



Sustainability Value Impact

2018 Sustainability Report

PolyOne[™]

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Message from the CEO

Creating A World-Class, Sustainable Organization

*Meeting the needs of the present
without compromising the ability of
future generations to do the same.*

At no greater time in the history of PolyOne has sustainability been such an influential force, and at the same time, a tremendous opportunity.

Sustainability at PolyOne is a dynamic topic of growing importance for all of our stakeholders including customers, associates, and shareholders as well as the global communities where we operate. For the last two years, I have used my letter to shareholders in our Annual Report to communicate PolyOne's performance and commitment in the context of sustainability.

In this inaugural Sustainability Report, we go deeper. We share our endeavors and results in each of the four cornerstones we use to define, contribute to and measure sustainability: People, Products, Planet and Performance. Unless otherwise noted, our report is inclusive of the results of operations from our Performance Products and Solutions segment, which we have recently announced an agreement to divest. Herein you will not only see a look back at 2018, but also an aspirational look to the future—where the opportunities exist, and how we are positioning our company accordingly.

The issues facing our planet are complex and global. The solutions to those issues are as well. At PolyOne, we are fortunate and privileged to be playing a key part in the improvement process. Our unique position in the value chain enables us to be innovative partners for our customers striving to bring more sustainable solutions to market.

When called upon to tackle our stakeholders' toughest challenges, we say "challenge accepted," and then get to work. In the pages that follow, you will see just how we do that, as we operate as an American Chemistry Council (ACC) Responsible Care® company and a founding member of the Alliance to End Plastic Waste.

I would like to thank you for taking time to read this report and better understand the work our incredible team is doing. Ours is a future of innovation and great promise.

Robert M. Patterson
Chairman, President and CEO

ABOUT US

Vision and Values

PolyOne Corporation (NYSE: POL), with 2018 revenues of \$3.5 billion, is a premier provider of specialized polymer materials, services and solutions. The company adds value to global customers and improves sustainability through formulating materials and services that helps create products in a wide range of end markets and applications. PolyOne employs approximately 6,900 associates, is certified ACC Responsible Care® and Great Place to Work®, and is a founding member of the Alliance to End Plastic Waste.

For the purposes of this Sustainability Report, data and content, unless otherwise noted, include that of PolyOne's Performance Products and Solutions (PP&S) business segment, which we have recently announced an agreement to divest.



Our Vision

To be the world's premier provider of specialized polymer materials, services and solutions.

Our Strategy

SPECIALIZATION

Differentiates us through unique value-creating offerings to our customers.

GLOBALIZATION

Positions us to serve our customers consistently, everywhere in the world.

OPERATIONAL EXCELLENCE

Empowers us to respond to the voice of the customer with relentless continuous improvement.

COMMERCIAL EXCELLENCE

Governs our activities in the marketplace to deliver extraordinary value to our customers.



OUR CULTURE

Core Values

Collaboration. Innovation. Excellence.

These core values, which begin with our individual decisions and actions, focus our attention on putting the customer first by creating genuine value through collaboration, innovation and an unwavering commitment to excellence. We will uphold these values with the utmost integrity in all that we do.



Personal Values

Integrity. Honesty. Respect.

These personal values begin with each of us—the judgments and decisions we make as individuals affect the way PolyOne is viewed in the marketplace and in the communities where we work.



PEOPLE



PRODUCTS



PLANET



PERFORMANCE



Historic Transformation

PolyOne was established in 2000 through the consolidation of two historic companies in the materials industry. The early years were challenging, as PolyOne struggled to find or create our identity, as a combined enterprise. That changed in 2006 when we embarked on a specialty transformation driven by our four-pillar strategy of Specialization, Globalization, Commercial Excellence and Operational Excellence. As PolyOne began to evolve into a specialty company, we focused on putting our customers and their needs first, then looking inward to make a difference.



Inspired Future

Today, we are a premier provider of specialized polymer materials, services and solutions with operations in specialty engineered materials, advanced composites, color and additive systems and polymer distribution. Headquartered in Avon Lake, Ohio, PolyOne currently employs approximately 6,900 people and has 74 manufacturing sites and eight distribution facilities in North America, South America, Europe and Asia. We offer more than 35,000 polymer solutions to over 10,000 customers across the globe. In 2018, we had sales of \$3.5 billion, approximately 43% of which were to customers outside the United States.



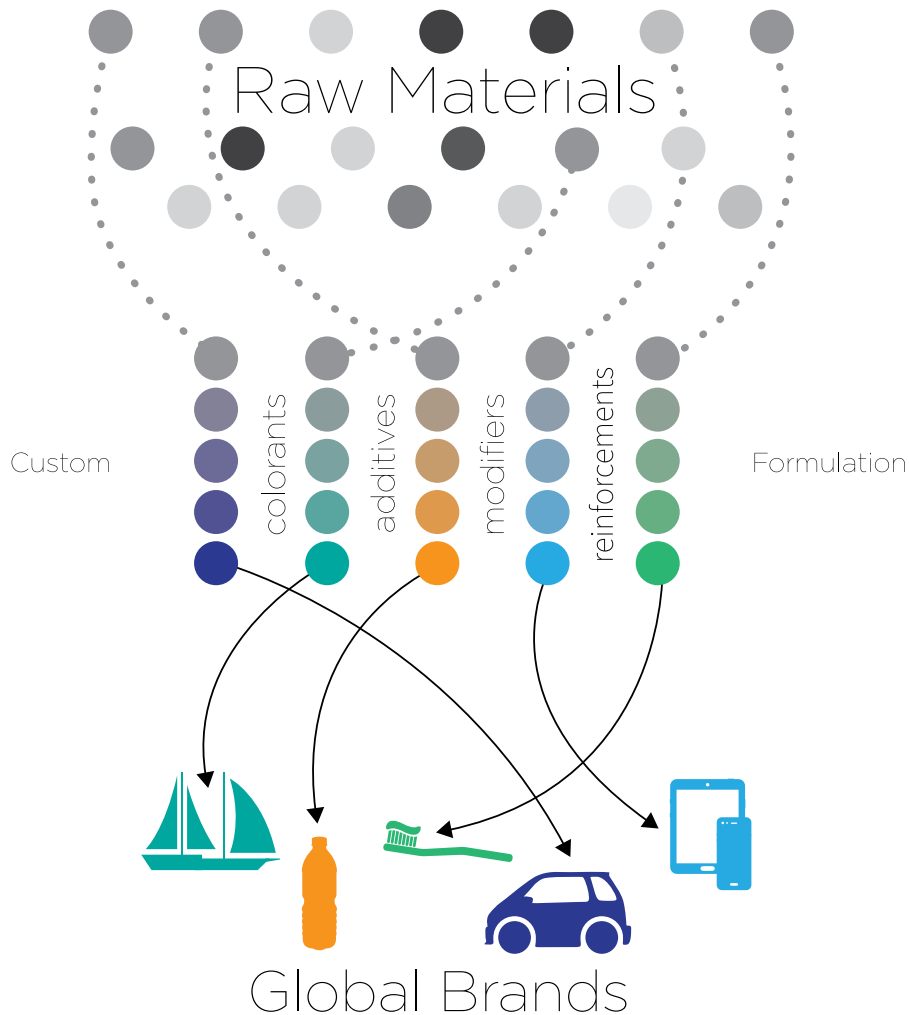
What We Do

PolyOne's vision is to be the world's premier provider of specialized polymer materials, services and solutions. To complete this vision, we leverage our unique position in the value chain to offer leading solutions and services around the world.

Starting with raw materials, we source only the best polymers, additives, modifiers, fillers, reinforcers, colorants and pigments. We offer specialty expertise and innovation to help our customers get exactly what they need. Our formulation expertise supports material science decisions, while our processing expertise guides customers to use the materials properly. Supply chain management guarantees customers receive deliveries on time, and design expertise sees the application is designed perfectly for end use. Moreover, our environmental innovation helps our customers reach their sustainability goals.

