



EARNINGS CONFERENCE CALL 2Q23

AUGUST 9, 2023

Braskem 

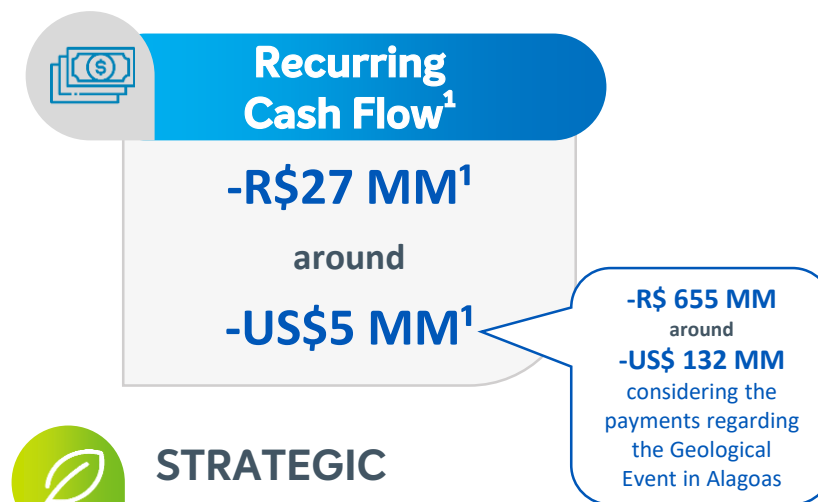
PUBLIC



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 June 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.

Company Highlights 2Q23



FINANCIAL HIGHLIGHTS

- Maintenance of strong liquidity position, sufficient to cover all liabilities coming due in the next ~6 years
- Very long debt maturity profile, with average term of ~13 years
- Corporate leverage ratio of 7.9x²
- Adjusted Net Debt remained stable

OPERATING HIGHLIGHTS

- Consolidated reported and lost time injury-frequency rate of 1.08 (events/1 million hours worked), similar to 1Q23
- Increase in utilization rate in Mexico segment to 86% (+14 p.p when compared to 1Q23), reaching the highest PE production volume of the last 6 years
- Increase in sales volume in Mexico and United States & Europe segment in comparison to 1Q23

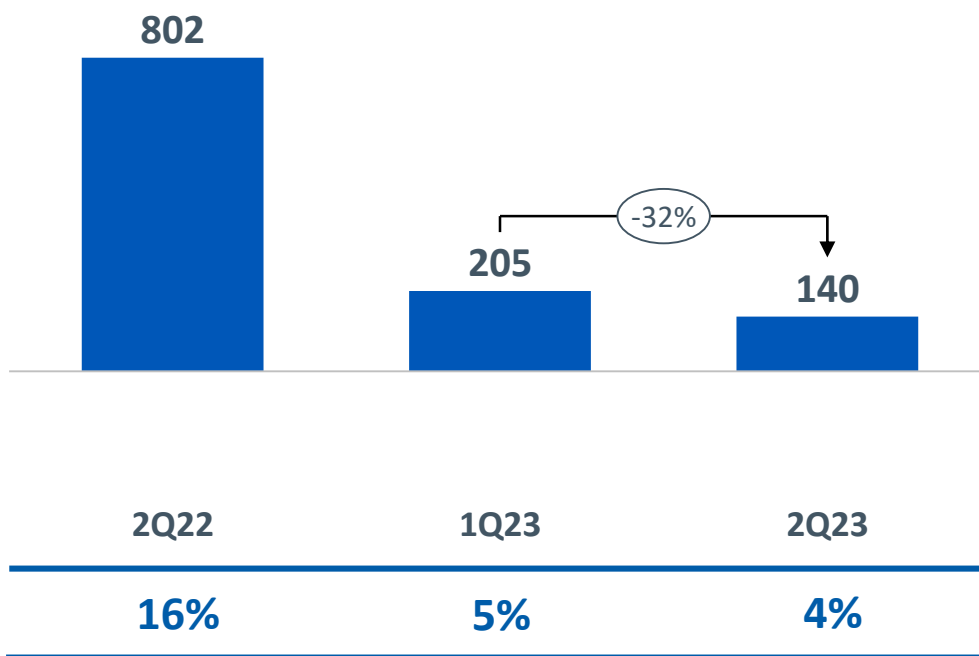
STRATEGIC HIGHLIGHTS

- Completion of expansion of current green ethylene capacity by 30%, with monthly production historic record in Jun/23
- Ethane import terminal construction in Mexico reached around 40% completion by the end of 2Q23
- Exercised a purchase option of new wind power station with Casa dos Ventos, Santo Artur SPE

Highlights 2Q23 | Consolidated EBITDA

Recurring EBITDA

(US\$ million)



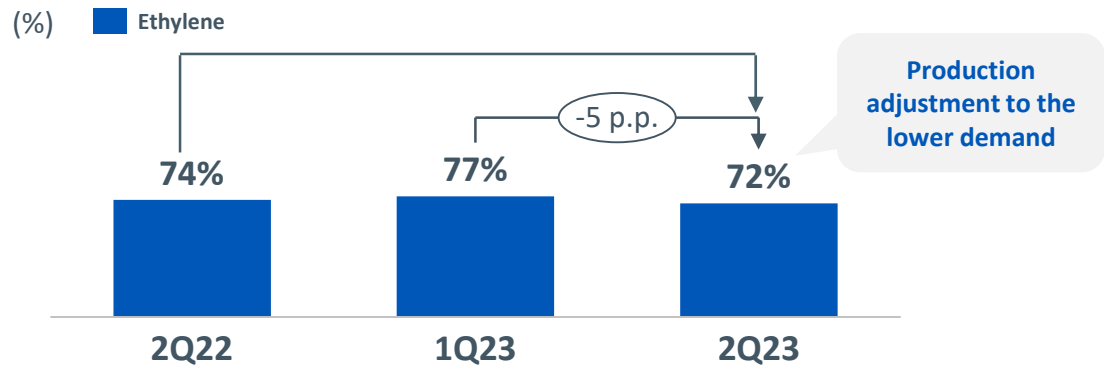
Recurring EBITDA
US\$140 million in 2Q23
 mainly explained by:

