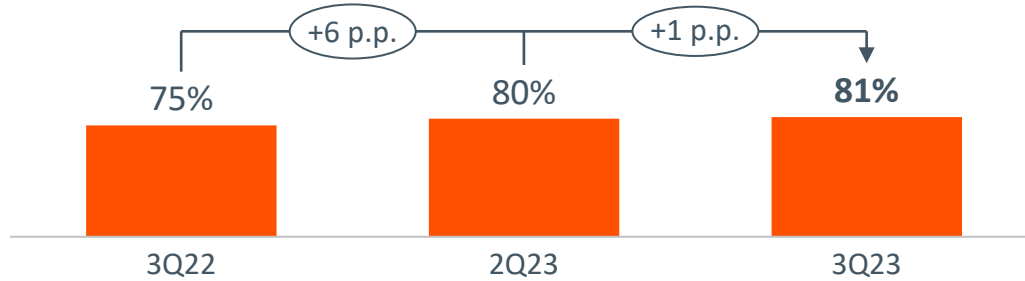
Fonte: Braskem | Nota (1): The total amount of provisions related to the geological event in Alagoas is R\$14.4 billion, of which R\$9.2 billion has already been disbursed and with an AVP (adjustment to present value) of R\$0.4 billion. Note (2): The net balance of provisions, at the end of June/23, was approximately R\$6.5 billion, and at the end of July/23 it reached R\$5.6 billion.

Highlights 3Q23 | USA & Europe



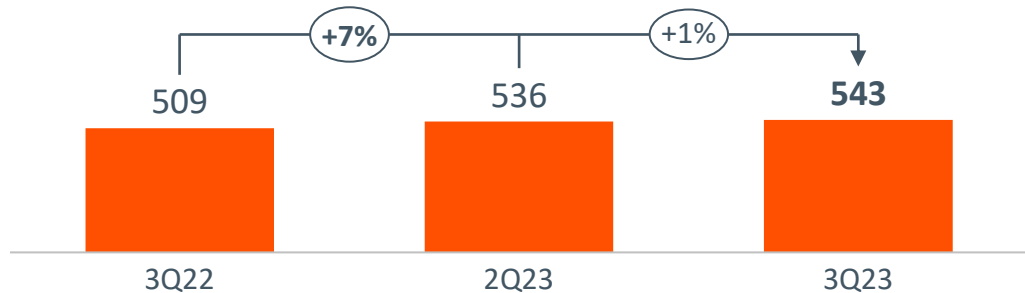
Average utilization rate of PP plants in USA & Europe

(Average % utilization of US and European POP capabilities)