We have identified eight ways to help customers solve complex sustainability problems and organized our portfolio accordingly; from formulating with bio-derived materials, improving recyclability, reducing material requirements, reducing weight, ensuring eco-conscious consumption, enabling renewable energy applications, reducing volatile organic compounds and reducing energy usage. PolyOne is committed to meeting the needs of the present without compromising future generations' ability to do the same. Together, it is our job to help protect the earth's resources.

We sell our solutions to Brand Owners / OEMs, processors and assemblers to enable their sustainability goals in applications like automotive, building and construction, consumer goods, electronic and electrical, healthcare, packaging, textiles, transportation, and wire and cable.

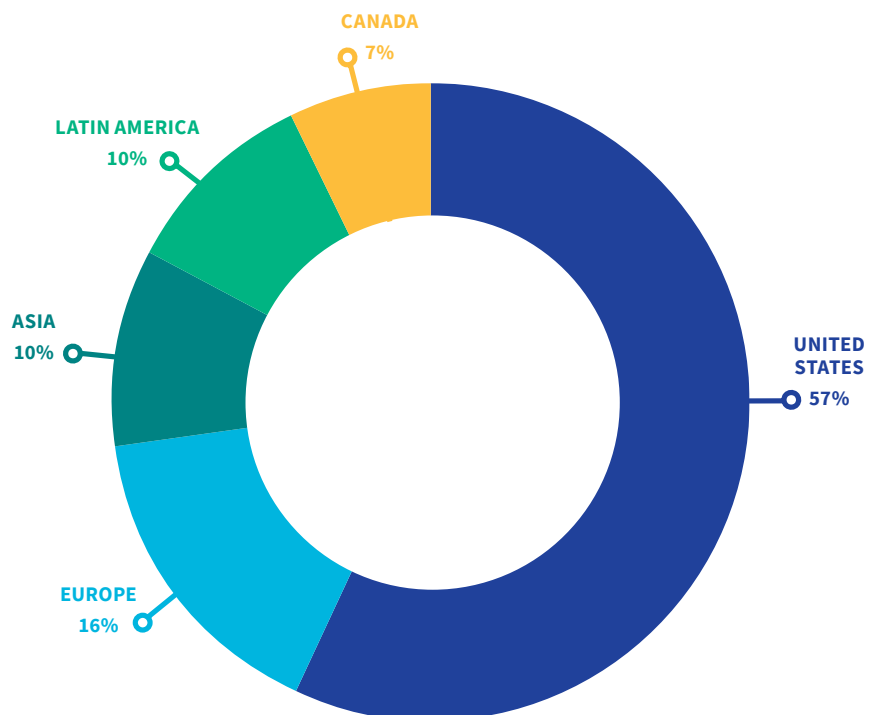
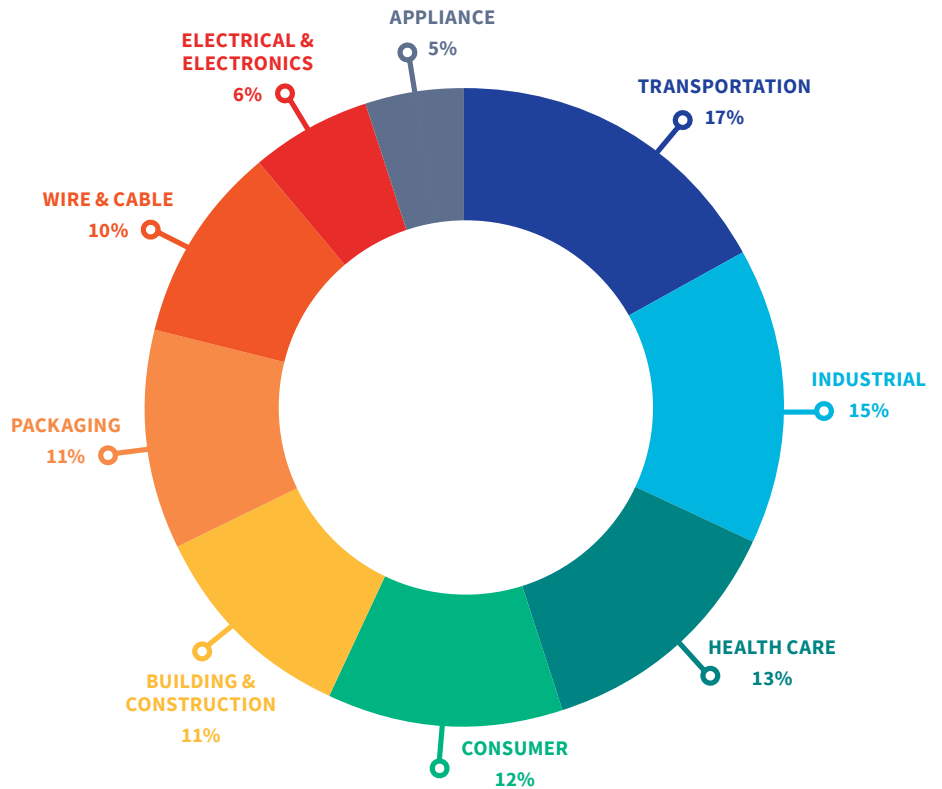


Where We Do It

The importance of sustainability is not limited by geography or end market. More innovative product designs through continual improvement and global customer pull position PolyOne in a unique position to help.

Our global footprint offers both state-of-the-art facilities and talented commercial associates that enable quick collaboration with our customers —where they need us, when they need us. Whether it's a large multi-national OEM, or a smaller product manufacturer launching a localized product, PolyOne is there to help.

From health care to transportation to packaging, and everything in between, we help our customers meet their product design and sustainability goals.



Where We Are

Headquartered in Avon Lake, Ohio, we operate globally with principal locations consisting of 74 manufacturing sites and eight distribution facilities on four continents.

We believe that the quality, production capacity and locations of our facilities helps to maintain our competitive position and accelerate speed to market. Our breadth of operations also minimizes environmental and transportation impacts through local and regional production of our materials and ultimate delivery to customers.

(1) Facility is not included in manufacturing plants total as it is also included as part of another segment.

(2) Facility is not included in manufacturing plants total as it is a design center/lab.

(3) There are two manufacturing plants located at Shanghai, China

Color, Additives and Inks

1. Glendale, Arizona	29. Tossiat, France
2. Phoenix, Arizona	30. Diez, Germany
3. Fort Smith, Arkansas	31. Gyor, Hungary
4. Bethel, Connecticut	32. Pune, India
5. Kennesaw, Georgia	33. Milan, Italy
6. Elk Grove Village, Illinois	34. Toluca, Mexico
7. La Porte, Indiana	35. Eindhoven, Netherlands
8. St. Louis, Missouri	36. Lima, Peru
9. Pineville, North Carolina	37. Kutno, Poland
10. Berea, Ohio	38. Jeddah, Saudi Arabia
11. Massillon, Ohio	39. Alicante, Spain
12. North Baltimore, Ohio	40. Barcelona, Spain
13. Norwalk, Ohio	41. Pamplona, Spain
14. Lehigh, Pennsylvania	42. Bangkok, Thailand
15. Mountain Top, Pennsylvania	43. Knowsley, United Kingdom
16. Vonore, Tennessee	Suwanee, Georgia ⁽²⁾
17. Richland Hills, Texas	Shenzhen, China ⁽¹⁾
18. Assesse, Belgium	Pamplona, Spain ⁽²⁾
19. Itupeva, Brazil	(43 Manufacturing Plants)
20. Novo Hamburgo, Brazil	
21. Pudong (Shanghai), China	
22. & 23. Shanghai, China ⁽³⁾	
24. Suzhou, China	
25. Tianjin, China	
26. Tabor, Czech Republic	
27. Odkarby, Finland	