- **Decrease in sales volume** of resins and main chemicals in Brazil and PP in Europe compared to the previous quarter due to the downturn in demand
- **Decreased spreads** for PVC from Brazil, PP from Europe, and PE from Mexico in the international market compared to the previous quarter
- **Appreciation of the Brazilian real** against U.S. dollar of 5% in the period

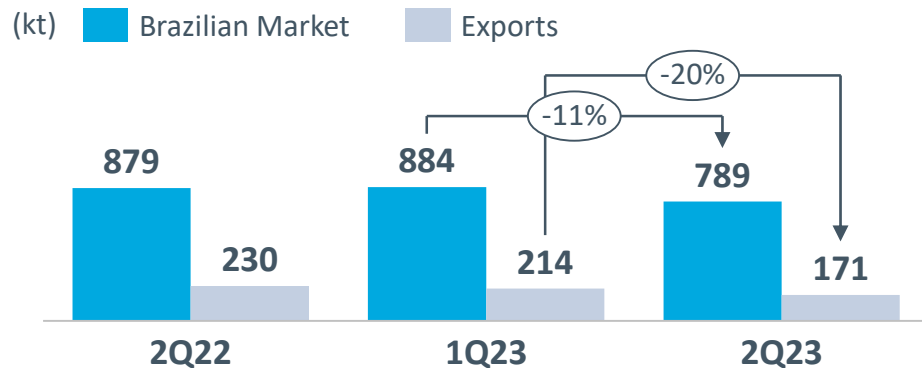
Highlights 2Q23 | Brazil



Utilization Rate of Petrochemical Complexes

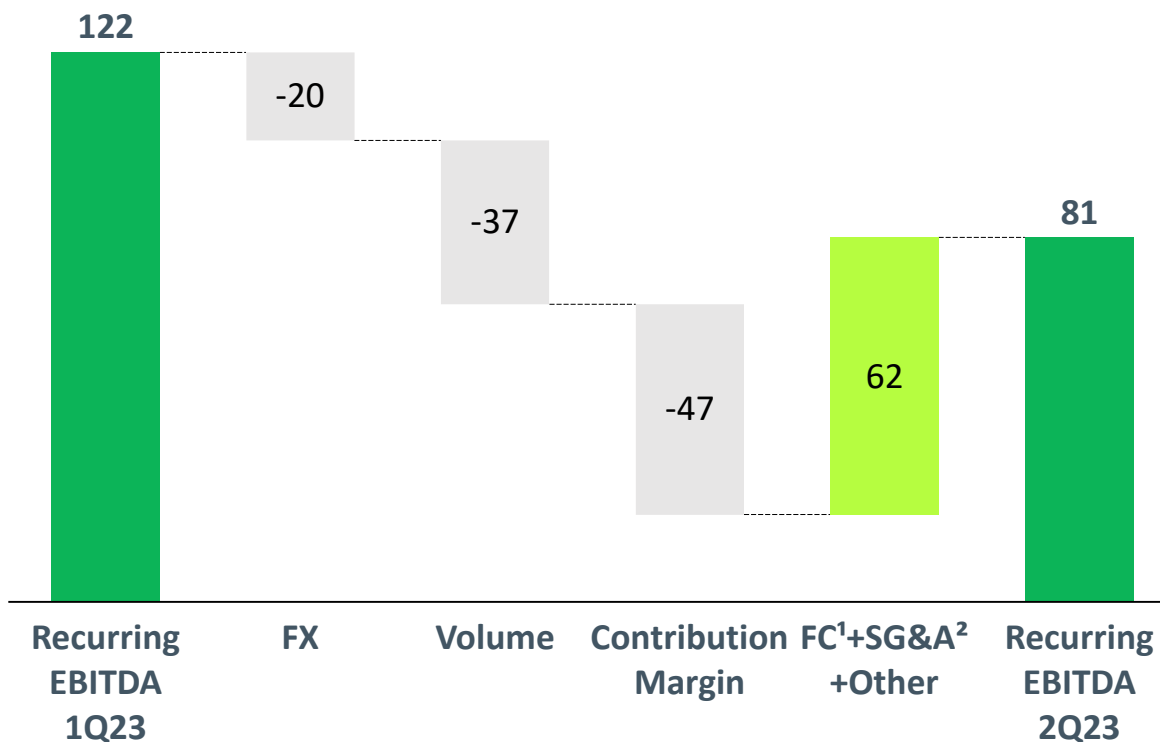


Resin Sales (PE + PP + PVC)



Recurring EBITDA bridge

(US\$ million)



Recurring EBITDA from Brazil accounted for 56% of Company's consolidated Recurring EBITDA