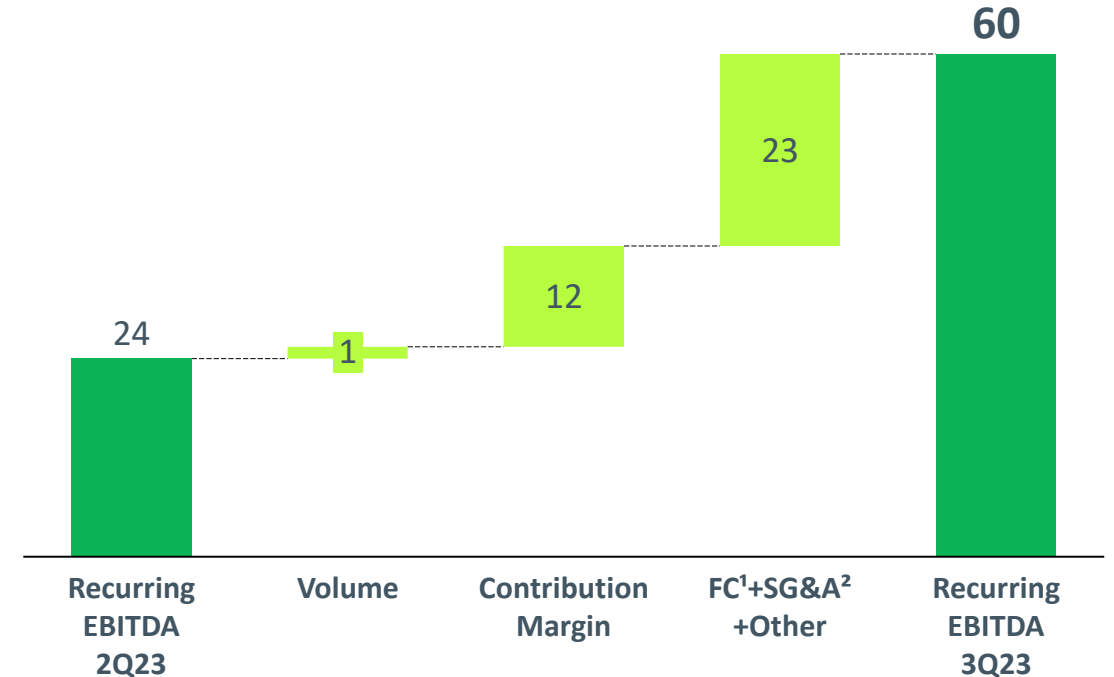
PP Sales

(in thousand tons)



Recurring EBITDA

(US\$ million)



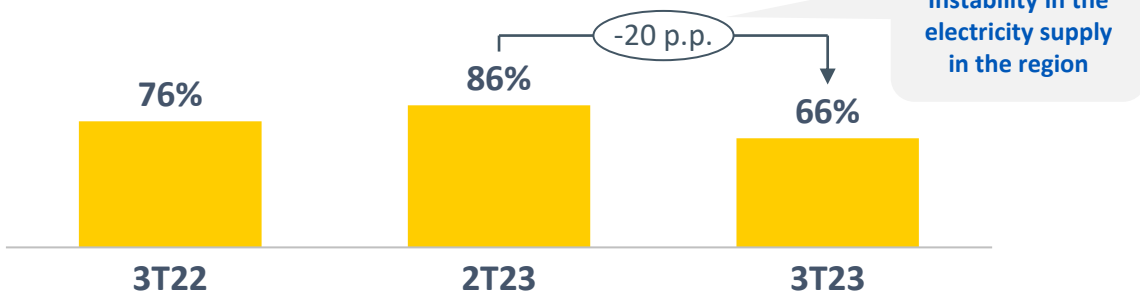
Recurring EBITDA from USA & Europe segment accounted for 33% of the Company's consolidated Recurring EBITDA

Highlights 3Q23 | Mexico



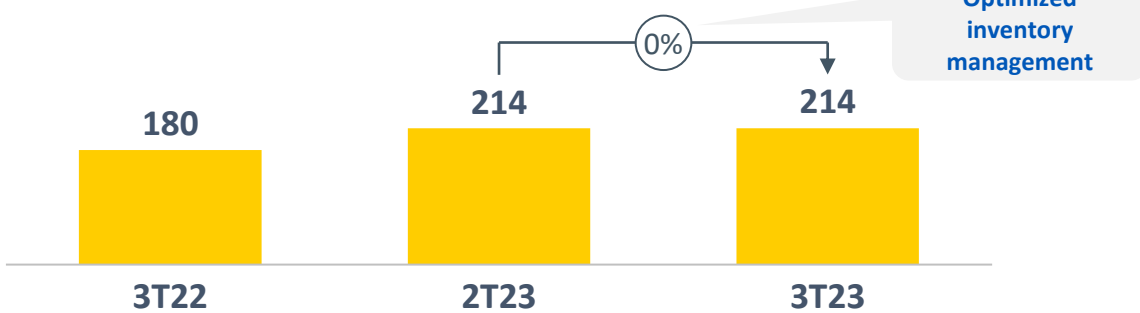
Utilization Rate of PE plants

(% average utilization of PE capacities)