Distribution	Performance Products & Solutions*	Specialty Engineered Materials
1. Rancho Cucamonga, California	1. Carson, California	1. Birmingham, Alabama
2. Chicago, Illinois	2. Terre Haute, Indiana	2. Englewood, Colorado
3. Eagan, Minnesota	3. Louisville, Kentucky	3. Montrose, Colorado
4. Edison, New Jersey	4. Lockport, New York	4. North Haven, Connecticut
5. Statesville, North Carolina	5. Avon Lake, Ohio	5. McHenry, Illinois
6. Elyria, Ohio	6. Clinton, Tennessee	6. Winona, Minnesota
7. La Porte, Texas	7. Dyersburg, Tennessee	7. Hickory, North Carolina
8. Brampton, Ontario, Canada (8 Distribution Facilities)	8. Pasadena, Texas	8. Avon Lake, Ohio
	9. Seabrook, Texas	9. Hatfield, Pennsylvania
	10. Orangeville, Ontario, Canada	10. Changzhou, China
	11. St. Remi de Napierville, Quebec, Canada	11. Shenzhen, China
	12. Dongguan, China	12. Suzhou, China
	13. Ramos Arizpe, Mexico (13 Manufacturing Plants)	13. Gaggenau, Germany
		14. Melle, Germany
		15. Leeuwarden, Netherlands
		16. Barbastro, Spain
		17. Istanbul, Turkey
		18. Leek, United Kingdom
		Dyersburg, Tennessee ⁽¹⁾
		Seabrook, Texas ⁽¹⁾
		Shanghai, China ⁽²⁾
		Pune, India ⁽¹⁾
		(18 Manufacturing Plants)

*Announced agreement in 2019 to divest. Excludes Lockport, New York

Communities Counting on PolyOne

PolyOne supports customer operations in over 120 countries around the world, as we supply our specialty materials and formulated polymers that bring customers' products to life.

Our broad, worldwide reach is a tremendous testament to the execution of the Globalization pillar of our proven strategy. Customers count on us for on-time, high-quality products and services, and we proudly accept the challenge to deliver. At the same time, our global presence represents unique responsibilities and rigor—where we must understand, comply and contribute to local communities, while always conforming to our internal rigor of standards, policies and values.



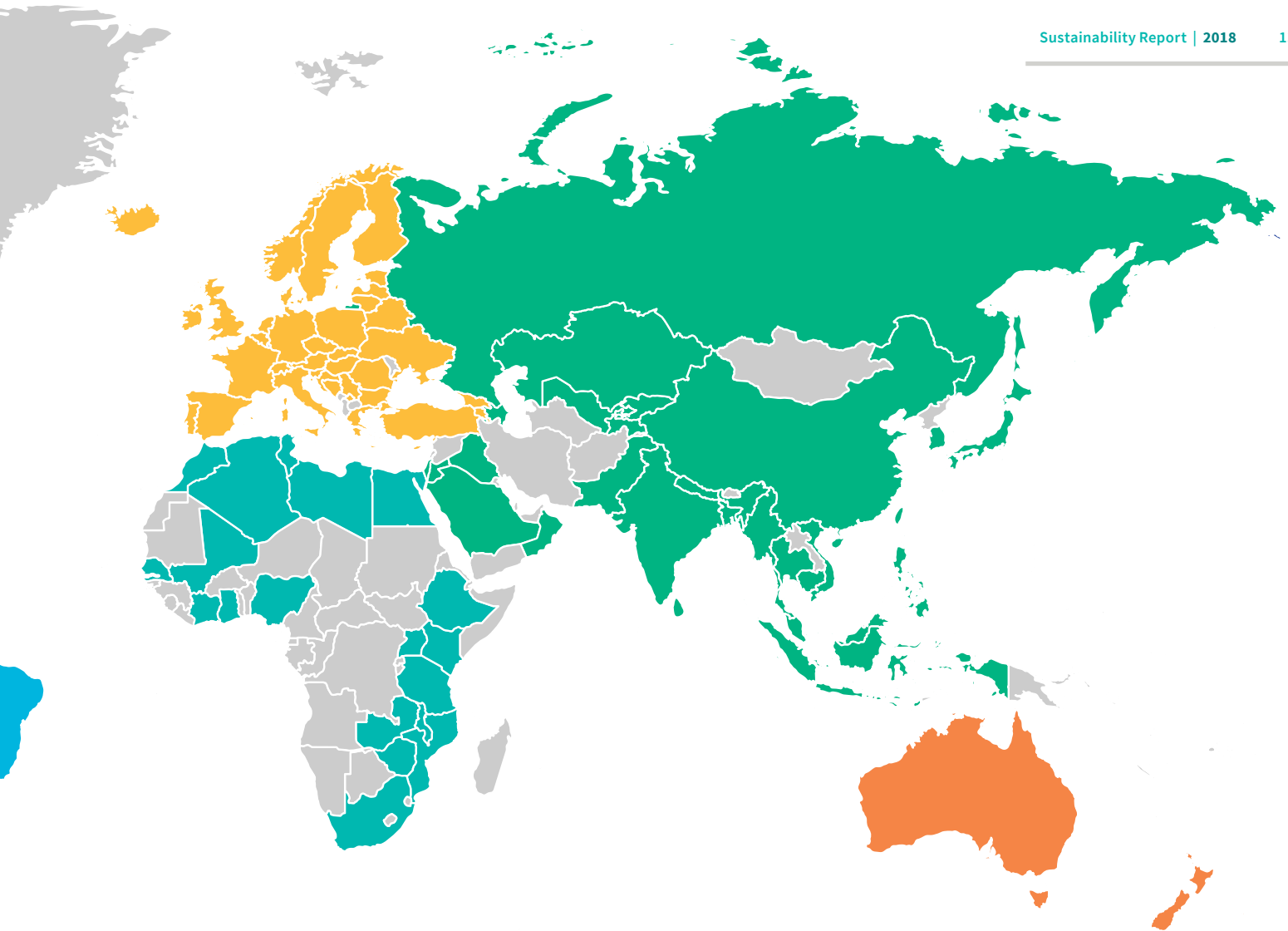
North / Central America

Canada
Costa Rica
Dominican Republic
El Salvador
Guatemala
Haiti
Honduras
Jamaica
Mexico
Panama
Puerto Rico
Trinidad, Tobago
United States



South America

Argentina
Bolivia
Brazil
Chile
Colombia
Ecuador
Paraguay
Peru
Uruguay
Venezuela



Europe

- Aland Islands
- Armenia
- Austria
- Belarus
- Belgium
- Bosnia Herzegovina
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Georgia
- Germany
- Greece
- Hungary
- Iceland
- Ireland

- Italy
- Kosovo
- Latvia
- Lithuania
- Luxembourg
- Malta
- Monaco
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Serbia
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland
- Ukraine
- United Kingdom



Middle East/Asia

- Afghanistan
- Azerbaijan
- Bangladesh
- Bhutan
- Cambodia
- China
- Hong Kong
- India
- Indonesia
- Iraq
- Israel
- Japan
- Jordan
- Kazakhstan
- Kyrgyzstan
- Kuwait
- Lebanon
- Malaysia
- Maldives
- Myanmar

- Nepal
- Oman
- Pakistan
- Philippines
- Qatar
- Russian Federation
- Saudi Arabia
- Singapore
- South Korea
- Sri Lanka
- Taiwan
- Tajikistan
- Thailand
- Turkey
- United Arab Emir.
- Uzbekistan
- Vietnam



Africa

- Algeria
- Egypt
- Ethiopia
- Ghana
- Ivory Coast
- Kenya
- Libya
- Malawi
- Mali
- Mauritius
- Morocco
- Mozambique
- Nigeria
- Senegal
- South Africa
- Tanzania
- Tunisia
- Uganda
- Zambia
- Zimbabwe



Australia

- Australia
- New Caledonia
- New Zealand

Sustainability @ PolyOne

I was honored to be appointed as PolyOne's Vice President of Sustainability this year. What I've learned in a very short time is how much our associates are already accomplishing and how deeply committed we are to furthering the sustainability goals of our customers and expectations of ourselves.

Our Sustainability Promise was crafted to be in parallel with the United Nations' Brundtland Report, assuring we would strive to meet the needs of the present without compromising the ability of future generations to meet their own needs. This has served as our north star, and we have made steady progress since that time.

Our cornerstones of People, Product, Planet and Performance, also known as the 4Ps, drive specific sustainability initiatives throughout our company globally. Although we are still very early in our journey, we're accelerating our efforts to meet the challenges of today with an eye toward tomorrow.