Green ethylene capacity expansion project concluded in 2Q23



Addition of 60,000 tons

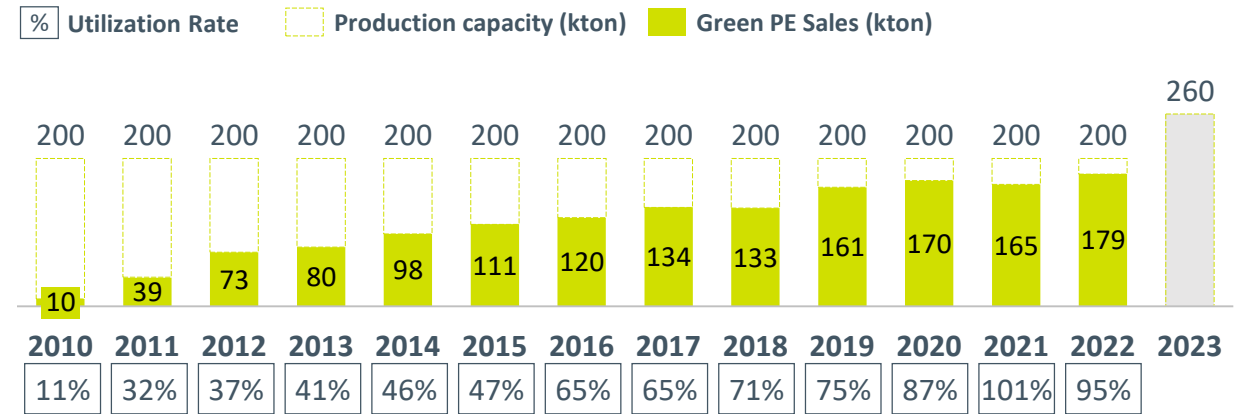
per year in green ethylene production

- Braskem concluded the project to **expand green ethylene production capacity** at the Triunfo Petrochemical Complex in Rio Grande do Sul
- The **sugarcane ethanol** is used to produce "I'm green™" resins, **with negative carbon footprint**



In addition, the production of green ethylene in Jun/23 reached its historical record

Green PE Sales



OUR CARBON NEUTRALITY STRATEGY



Current production capacity is 260 kton per year and will meet global biopolymer demand, which will contribute to Braskem's goal of becoming carbon neutral by 2050

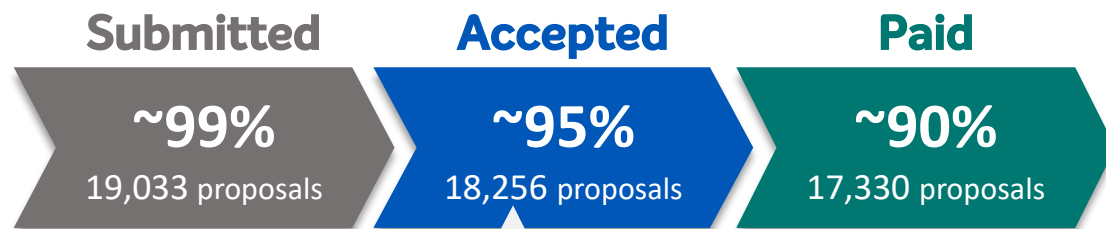
Geological event in Alagoas | Updates (1/2)



Relocation & Compensation – PCF¹

(Status as of 06/30/2023)

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



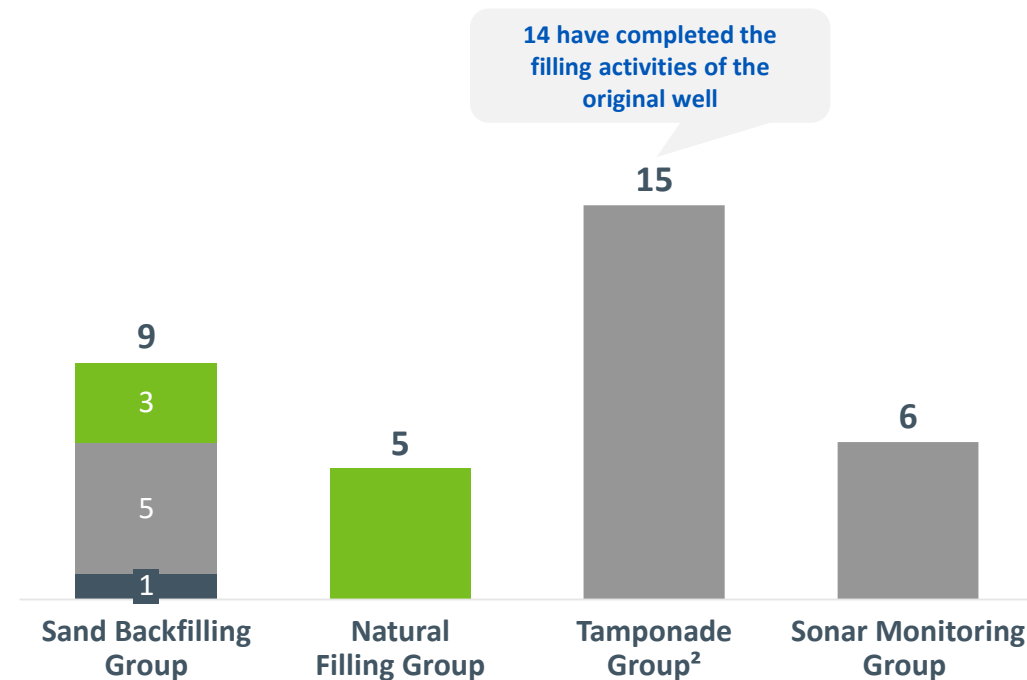
Acceptance rate of 99.4%

Relocation Program with 99% of execution until June/23

Closing & Monitoring of Wells

(Status as of 06/30/2023)