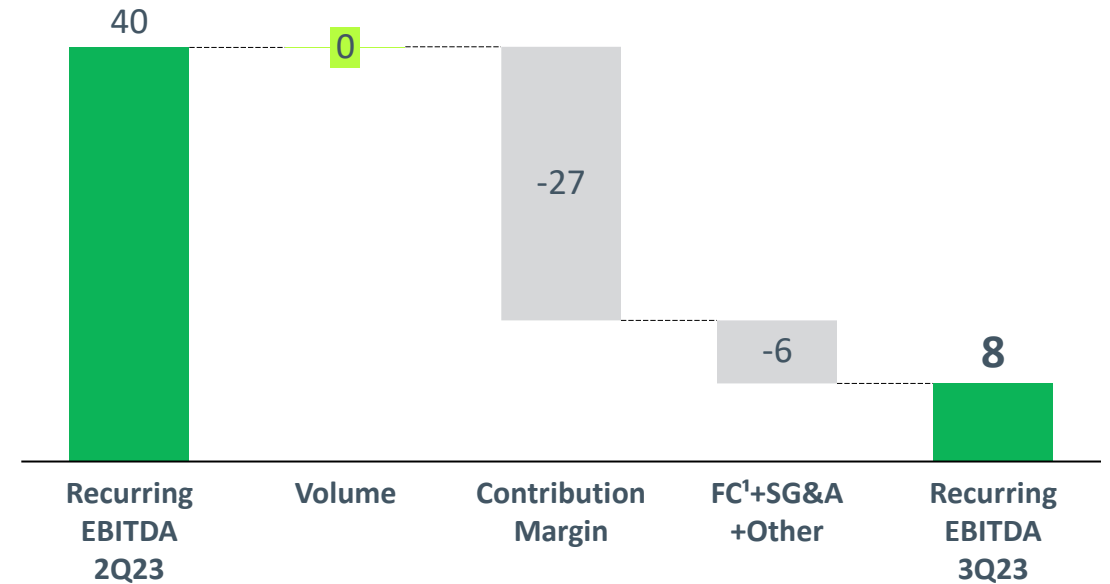
PE Sales

(in thousand tons)



Recurring EBITDA

(US\$ million)



Recurring EBITDA from USA & Europe segment accounted for 4% of the Company's consolidated Recurring EBITDA

Highlights 3Q23 | Mexico Segment (Terminal)



Financing for Ethane Import Terminal



Conclusion of financing in the amount of US\$408 million

- ✓ **Issued:** Terminal Química Puerto México (“TQPM”) with the support of its shareholders, Braskem Idesa and Advario
- ✓ **Loan Modality:** *Syndicated Project Finance Loan*
- ✓ **Syndicate:** INBURSA, ING, KFW, Credit Agricole, Mizuho and DEG
- ✓ **Maturity:** 5-year term deal
- ✓ **Project’s capital structure:** 30% equity and 70% debt of the total capital to be invested¹
- ✓ **Guarantees:** standard guarantees for a transaction of this nature

Braskem, through Braskem Idesa, reinforces its commitment to Mexico and the petrochemical industry

BRASKEM’S GLOBAL STRATEGY FOR 2030



Growth Avenue Traditional Business

- Grow existing businesses through selective investments, including productivity and competitiveness improvements
- Decarbonize existing assets

Ethane Import Terminal in Mexico

- **Corporate structure** | JV between Braskem Idesa and Advario (50%/50%)
- **Capacity** | ~80,000 barrels of ethane per day (120% of current need)
- **Estimated investment** | ~US\$ 580 million¹ (with ~US\$446 million of CAPEX ex-VAT)
- **Estimated Start Date** | By the end of 2024