As you will read throughout our Sustainability Report, we are making progress and impact in each area. PolyOne is in a unique position in the value chain to provide innovative sustainable Products that bridge the gap between required technologies and what customers need to bring their ideas to life. In that spirit, we've invested heavily in technology resources over the past several years, increasing R&D over 30% since 2014. We have identified eight ways our sustainable solutions meet customers' innovation and sustainability goals, and we continue to invest in and expand these categories to continue our track record of growth. In the last three years, we've increased our sales of sustainable solutions 30%—and there are numerous examples we've highlighted herein.

We take our responsibility to our Planet very seriously at PolyOne—through our operations internally, and our engagement externally. We are members of Operation Clean Sweep®, where we train and audit our operations to prevent plastic pellet loss into the environment.



We have an award-winning Lean Six Sigma program with over 4,100 trained associates that, at any given time, have approximately 350 process improvement projects underway. In 2018 for example, we executed 41 energy savings projects resulting in an approximate 2,250 MWh/yr reduction of energy.

We also acknowledge there is a plastics waste problem. We are dedicated to doing our part through our innovative portfolio of technologies that improve plastic recyclability and reduce the amount of material required for food and beverage packaging. In addition, as a founding member of the Alliance to End Plastic Waste, we have invested in the group's goals of creating infrastructure, innovation, education, and cleanup efforts around the world.

As an ACC Responsible Care® company, we've pledged to improve environmental, health, safety and security (EHS&S) performance for our workers, facilities, processes and products—throughout the entire operating system. We're strongly committed to the well being of our associates, and had the safest year on record last year with a 0.51 injury incident rate. Yet our ultimate goal and actions remain on becoming injury-free.

So thank you in advance for your interest in how we're working to create a world-class, sustainable organization. I look forward to communicating our progress as we move forward on this important journey!

Walter Ripple
Vice President, Sustainability

PolyOne's 4 Ps of Sustainability

As PolyOne has evolved into a specialty company, we've continued to refine and increase our sustainability efforts. Like all that we do, we start by putting our customers first, then we look inward to make a difference.

Our guiding principle is to enable our customers' innovation and sustainability goals through world-class products and services, and this is captured in both our Sustainability Promise and No Surprises PledgeSM.

Introduced in 2018, People, Products, Planet and Performance are the four cornerstones of our sustainability endeavors. As this Sustainability Report captures, we're proud to be making significant contributions in each.



PEOPLE



PRODUCTS



PLANET



PERFORMANCE



PEOPLE

PolyOne Global 5K Fun Run and Walk
in Bangkok, Thailand

Safety First

PolyOne is focused on its goal of zero recordable injuries and our ongoing desire to integrate safety into all aspects of our operations. Progress toward this goal is measured at the Business Unit and regional levels, and progress toward zero recordable injuries is communicated globally and linked to a number of recognition mechanisms. A zero recordable injury goal reflects PolyOne’s focus on the People aspect of our 4P sustainability cornerstones. In 2018, we achieved the best performance in our history with a recordable incident rate of 0.51. Until that number is zero, we have more work to do.

To ensure operational health, safety, and well-being, PolyOne has several policies and guidelines in place. They include our:

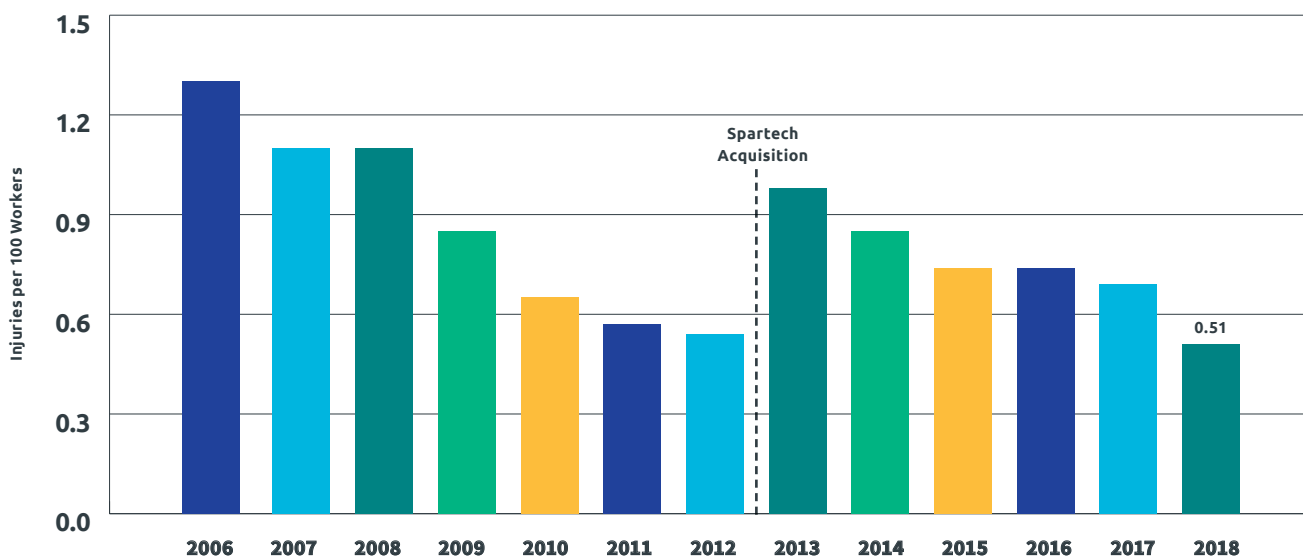
- Sustainability Promise, which outlines our commitment to meeting the needs of the present without compromising future generations’ ability to meet their needs.
- Responsible Care® Policy, which outlines our overarching commitment to the ACC’s Responsible Care® Guiding Principles.
- Safety & Health Policy, which focuses on providing a safe and healthy workplace for our associates through the building of an actively caring culture.

- Environmental Policy, which help to ensure enduring operations, that contribute positively to our associate’s well-being and the well-being of the communities in which we operate.
- Security Policy, which focuses on protecting the security of our people and all information related to our operations.

From these policies we create our corporate standards, which set the expectations in each of these areas. Businesses adopt these standards and convert them into site specific procedures. Each site has an active safety committee which is used as a mechanism to voice issues, communicate changes, prioritize activities, and investigate incidents and develop corrective actions.



Injury Incidence Rate



Safety First

As an ACC Responsible Care® company, our “safety first” culture was built not through words, but through dedication, continuous improvement, and action. Throughout PolyOne’s history, systems have been in place that underscore our commitment to the occupational health, safety, and well-being of our associates. Under our Responsible Care® Management System, PolyOne has rolled out multifaceted trainings and tools to achieve our zero recordable injury objective. For example, these include: Residual Risk Reduction (R3), which incorporates behavioral safety; improvements to safety leadership; internal and external audit systems; and Global Safety Days. Additionally, PolyOne’s management system has a training element that is used to guide and monitor health and safety-related education.

Furthermore, as detailed in our Hazard Communication Standard, responsible parties are tasked with informing associates and contractors about any specific hazard and training them on specific standard operating procedures and work instructions.

As part of PolyOne’s EHS&S Audit Program, internal experts from corporate EHS&S and the various

operations regularly visit sites to validate compliance to internal standards and regulatory requirements. These audits identify areas where corrective and preventive measures are necessary to further reduce risks. Whenever modifications are made in operations, the Management of Change Standard is applied to ensure that no new or additional risks are introduced without being assessed and controlled.

PolyOne’s safety observation systems and near miss reporting mechanisms also play an important role in ensuring health and safety by providing associates with an opportunity to report unsafe conditions and behaviors. Associates can also submit their proposals to improve occupational health, safety, and well-being via various suggestion mechanisms employed.

To evaluate the effectiveness of the management approach, PolyOne monitors several key performance indicators on a regular basis: Total Injury/Illness Incident Rate (IR) and Lost Work Day Injury/Illness Rate (LWDII) cases are globally reported on a monthly basis. Safety corrective actions are continuously monitored and reported to the company’s Operating Council monthly.