■ 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

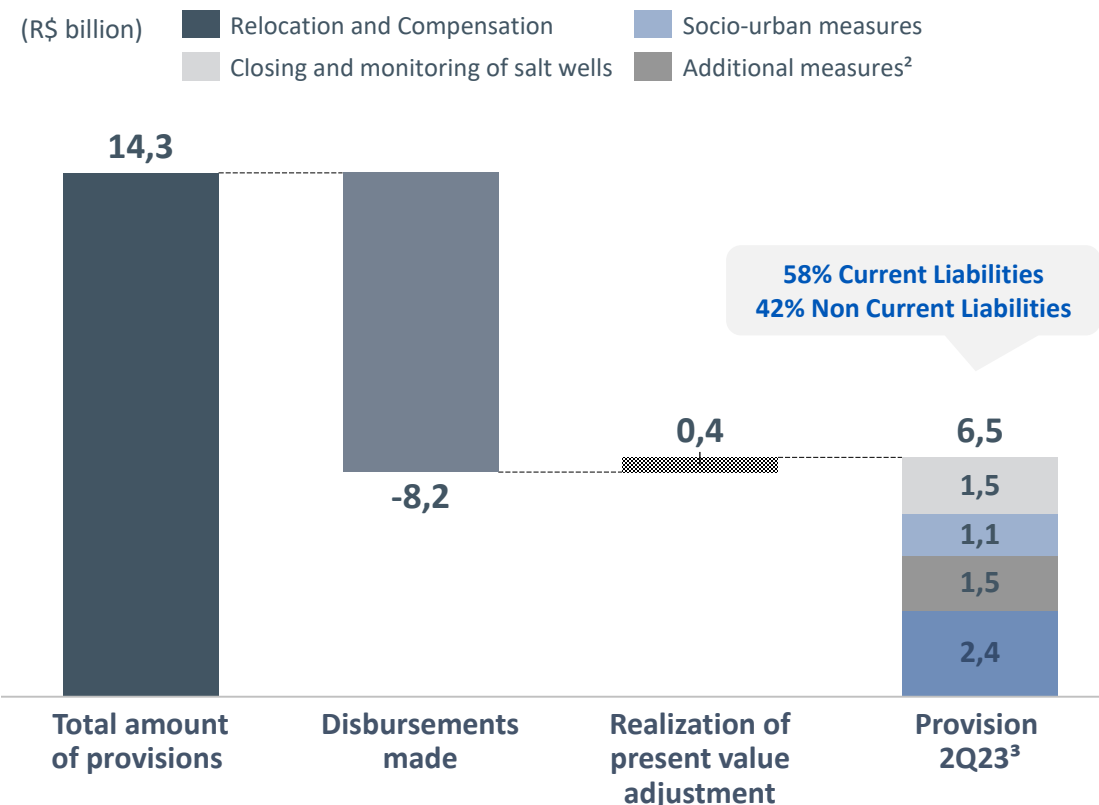
(Status as of 06/30/2023)

- All 11 Urban Mobility actions are in progress, 7 of which already have executive projects concluded, **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 10 urban requalification actions implemented
- **Environmental Plan actions started**

Update on other advances

- Approval and signature of the Global Agreement Term with the Municipality of Maceió in July/23

Total Amount and Balance of Provisions¹



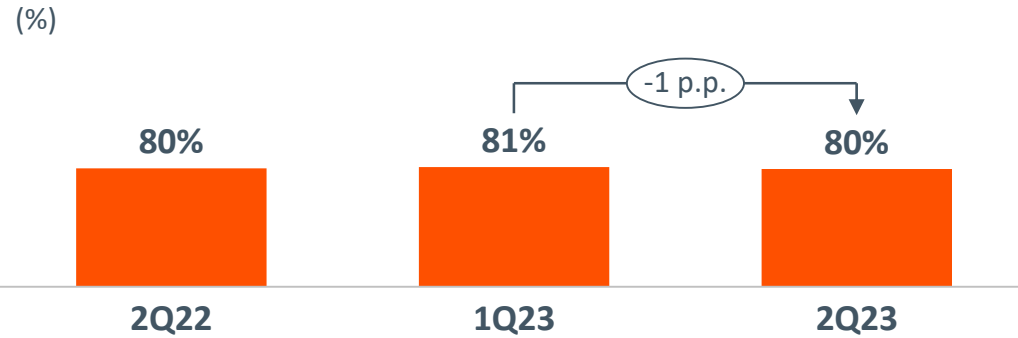
The Company cannot eliminate future developments related to the matter or its associated expenses, and the costs to be incurred by Braskem could differ from its estimates or accrued amounts

Source: Braskem | Note (1): The total amount of provisions related to the geological event in Alagoas is R\$14.3 billion, of which R\$8.2 billion have already been disbursed with R\$0.4 billion corresponding to present value adjustment (PVA). Note (2) Includes the Global Agreement signed with the Maceió Municipality. Note (3): Net balance of provisions, at end Mar/23, was approximately R\$6.1 billion, and at end Jun/23 was R\$6.5 billion.