Physical progress of 48% by Oct/23



Aerial image – Oct/23

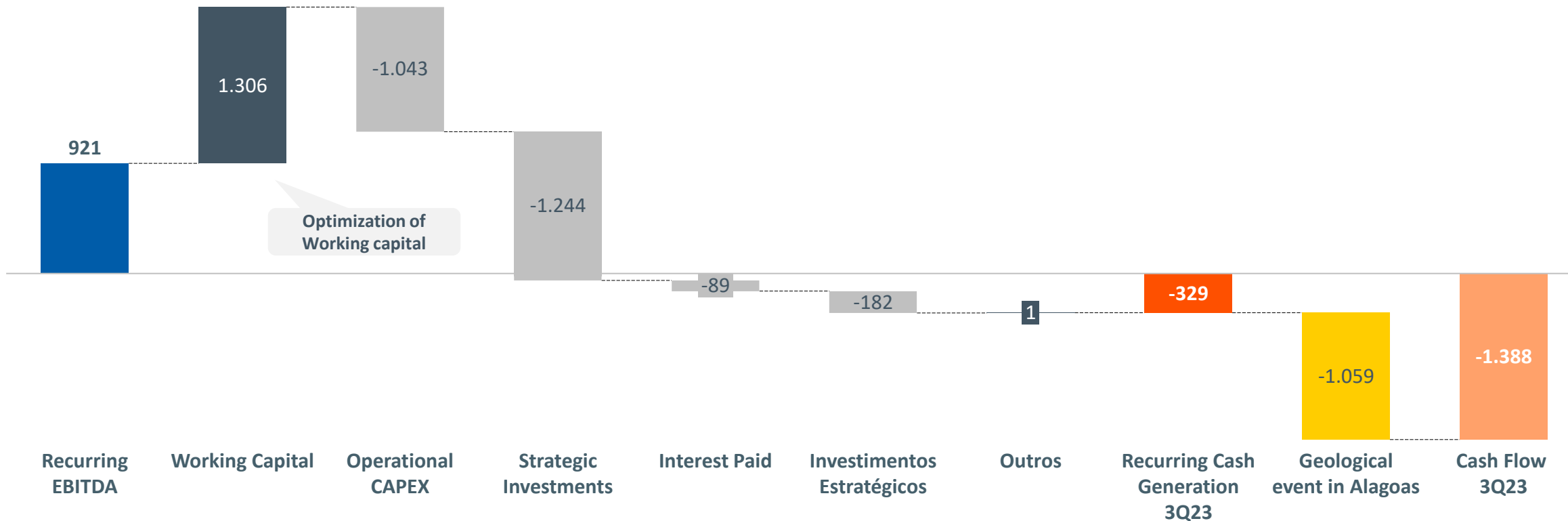


Virtual image of the project

Highlights 3Q23 | Consolidated Cash Flow

Cash Generation (Consumption) in 3Q23

(R\$ million)