Security

Keeping PolyOne's operations, infrastructure, and intellectual property protected is a vital task, as a breach in security could lead to risk to stakeholders and the sustainability of our enterprise.

With this in mind, PolyOne has an actively engaged PolyOne Security and Privacy Council (PSPC) in our responsibility for managing the governance, risk mitigation and regulatory compliance requirements of PolyOne.

The PSPC provides guidance and leadership necessary to maintain and improve activities related to security and privacy across PolyOne globally. Having the PSPC allows PolyOne to better respond to the growing scope of legal, regulatory and information protection requirements.

In support of the PSPC, there are two standing sub-committees: the Operations/Supply Chain/Physical Security sub-committee and the Data Confidentiality/Security sub-committee, which has developed a global privacy program to help ensure our organization maintains compliance with ever-changing privacy laws, including the GDPR, as well as specific laws in all countries and regions in which PolyOne operates. The PSPC and sub-committees meet on a quarterly basis.

As an ACC member, PolyOne Corporation has implemented a management system based upon the Responsible Care® Security Code. In accordance with the principles of Responsible Care®, we continuously seek to improve our processes and systems related to security performance and implement management practices consistent with the Security Code.

PolyOne Corporation is a member of the U.S. Customs Trade Partnership Against Terrorism (CTPAT), the supply chain security program under U.S. Customs and Border Protection. PolyOne Canada Incorporated is a foreign manufacturer in the CTPAT program as well as a member of the Canadian Border Services Agency Partners in Protection (PIP) program. PolyOne's Global Trade and EHS&S departments share responsibility for supply chain security.



Talent Acquisition and Leadership Development

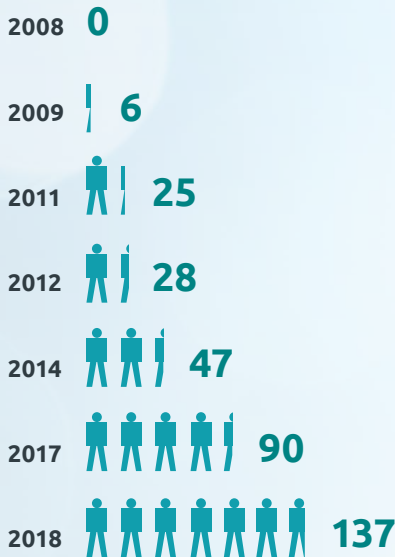
A telling illustration of our increasing investment in People can be seen in the charts below. In the recent past, we did not have formalized programs for campus recruiting or leadership development. Yet attracting, retaining and developing top talent in a global specialty organization requires robust efforts in each. So we took action, and haven't looked back.

Today, we recruit at more than 25 leading universities around the world and hire approximately 140 new graduates each year as full-time, co-ops or interns. We have launched seven highly coveted leadership development roles—from marketing to operational

excellence to finance to IT—where newly hired associates rotate through various departments and jobs for up to two years, contributing their skills while also building diverse, well-rounded knowledge of our company and many stakeholders.

To support and invest in the skills of our existing associates we developed three hallmark in-house leadership development programs, and we have now graduated over 300 of our associates through the highly coveted NextGen and PolyMasters programs, and our recently launched Emerging Leaders initiative.

Campus Hires



Leadership Program Participants



Career Training and Performance Feedback

At PolyOne, we value each associate and work to create a culture that provides everyone the feedback, tools and opportunities to reach their career aspirations.

Performance Feedback & Career Development:

100% of PolyOne associates receive regular performance feedback. Associates have the opportunity twice per year through the performance appraisal process to request a career development discussion with their manager.

Training and Professional Development Courses:

Associates have access to training and professional development courses through PolyOne Academy.

Average hours of training per year per employee:

In 2018, on average, associates received 4 hours of ethics related training which included Code of Conduct, Anti-bribery/Anti-corruption, Information Security, Harassment & Discrimination, and Conflict of Interest. Associates receive additional training based on their role, such as Lean Six Sigma and Customer Centric Selling.

PolyOne Academy originated in 2003 to provide continual learning and professional development opportunities to associates around the globe. Through PolyOne Academy, associates can participate in classroom, online, and webinar based training sessions. Associates participated in more than 2,800 learning experiences through PolyOne Academy in 2018.





Leadership Development Programs

Our hallmark in-house leadership curriculum is as robust as ever, and we have now graduated over 300 of our associates through the highly coveted **NEXTGEN** and **POLYMASTERS** programs, and our recently launched **EMERGING LEADERS** initiative.



Building tomorrow's leaders today.

Since 2013, the executive leadership selects 14-16 high performing, high potential associates each year to participate in the NextGen leadership development program. Participants attend a weekend leadership retreat followed by a full-week program facilitated by our CEO and leadership team. Associates engage in a 360 feedback process and are assigned an executive mentor, where they identify a change project that helps develop key aspects of their leadership. In a second week of NextGen, they present the outcomes of their project and share how they developed their leadership through the process.



Presenting the future.

In 2010, PolyMasters began within our Finance team to give high performing associates an opportunity to gain exposure to executives within the company, develop public speaking skills, and showcase an innovative idea. In 2013, the program was extended to the rest of the company globally. Each year, our executive team selects approximately 35 high-performing associates to participate in the PolyMasters program. Nobody has the market cornered on good ideas. We introduced PolyMasters to encourage and collect them from our greatest asset—our employees.



Developing the leader within.

The two-week Emerging Leaders program focuses on developing the leader within. Participants are top talent managers or senior managers representing various global functions and business units. This regional Leadership Program prepares managers to handle the strategic and collaborative responsibilities that they will face in their role, and as they grow within the company.



Developing and Rewarding Top Talent

PolyOne's hallmark leadership development programs have helped build tomorrow's leaders today, by inspiring and instilling leadership qualities in our high-performing associates. Our alumni base continues to grow, as they immediately begin to utilize their leadership skills to help our great company thrive.



TARGET AUDIENCE:
High Level Future Leaders

GRADUATES

85

PROMOTED

72%



TARGET AUDIENCE:
High Performing Associates

GRADUATES

178

PROMOTED

50%



TARGET AUDIENCE:
High Performing Managers

GRADUATES

48

LAUNCHED IN 2018

Diversity & Inclusion

Our focus on People is advancing our commitment to diversity and inclusion and the important benefits that result.

We recognize that in corporations around the world, women and minorities fall behind early and continue to lose ground along their career journeys. They are often less likely to receive the first critical promotion to manager—so far fewer end up on the path to leadership, and they are less likely to be hired into more senior positions. Women and minorities also get less access to the people, input, and opportunities that accelerate careers. As a result, the higher you look in many companies, the fewer you see.

At PolyOne we're working to change that, and we're making progress. At the core of our improvement is our management commitment, which has fostered multiple Employee Resource Groups that are driving improvements—and opening opportunities—throughout our organization.

The vision that guides our collective efforts is consistent and unwavering: To be the company of choice for all. It is from this vision our Employee Resource Groups were born and now flourish today. Each with their own mission and supporting activities, their efforts coalesce to help educate and inspire our global workforce and fortify sustainable business practices.

The impact is tangible and important. Having a company that is diverse and inclusive is not only the right thing to do, but the smart thing to do—as some of the most diverse companies in the world are also among the best performing.



The Hand

In 2017, we adopted The Hand as our global symbol for Diversity and Inclusion at PolyOne. The symbolism is not by chance, and that is why we chose it. As you read the supporting narrative we created, it provides both a call to action in the present, as well as a commitment to ongoing improvements.



The Hand: A Symbol of Diversity and Inclusion at PolyOne

The Hand represents PolyOne's symbol for Diversity and Inclusion as a means to build an accepting and open culture where everyone is welcomed, safe, included and respected as part of our global organization.

The Hand represents peace, commitment and friendship as handshakes are widely used to celebrate an agreement or an invitation for others to join in.

The Hand represents communication and support, through offering it to those in need and as a language for those who may not speak verbally.

The Hand represents individuality. No two fingerprints are the same, and no two people are the same. At PolyOne, we commit to respecting—and embracing—the wonderful aspects and benefits of uniqueness.