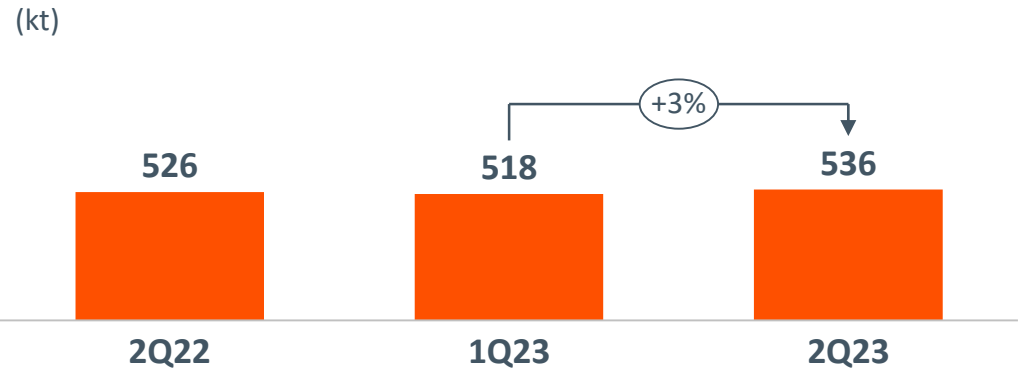
Highlights 2Q23 | USA & Europe



Average utilization rate of PP plants in USA & Europe

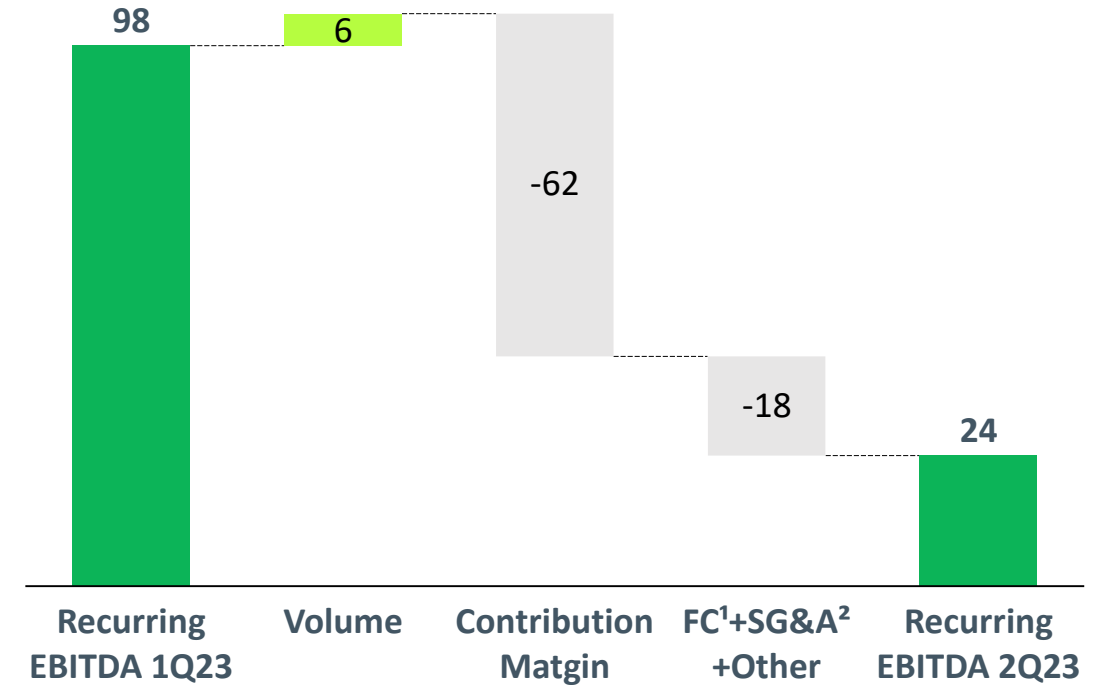


PP Sales USA & Europe



Recurring EBITDA bridge

(US\$ million)

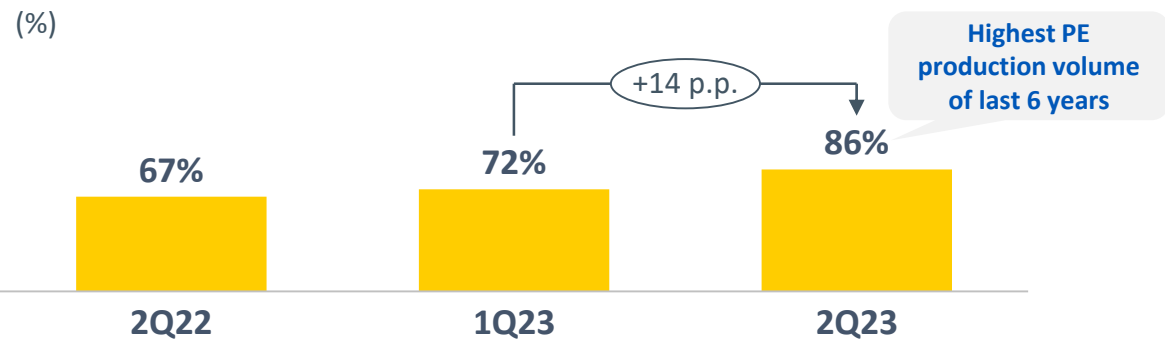


Recurring EBITDA from USA & Europe accounted for 16% of Company's consolidated Recurring EBITDA