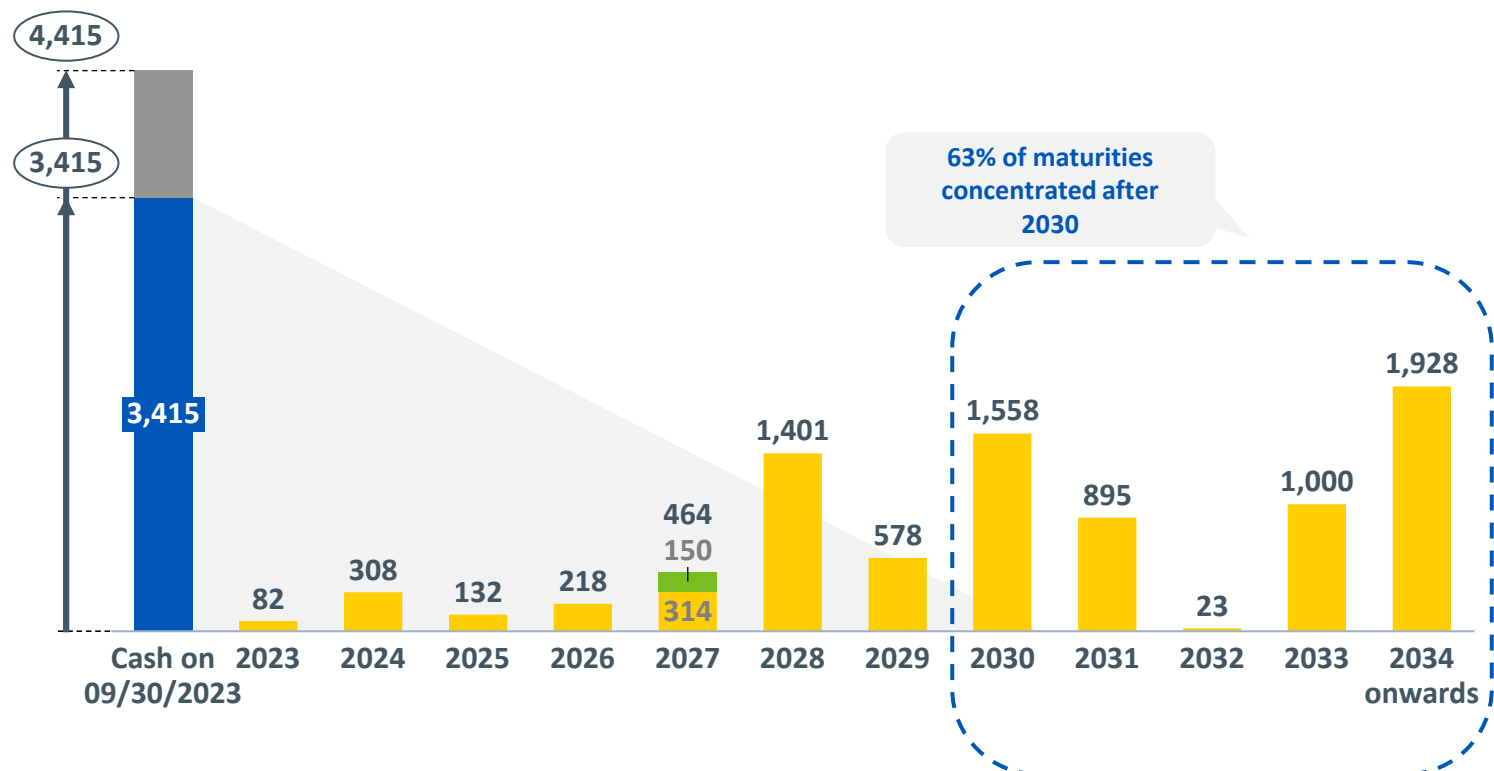


Braskem reinforces its commitment to discipline in efficient capital allocation

Highlights 3Q23 | Corporate Debt Profile

Debt Profile (US\$ million) 09/30/2023⁽¹⁾

■ Total cash
 ■ Total debt
 ■ Debt linked to Sustainability²
■ Stand by



Debt Indicators

- Sufficient liquidity to cover liabilities coming due in next **75 months**³
- Weighted average cost of debt is FX variation + **6.2%**⁴

Conservative Principles

- Net Debt in USD as a hedge to natural exposure of the business to international prices
- Transparent dividend policy
- Concentration of funding in capital markets

	Agency	Rating	Outlook	Date
INVESTMENT GRADE	S&P	BBB-	Negative	08/23/2023
INVESTMENT GRADE	Fitch	BBB-	Negative	08/09/2023
	Moody's	Ba1	Stable	07/27/2023