The Hand represents an indication to stop, because we are all accountable to speak up and eliminate bias or discrimination of any type in the workplace.

The Hand represents work, for we acknowledge that at PolyOne, there is no finished state of diversity and inclusion. Rather, it requires our continual attention, effort and refinement along our ongoing cultural journey.

PRIDE at PolyOne

In 2018, we were excited to launch PRIDE at PolyOne. This Employee Resource Group works to create a safe and accepting environment that enables LGBTQ associates to perform to their fullest potential and contribute to the success of our company. Through a combination of seminar participation and peer company benchmarking, our team quickly began offering educational programming and awareness—for both LGBTQ associates and supporters. As outside guest speakers and our own PolyOne associates have begun to share their stories and experiences, it's helped to build empathy and collaboration among our workforce, while dispelling misconceptions and valuing differences in each other.

This year we were proud to achieve an important milestone in this regard: receiving an impressive score of 90/100 on the 2019 Corporate Equality Index (CEI)—in just our first year participating. The CEI is the United States' premier report on corporate policies and practices relating to LGBTQ workplace equality, administered by the Human Rights Campaign Foundation. Our score reflects PolyOne's clear commitment to workplace equality, with respect to policies, benefits and practices. Members of PRIDE at PolyOne have already identified action items that are underway which will raise our score even higher in future years' CEI.



“We are very pleased with our CEI score of 90 in our first year participating in the study, and I am extremely thankful to be part of a company that truly invests in Diversity & Inclusion.”

—Rochelle Richendollar, Manager, Financial Systems & Accounting and PRIDE at PolyOne Co-Chair



Vision	To become “the company of choice for all”
Mission	Create a safe and accepting environment that enables LGBTQ associates to perform to their fullest potential and contribute to the success of PolyOne
Strategic Priorities	<ul style="list-style-type: none"> • Connect LGBTQ associates and supporters to advance PolyOne's diversity and inclusion vision • Build awareness and support for inclusion regarding orientation • Promote PolyOne externally as an inclusive company
Key Tactics	<ul style="list-style-type: none"> • Internal programming, networking & education • Participation and networking in external LGBTQ organizations and events • Engage in Human Rights Campaign Corporate Equality Index process



300+
PARTICIPANTS
IN FIRST YEAR

90%
INITIAL SCORE
ON CORPORATE EQUALITY INDEX



HYPE

We also launched HYPE (Harnessing Young Professional Energy) in 2018, which is building a collaborative network of PolyOne’s young professionals, eager to innovate and impact our customers with the support of cross-generational expertise.

Beginning a career in any field is exciting, but it can also be daunting and overwhelming. Not only are young professionals learning their jobs, technical skills and organizational savvy, many are also experiencing how to navigate personal finances, independent lifestyles and general life skills—all at the same time.

HYPE was formed to help our associates with this transition. Networking events bring together PolyOne’s Young Professionals in forums to build their networks among peers, so they learn, support and grow together during this time. Special “life skills” training sessions help HYPE participants in areas like benefits enrollment and filing a personal tax return. Looking ahead, HYPE will be addressing early awareness on career mapping and establishing mentoring relationships with more tenured PolyOne associates eager to share their experiences.



“As young professionals, we’re eager to make a positive impact despite what can often be uncharted areas or situations. HYPE is helping us connect and learn from a diverse group of PolyOne colleagues so we can contribute and realize our career ambitions.”

—Erin Bailey, Senior Inside Sales Representative and President of HYPE



Vision	To become “the company of choice for all”	
Mission	Create a community of young professionals across PolyOne, fueled by fellowship and professional development (to improve retention)	
Strategic Priorities	Community <ul style="list-style-type: none"> Foster a feeling of togetherness and support among YPs through social opportunities 	Opportunity <ul style="list-style-type: none"> Inspire and enable YPs to a clear career path at PolyOne through professional development opportunities
Key Tactics	<ul style="list-style-type: none"> Career path mapping Job/function overviews Networking, mentoring, shadowing Programming—New Professional 101 	



EDUCATING YOUNG PROFESSIONALS ON POLYONE BENEFITS AND LIFE SKILLS



TAKING OWNERSHIP FOR THE MENTORING CONNECTIONS

LEAD by Women

PolyOne’s LEAD by Women Employee Resource Group promotes diversity and inclusion by increasing access to the tools and resources necessary to build leadership skills and accelerate careers. While led by women, the initiative is all-inclusive—everyone is encouraged to participate, learn, improve skills sets, and advance our mission. In 2018 the group led numerous leadership development training sessions, covering topics such as unconscious bias, building trust and impactful communication.

Since 2018, more than 4,500 associates have participated in at least one of the 60+ LEAD by Women events. Each global region has its own, rotating leadership structure that tailors programming and information to localized needs. This decentralized approach ensures sensitivity to local customs and norms, while still advancing PolyOne’s overarching objectives.



“Diversity and Inclusion continues to gain tremendous momentum at PolyOne, and for all the right reasons. We’re a stronger company because of the increased awareness and leadership opportunities that we’ve created—which in the end benefits all of our stakeholders.”

—Lisa Kunkle, Senior Vice President, General Counsel and Secretary, and Co-Chair of LEAD by Women.

LEAD BY WOMEN

Vision	To become “the company of choice for all”	
Mission	To advance diversity in professional and personal development at PolyOne	
Strategic Priorities	Developing People Professional & Personal Development	Building the Networks Networking & Collaboration
Key Tactics	Global Speakers Development Programs	Local Chapter Programs On-boarding / mentoring

4500+
PARTICIPANTS
SINCE 2017

66
GLOBAL EVENTS
HELD SINCE 2017



FOCUS ON TRUST, COMMUNICATIONS AND UNCONSCIOUS BIAS

Pictured Right: LEAD by Women sessions utilize both peer collaboration and learning, as well as insights and experiences from executives and members of PolyOne’s Board of Directors. The sessions are hosted by local chapters comprised of PolyOne associates who tailor content to cultural norms and business needs.



Associate Benefits

What it takes to be a sustainable company has many parallels with being a great place to work. Our ongoing associate feedback is highly valued, discussed, and most importantly, acted upon to make improvements. This includes our culture and unique benefits we offer.

Flex Fridays

In 2018, we introduced several key initiatives as part of our efforts consistent with themes we heard from our associates. For example, we introduced Flex Fridays, an adapted schedule that allows associates to have up to six Fridays out of work during the summer without using vacation time. Associates work with their supervisor to create a flexible schedule that will allow them to complete their work hours.



Community Service

In addition, we launched a new, global benefit of Community Service hours, where each associate is encouraged to take 16 hours of paid time off each year to participate in activities to support and help create more sustainable communities. Activities can be done as a group of fellow PolyOne associates or individually. These hours are used during a normally scheduled work day.

PolyOne associates performed more than 2,300 hours of community service through this program in 2018. Read more and see some examples in our Planet section of this Sustainability Report.



Awards & Recognition Programs

We celebrate, reward and share our associates' great work through our recognition programs, some of which are listed below and available globally:

You Made a Difference Awards

Recognizes associates who go above and beyond their job responsibilities on a project or task.

Spotlight Awards

Recognizes associates for their typical duties on a project or task that has a significant impact on the organization.

Chairman's Awards

Associate

Our Chairman's Achievement Award recognizes excellence in the execution of PolyOne's four-pillar strategy. It's the highest honor a non-sales associate can receive at our company.

Sales

Our Chairman's Club Award recognizes our top 25 sellers and one sales manager for their outstanding performance and living our values of Collaboration, Innovation and Excellence.

Leadership

Our Chairman's Leadership Award recognizes our top performing General Manager for performance, culture and inspirational leadership.

Health and Wellness

Health and wellness is a commitment we make to every PolyOne associate. We do this through our safety focus, benefits, and wellness programs that support financial, physical and mental wellness.

Some are tailored to local standards and needs like summer flexible work schedules. Others canvas our global organization, like our inaugural Global 5K Fun Run and Walk held in 2018, where more than 2,500 associates in 11 countries participated in an activity focused on promoting healthy lifestyles.