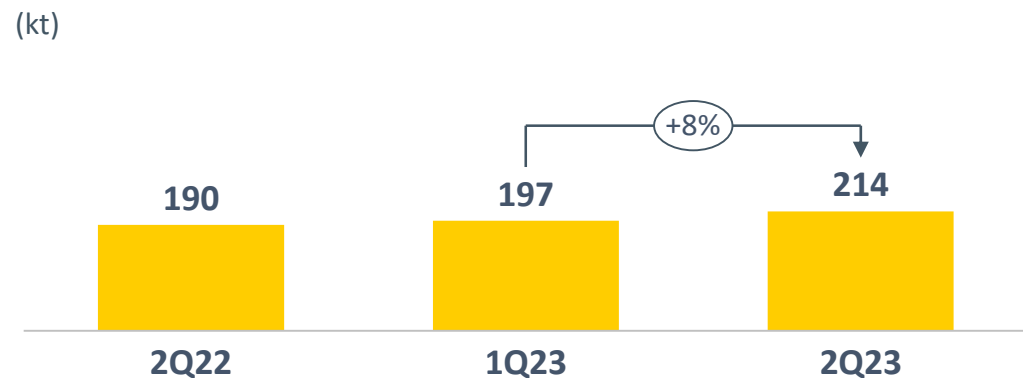
Highlights 2Q23 | Mexico



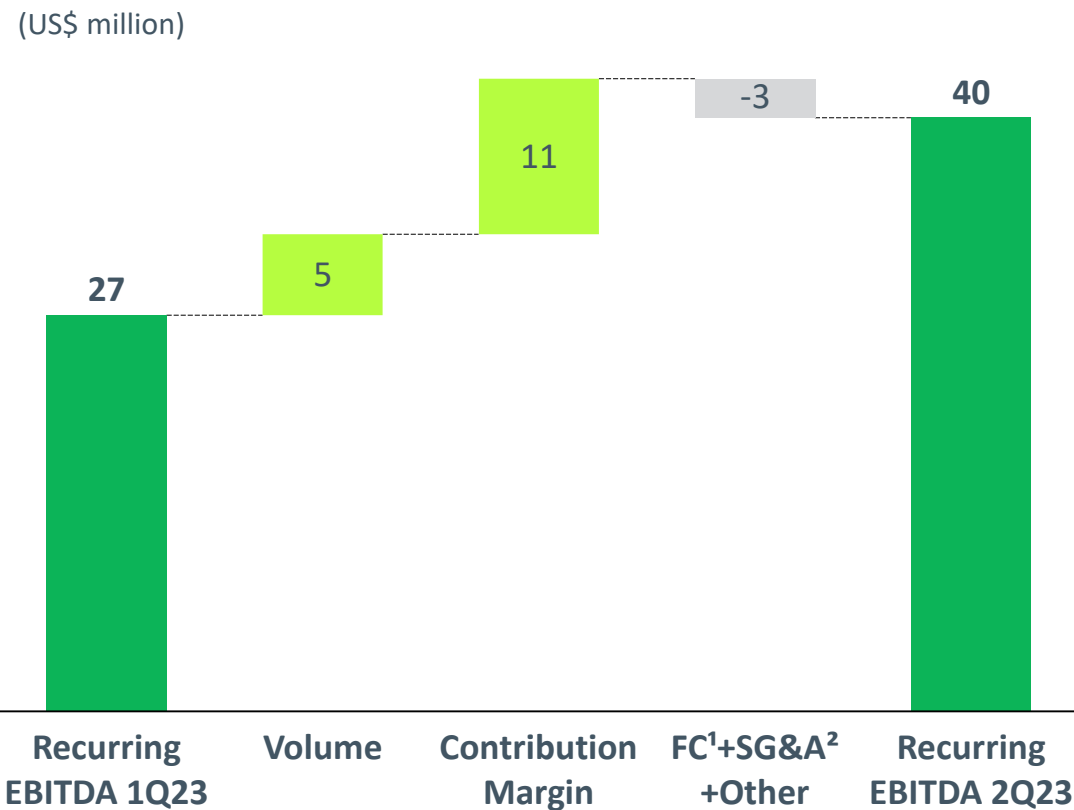
Utilization Rate of PE plants



PE sales



Recurring EBITDA bridge

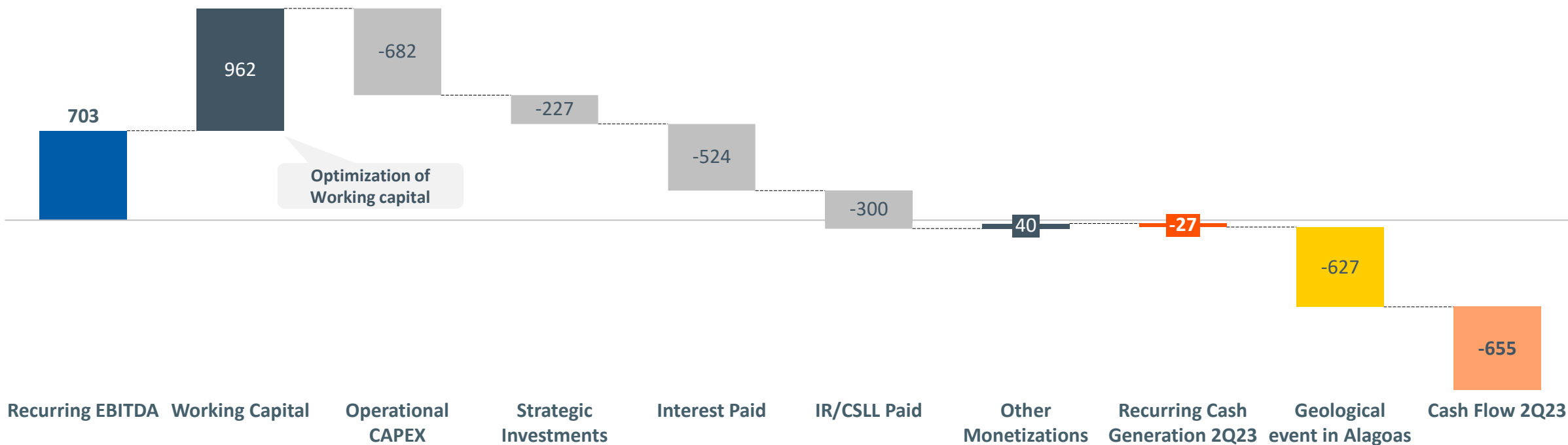


Recurring EBITDA from Mexico accounted for 28% of Company's consolidated Recurring EBITDA