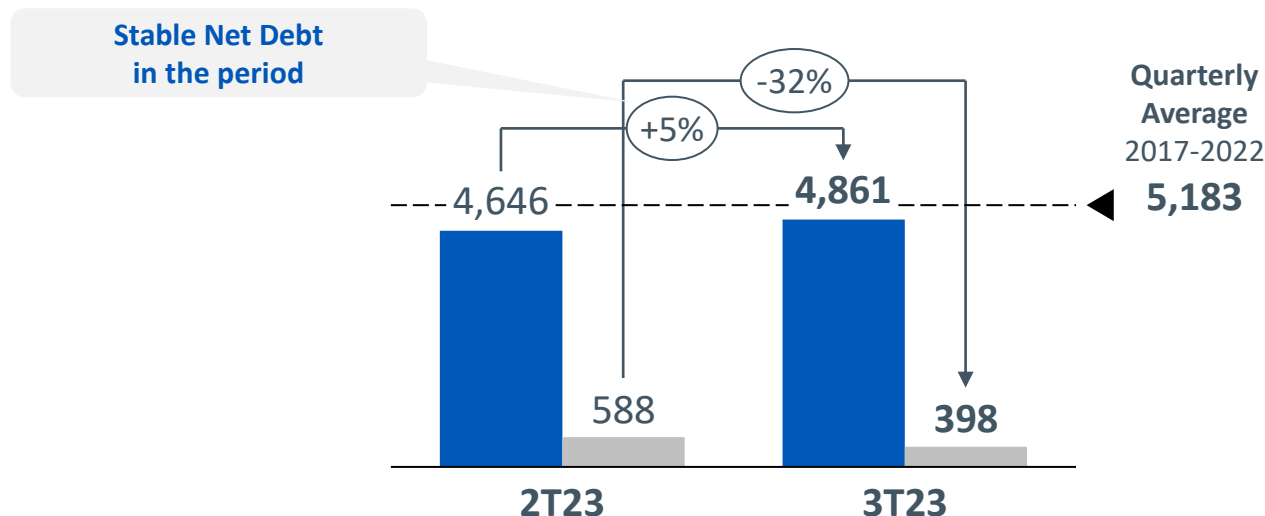
Braskem reiterates its commitment to financial health through the maintenance of a robust cash position and a very long debt profile

Source: Braskem. Note (1): Excludes the amount of R\$35 million allocated to the Financial Compensation and Support for Relocation Program in Alagoas and the debt of Braskem Idesa. Note (2): Sustainability-Linked Loan – liabilities linked to sustainability target (higher sales of Green PE - I'm green™ bio-based). Note (3): Excludes Standby Credit Facility of US\$1.0 billion maturing in 2026. Note (4): Excludes Braskem Idesa's debt.

Highlights 3Q23 | Corporate Credit and Leverage Metrics

Adjusted Net Debt/Recurring EBITDA (LTM)¹

(US\$ million) ■ Adjusted Net Debt (ex-Braskem Idesa) ■ Recurring EBITDA (LTM)



Corporate Leverage Ratio

7.90x

12.21x

Liquidity for Debt Coverage (Months)

74

75

Average corporate debt term (Years)