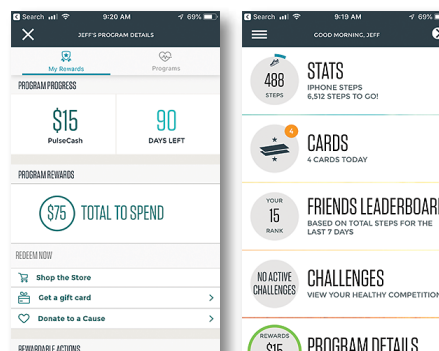
Compensation and Benefits

Base pay and performance-driven incentive opportunities are some of the many benefits provided to all employees, as we strive to remain competitive in the global marketplace and provide foundational rewards to attract and retain top talent. In addition, other example benefit opportunities include:

- Paid vacation & holidays
- Comprehensive dental & vision plans
- Medical & prescription drug plans
- Health Savings Account (HSA)
- 401(k) savings plan & attractive company match
- Company-paid short-term & long-term disability
- Company-paid basic life and accidental death and dismemberment insurance
- Employee Assistance Program
- Paid parental leave program
- Accident, critical illness, and hospital indemnity voluntary benefits

Virgin Pulse

Further supporting the wellness of our associates, we offer Virgin Pulse, an interactive, multi-faceted online platform that connects and inspires associates to make healthy, informed decisions. Through networks and company-sponsored challenges, Virgin Pulse participants are tracking their activities like eating healthy, exercising and taking health measurements—while at the same time earning rewards that can lower their premium costs, earn prizes, and improve decision making on overall health and financial wellness.



A Great Place to Work

With all the time, effort and resources we invest to build our culture and support our associates, we have been honored to receive awards that showcase our company and people. In 2018 we were very proud to be certified as a Great Place to Work® by the Great Place to Work Institute in the U.S.

**Great
Place
To
Work®**

Certified

SEP 2018–SEP 2019

USA

TM

92%

participation rate

93%

say this is a physically
safe place to work

93%

say people are
treated fairly regardless
of race or sexual
orientation



increase in all survey
dimensions over
prior year

PolyOne is committed to providing an externally competitive and internally equitable associate compensation program to facilitate attracting and retaining highly skilled associates at all levels. PolyOne maintains a global market-based structure to provide a competitive base pay and bonus compensation framework.



GREAT

PEOPLE
PRODUCTS
PERFORMANCE
PLACE TO WORK

As we continue on our never-ending quest to innovate and serve our customers with excellence, we've also made an important and ambitious cultural commitment among our team: **To become a top workplace.**

I'm thrilled to announce that we've achieved an exciting milestone on our cultural journey. **The Great Place to Work Institute has certified PolyOne as a great place to work!**

We're extremely proud of this achievement and external affirmation. Yet the true value and ability to build a top workplace is internal, rooted among our great team of associates.

It's about our people. Our personal values of Integrity, Honesty and Respect. Our world-class safety. Our diversity and inclusion commitment. Our investments in unique benefits, training and leadership. Our approach to sustainability – how we define it, how we live it. And ultimately, it's about our performance. Eight consecutive years of annual adjusted earnings per share growth... and counting!

These noble endeavors are not only how we became certified, but they're also why we will always strive to become even better. For our customers, our communities, our families and each other.

CONGRATULATIONS POLYONE ASSOCIATES!

Bob Patterson
Chairman, President
and Chief Executive Officer



To learn more, check us out at polyone.com



"PolyOne is a great place to work because they genuinely care about their associates and are committed to diversity and inclusion"
—Chris Largent, Call Center Lead, Avon Lake, Ohio



"PolyOne is a great place to work because they invest in their people by providing continual development and education opportunities. At the same time, we continue to achieve outstanding business results"
—Susan Hu, Regional EHS&S Manager, Asia



PRODUCTS

Investments in 2018 included a new thermoplastic elastomer line in Pune, India

Innovation: The Lifeblood of a Specialty Organization

Innovation is the lifeblood of any specialty company. At PolyOne, our proven ability to innovate materials that enable our customers' sustainability goals remains a key differentiator for our company. And sustainability is an integral part of our innovation strategy.

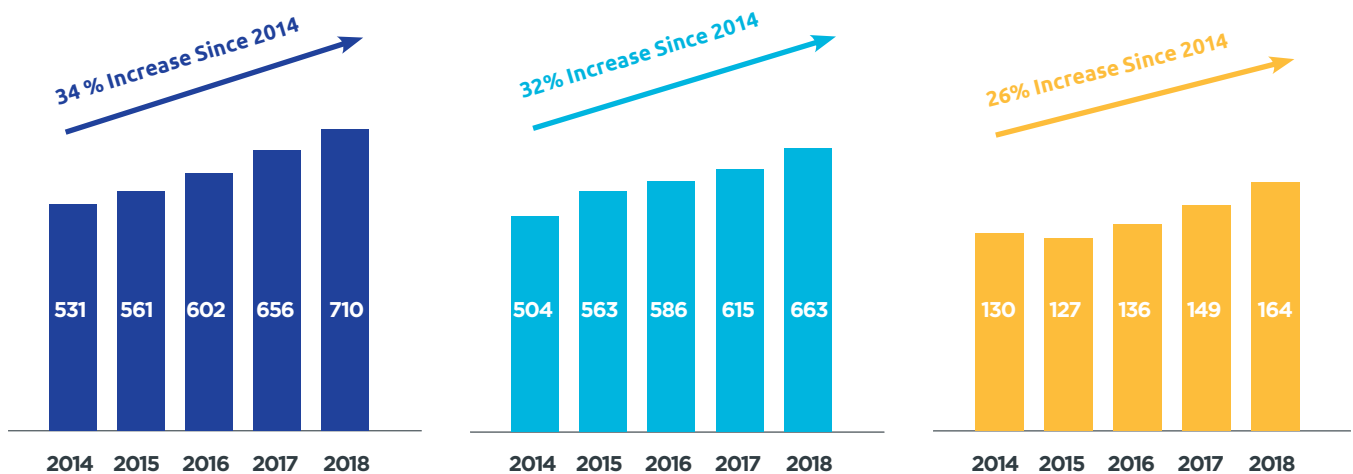
Our guiding principles are outlined in our Sustainability Promise. A crucial enabler to living this pledge is having deep material science and commercial expertise on our team, and we've invested heavily in this area. Since 2016, we have increased our commercial resources in R&D, Sales and Marketing. These highly-talented PolyOne associates add value to our customers and improve sustainability through collaboration and formulating specialty polymer solutions with our Phased Offering Launch process, a proprietary means through which we take new solution ideas from concept to commercialization.

One measure of innovation success we use is our Vitality Index, which shows the percentage of our specialty sales generated from solutions introduced in the last five years. In 2018, our Vitality Index reached 35%, validating the strength of our technology portfolio. We are committed to growing our innovation pipeline by developing innovative products that meet dynamic market trends and customer unmet needs, as featured in this Sustainability Report.

35% of specialty sales
FROM PRODUCTS INTRODUCED IN THE LAST 5 YEARS

Investing in Commercial Resources

- R&D
- Sales
- Marketing



No Surprises PledgeSM

At PolyOne, we are committed to helping you grow your business with safe and environmentally sound solutions. This commitment is exemplified by our No Surprises PledgeSM which we make to all customers and markets, across the globe.

You can be confident that, in formulating and manufacturing our materials, we use sustainable practices to provide long-term product viability and sound environmental stewardship.

You can expect that the materials we produce contain only ingredients that conform to accepted legal and regulatory compliance guidelines.

You can trust that PolyOne materials meet the rigorous quality and safety management standards required across the globe.

You can be certain that PolyOne meets or exceeds the material safety data reporting requirements of your country or region.

When you choose PolyOne, you can be confident our products will help you meet or exceed today's stringent compliance standards.

How Our Products Enable Sustainability

PolyOne has defined our Sustainability Portfolio in the eight ways we help our customers meet their innovation and sustainability goals through material science. From lightweighting to renewable energy applications to improved recyclability, PolyOne has a robust portfolio of sustainable solutions. In fact, sales of our Sustainable Portfolio expanded 30% since 2016, increasing across all businesses and across all Sustainability categories.