Highlights 2Q23 | Consolidated Cash Flow

Cash Generation (Consumption) in 2Q23

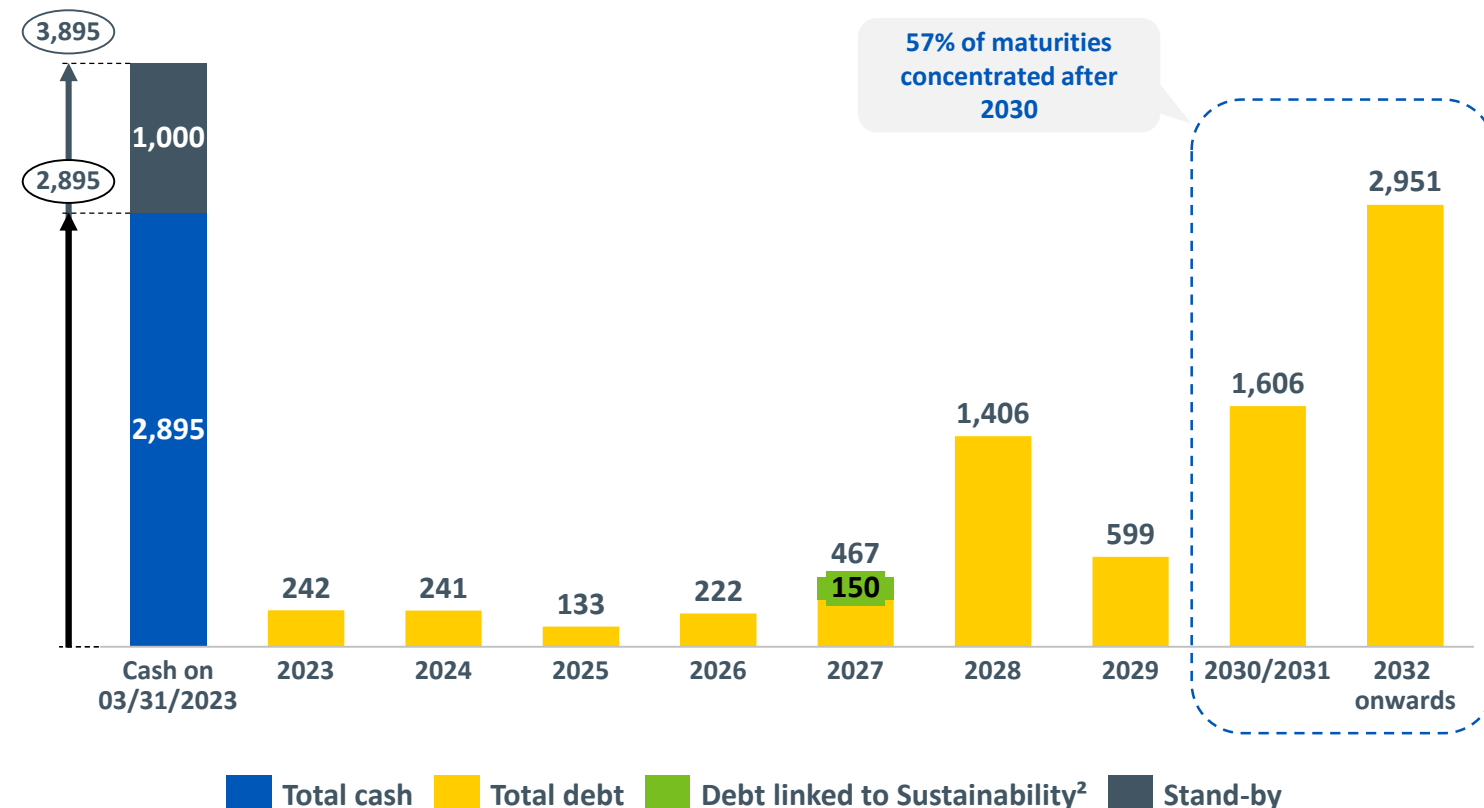
(R\$ million)



Braskem reinforces its commitment to discipline in efficient capital allocation

Highlights 2Q23 | Corporate Debt Profile

Debt Profile (US\$ million) 06/30/2023⁽¹⁾



Debt Indicators

- Sufficient liquidity to cover liabilities coming due in next **74 months**³
- Weighted average cost of debt is FX variation + **6.0%**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-	Stable	12/14/2022
INVESTMENT GRADE	Fitch	BBB-	Stable	01/31/2023
	Moody's	Ba1	Stable	07/27/2023

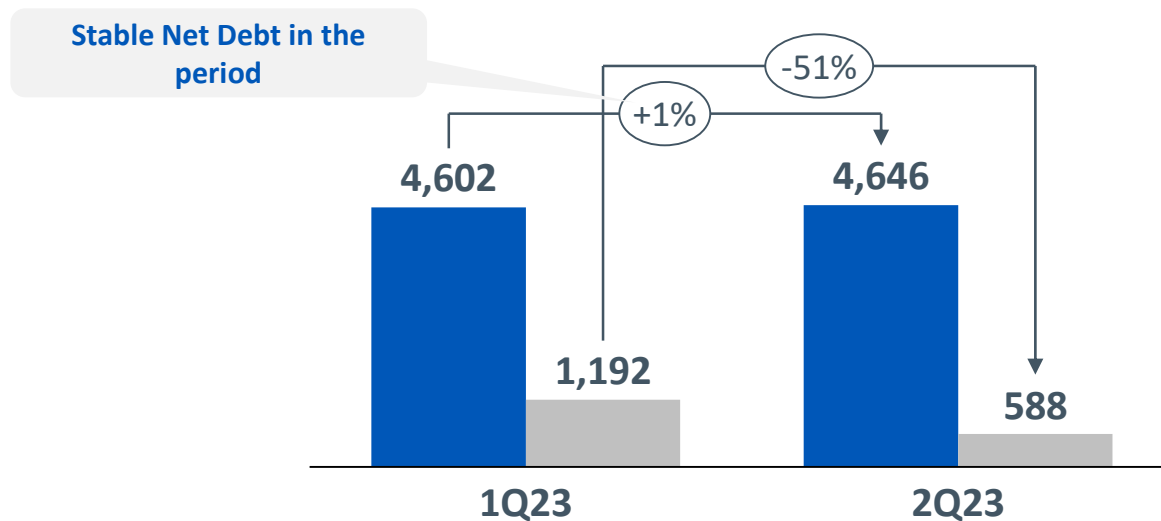
Braskem reiterates its commitment to financial health through the maintenance of a robust cash position and a very long debt profile