12.7

12.3

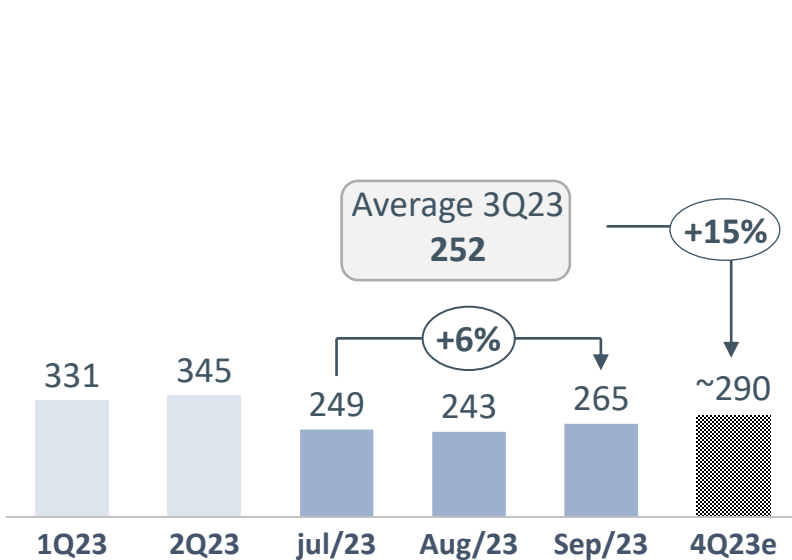
Comments

- ▶ Net debt remained stable in the period, compared to 2Q23 and lower than the quarterly average of the last 6 years
- ▶ The continued downcycle in the petrochemical sector in the last months continues to negatively impact spreads and, consequently, our LTM¹ Recurring EBITDA
- ▶ The average debt payment term of 12.3 years and liquidity, which is sufficient to cover all liabilities in the next 75 months, attests to a balanced and well distributed schedule over the coming years

Petrochemical Scenario¹ – PE e PP

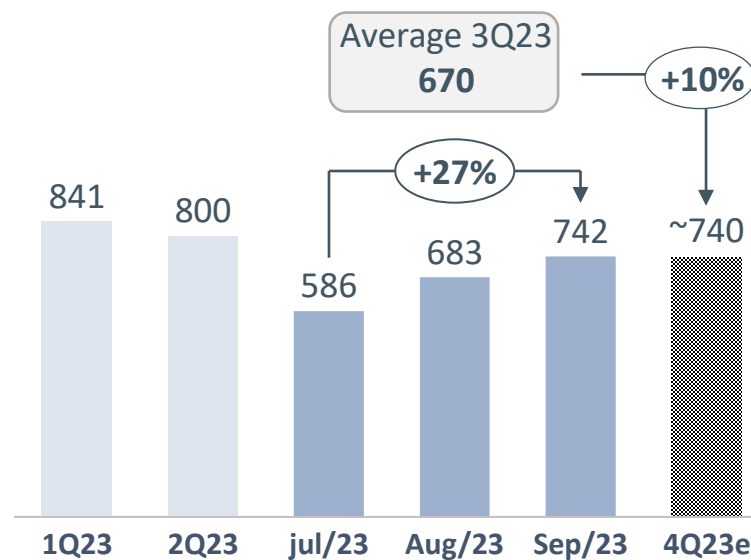
US PE – Naphta ARA Spread²

(US\$/ton)



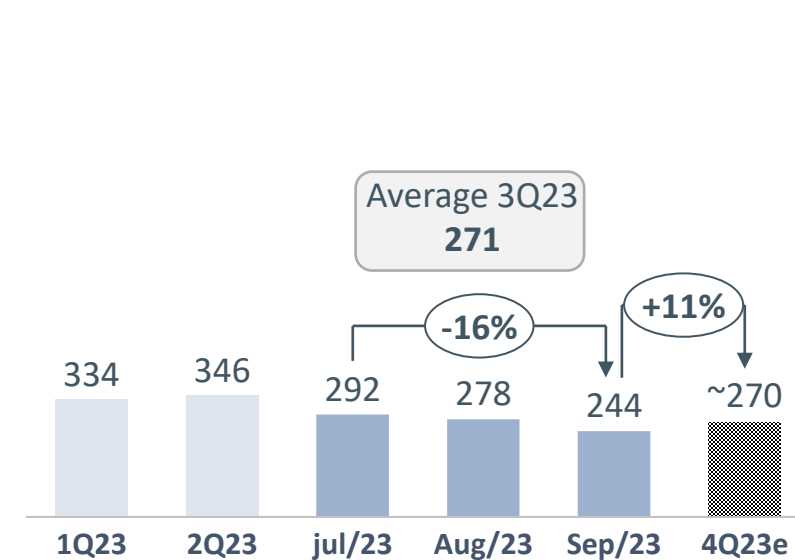
PE US – Ethane US Spread³

(US\$/ton)






PP Asia – Naphta ARA Spread⁴

(US\$/ton)



The lower level of global consumption, slowdown in industrial activity and greater product supply impacted resin spreads throughout 3Q23. However, some of petrochemical spreads showed an upward trend due to the increase in the price of resins on the international market.

Braskem Outlook | 3Q23 vs. 4Q23

	 Brasil	 USA & Europe	 Mexico
Utilization Rate ¹	Decrease	Stable	Increase
Sales Volume ¹	Decrease	Stable	Stable
Petrochemical Spreads ²	Increase	Stable	Increase

Increase

Stable

Decrease

Comments¹

Brasil¹

- **Utilization Rate¹:** reduction due the schedule maintenance shutdown in the petrochemical complex in Bahia during 4Q23
- **Sales Volume¹:** decrease in resins due to seasonality in the period, and reduction for chemicals in function of lower utilization rate
- **Spreads²:** increase because of higher resin and chemical prices in the international market

USA & Europe¹

- **Utilization Rate¹:** maintenance of the current production levels
- **Volume de vendas¹:** maintenance of the current sales volume
- **Spreads²:** maintenance of spreads in the region

Mexico¹

- **Utilization Rate¹:** increase as a result of the operations restarted after the electrical failure occurred during 3Q23
- **Sales Volume¹:** maintenance due to the replenishment of inventory levels
- **Spreads²:** increase because of higher PE prices in the international market

Update of corporate initiatives with impact on EBITDA and Cash Generation

Fronts of Action

	I	II	III	IV	V
	Commercial Optimizations in global commercial management	Fixed and Variable costs Optimization of global fixed and variable cost management across the board	Working Capital Optimizing working capital management throughout the integrated operations	CAPEX CAPEX allocation optimization, without impact on operational safety	Non-recurring monetization Cash Generation through non-recurring monetization
Action (not exhaustive)	<ul style="list-style-type: none"> Maximizing global commercial synergies 	<ul style="list-style-type: none"> Optimization of the global fixed and Variable cost management in a transversal way Global asset strategy review Renegotiation of contracts with suppliers Optimization of freight and storage costs 	<ul style="list-style-type: none"> Global assessment of the grades production portfolio in an integrated way Optimization of the integrated planning cycle from production to sales Optimization of inventory level 	<ul style="list-style-type: none"> Reassessment of scheduled shutdown strategy Improvements in the CAPEX budgeting and prioritization process 	<ul style="list-style-type: none"> Map monetization opportunities for the Company's various adjacent assets, such as credit rights, recoverable taxes and other assets Evaluate structures and potential transactions to enable these monetization
Financial Impact¹	EBITDA 2023 + US\$100 MM	EBITDA 2023 + US\$200 MM	Cash Generation 2023 + US\$100 MM	Cash Generation 2023 + US\$200 MM ²	Cash Generation 2023 + US\$100-200 MM
Deliveries 2023 YTD	<ul style="list-style-type: none"> ✓ Sales mix optimization 	<ul style="list-style-type: none"> ✓ Corporate fixed cost reduction target <i>On-track</i> ✓ Hibernation of 1 PP line at the Marcus Hook plant, USA 	<ul style="list-style-type: none"> ✓ Optimization of the operating and cash cycle 	<ul style="list-style-type: none"> ✓ Corporate CAPEX³ budgeted for 2023 was 22% lower than 2022 ✓ Initiative <i>On-track</i> 	<ul style="list-style-type: none"> ✓ Monetization of credit rights, tax assets and other rights
Progress					

SAVE THE DATE
BRASKEM
DAY 23

11/27
BRT 10 A.M.
EST 08 A.M.
LONDRES 13 P.M.

**MORE INFORMATION,
SOON.**



EARNINGS CONFERENCE CALL 3Q23

NOVEMBER 9, 2023



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