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 2Q23 | 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

3.86x

7.90x

Liquidity for Debt Coverage (Months)

76

74

Average corporate debt term (Years)

13.2

12.7

Comments

- ▶ Net debt remained in line with 1Q23
- ▶ 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 12.7 years and liquidity, which is sufficient to cover all liabilities in the next 74 months, attests to a balanced and well distributed schedule over the coming years

Braskem continues advancing in its sustainable development commitments

Climate Risks

- The Company concluded its 2030 and 2050 Climate Risks analysis, which identified the physical and transitional risks that could cause impacts on Braskem's operations over the coming years, considering different climate scenarios aligned to TCFD¹
- Braskem exercised a purchase option for another wind power plant, SPE Santo Artur, from Casa dos Ventos

casadosventos
energia para um novo mundo



Increase in the Recycled resins sales volume

- In the 2Q23, sales volume for the resins with recycled content of the Wenew brand in Brazil increased (+22%) when compared to the 1Q23. Regarding 2Q22, the sales volume for resins with recycled content increased (+83%), reflecting Company's commercial strategy and the consolidation of volumes coming from Wise
- Launch of Upsyde, Braskem's JV in the Netherlands with Terra Circular, a company focused on converting solid waste






wise[™]
Valorizamos plástico

Donation of resin to AACD

- In June, Braskem donated the first lot of polypropylene (PP) to the Children with Disabilities Assistance Association (AACD), which accounted for 6.9 tons of the total of 14.3 tons
- The resin will be used to produce approximately 17,000 prosthetics and orthotics, a number that may vary depending on the type of orthopedic equipment to be produced for the organization's patients



Braskem Outlook | 1H23 vs. 2H23

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

Increase

Stable

Decrease

Comments¹

Brazil¹

- **Utilization rate:** Reduction due the schedule maintenance shutdown in the petrochemical complex in Bahia during 3Q23
- **Sales volume:** increase in resins due higher demand in the period, and reduction for chemicals in function of lower utilization rate
- **Spreads:** reduction due imbalance between global supply and demand for chemicals and resins

USA & Europe¹

- **Utilization rate:** maintenance of the current production levels
- **Sales volume:** increase in the sales volume affected, mainly, by lower inventories in the chain
- **Spreads:** Maintenance of spreads in the region

Mexico¹

- **Utilization rate:** increase and consequently in sales volume, due to expected increase in ethane supply
- **Sales volume:** increase due higher product availability for sale
- **Spreads:** Reduction due to PE global supply and demand imbalance

Update of corporate initiatives with impact on EBITDA and Cash Generation

Initiatives with impacts on EBITDA

1	Revenues	Optimization of global commercial management
2	Fixed & Variable costs	Optimization of the global fixed and Variable cost management in a transversal way
3	Transform For Value Program	Move forward with the Transform For Value Program in all of its pipelines

Impacts on 2023¹

Update on 2023¹ estimates

1S23 Deliveries

Status

~US\$ 100 MM (recurring)

~US\$ 100 MM (recurring)

~US\$ 20 MM



~US\$ 100 MM

~US\$ 200 MM

~US\$ 64 MM



~US\$ 150 MM² (recurring)

~US\$ 150 MM² (recurring)

~US\$ 78 MM²



Total

~US\$ 162 MM

Initiatives with impact on cash generation

1	Working Capital	Optimizing working capital management throughout the integrated operations planning cycle
2	Capex	Optimization in the investment process for the corporate Capex, without impacting the maintenance Capex and asset reliability
3	Non recurring monetization	Cash Generation through non-recurring monetization in the year 2023

~US\$ 200 MM

~US\$ 200 MM

~US\$ 100 MM



~US\$ 200 MM³

~US\$ 200 MM³

~US\$ 100 MM³



~US\$ 100-200 MM

~US\$ 100-200 MM

~US\$ 150 MM



Total

~US\$ 350 MM

To be started → Concluded



Our priorities for 2023



Optimize asset operations and focus on cost discipline



Implement **financial preservation** initiatives, with a focus on **creating value for shareholders**



Prioritize, selectively, investments related to eliminating plastic waste and combating climate change, and **focus on initiatives related to social responsibility and human rights**



Amplify **strategic innovation** and **digital transformation**



Advance on all action fronts related to the geological event in Alagoas, meeting the commitments established in agreements

SAFE OPERATIONS are and always will be the focus of Braskem's operations, as a **PERMANENT AND NONNEGOTIABLE VALUE OF OUR STRATEGY.**

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Investor Relations Department

IR Website: <https://www.braskem-ri.com.br/>

E-mail: braskem-ri@braskem.com.br

Telephone: +55 (11) 3576-9531