PolyOne offers a broad portfolio of technologies that help our customers—and our planet—be more sustainable. Through our design expertise and material science, we can make a positive impact in applications in nearly every end market.



Lightweighting



Reduced Energy Use



Volatile Organic Compound Reduction



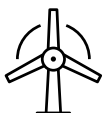
Improved Recyclability



Bio-derived Content



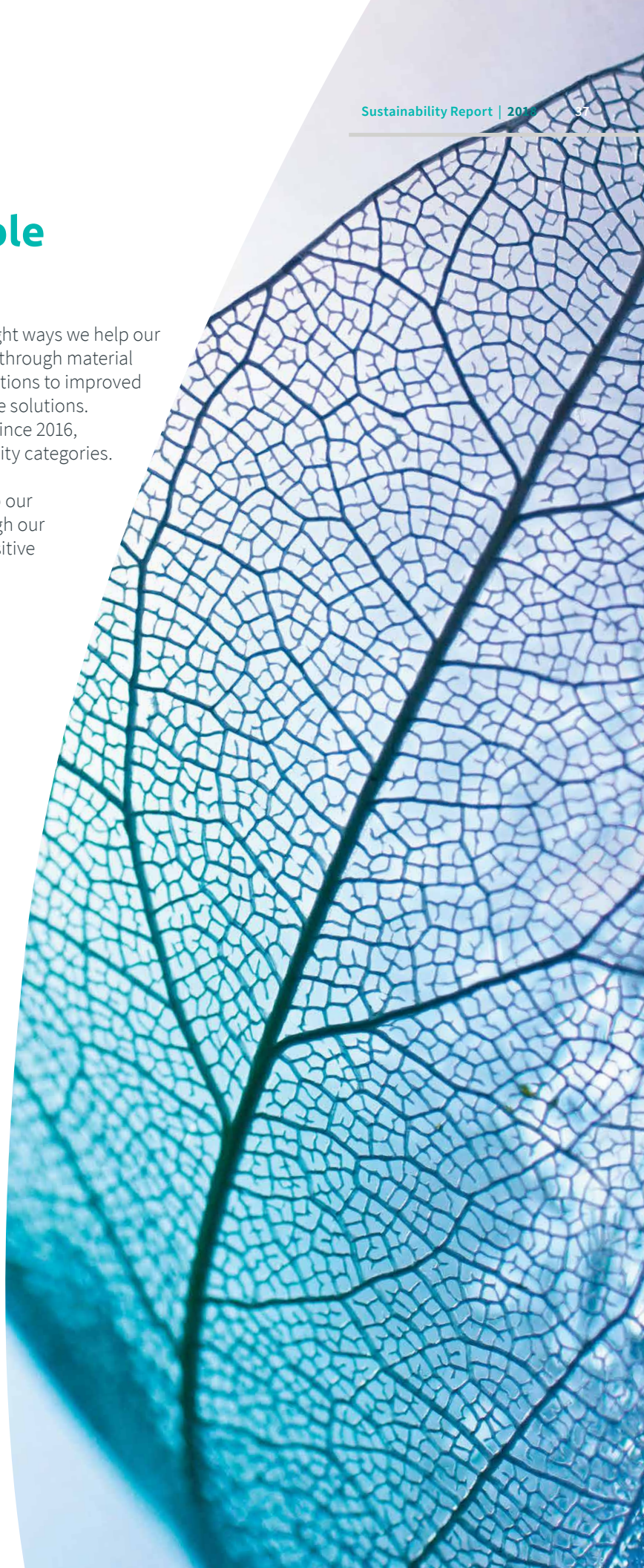
Eco-conscious Composition



Renewable Energy Applications



Reduced Material Requirements



Packaging

The global preference for plastics in food, beverage and water packaging has led to explosive growth and the production of hundreds of millions of units of food and beverage containers per year. Plastic packaging is not only convenient, it is the safest and most economical way to protect food and beverages and deliver product all over the world. However, these benefits can come with tradeoffs.

Millions of improperly discarded plastic bottles are finding their way into our waterways and oceans, rather than into proper recycle streams. And while the technology and economics of the global reclamation infrastructure has improved dramatically, there are still tremendous opportunities to put innovative new technologies to work to support effective and economically viable reclamation and reuse. That's where PolyOne comes in.

Our packaging color and additive technologies are used to:

- Reduce material usage
- Reduce energy requirements
- Reduce spoilage and protect food and beverages
- Improve the inherent recyclability of the container
- Improve the ability to use automated sorting technology for reclamation
- Improve the physical performance and reuse potential of reclaimed materials

AMOSORB™ AND ULTIMATE™ ADDITIVES protect ingredients and reduce spoilage while also helping to preserve the ability of the material to be reclaimed and used in a new bottle.

ONCOLOR™ IR SORTABLE BLACK COLORANT eliminates carbon black to allow reclaimed black plastics, such as those found in food trays, to be detected by automated sorters and properly recycled.

REPRIZE™ IV BUILDER helps improve the physical and aesthetic properties of the reclaimed plastics.

PolyOne has developed additives that reduce the amount of plastic needed to make the bottle, as well as **SMARTHEAT™ INFRARED ABSORBERS**—additives that reduce the amount of energy required during bottle manufacture.



Medical

As often as humanly possible, medicine must be an exact science. Healthcare equipment manufacturers must meet explicit technical and regulatory standards so that practitioners can deliver effective diagnoses and treatments. PolyOne helps our customers overcome these challenges with industry-leading teams and materials. From labware for diagnostic testing, to CT scanners for pinpointing the location of tumors, we offer sustainable polymeric materials, distribution management, and design assistance.

Radiation-based imaging equipment is expensive and needs protection from a variety of electromagnetic radiation. PolyOne helps to provide solutions for management of radiation exposure and resistance to odor-causing microbes. **TRILLIANT™ XR** and **GRAVI-TECH™ DENSITY-MODIFIED FORMULATIONS** are unique, high-density materials developed as thermoplastic-based alternatives to lead and other traditional metals. These materials provide customized high-performance properties that meet a broad range of application-specific healthcare requirements, all while avoiding the regulatory, disposal and employee exposure challenges associated

with lead. **EDGETEK™ XT HIGH PERFORMANCE COPOLYESTERS** are one of the highest performing BPA—free engineering thermoplastics in the industry. Along with exceptional mechanical properties, they have the ability to provide robust performance at very high temperatures of 250°C (480°F) without losing critical physical properties. Thermally stable Edgetek PK, with its excellent UV resistance, high purity and light weight, is an excellent high strength alternative to fluoropolymers.

Product designers and manufacturers are turning to thermoplastic elastomers (TPEs) to replace silicone and natural rubber. Parts made from thermoset rubbers that require a slow-and-costly manufacturing process can result in outdated designs, inefficient production processes and labor-intensive assembly. PolyOne can replace these rubbers in medical devices for additional sustainable developments, in applications such as ergonomic grips, seals, gaskets, and stoppers. **VERSAFLEX™ TPEs** allow manufacturers to switch to more efficient processes that eliminate the time-consuming and costly assembly operations needed for old parts.





Automotive / Transportation

Which materials deliver lightweight, durable and aesthetically pleasing options for design engineers looking for better ways to build next generation cars? PolyOne design team members and material supplier technologists look for areas where polymers can provide equivalent performance to traditional materials. We evaluate newer polymer technologies to meet and beat performance standards for our customers' goals—not just for today, but also for the future. From the headlight to the taillight, innovative automotive designs and manufacturing ideas come zooming to life with the right materials.

THERMA-TECH™ THERMALLY CONDUCTIVE FORMULATIONS combine the heat transfer and cooling capabilities of metals with the design freedom, weight reduction and cost advantages of thermoplastics. These materials facilitate lightweighting and increased electrification, leading to lower fuel consumption and CO2 emissions. In transportation and advanced mobility applications where every ounce counts, injection moldable Therma-Tech can offer total system cost reductions through functional integration, part consolidation, weight reduction, and other application-specific factors.

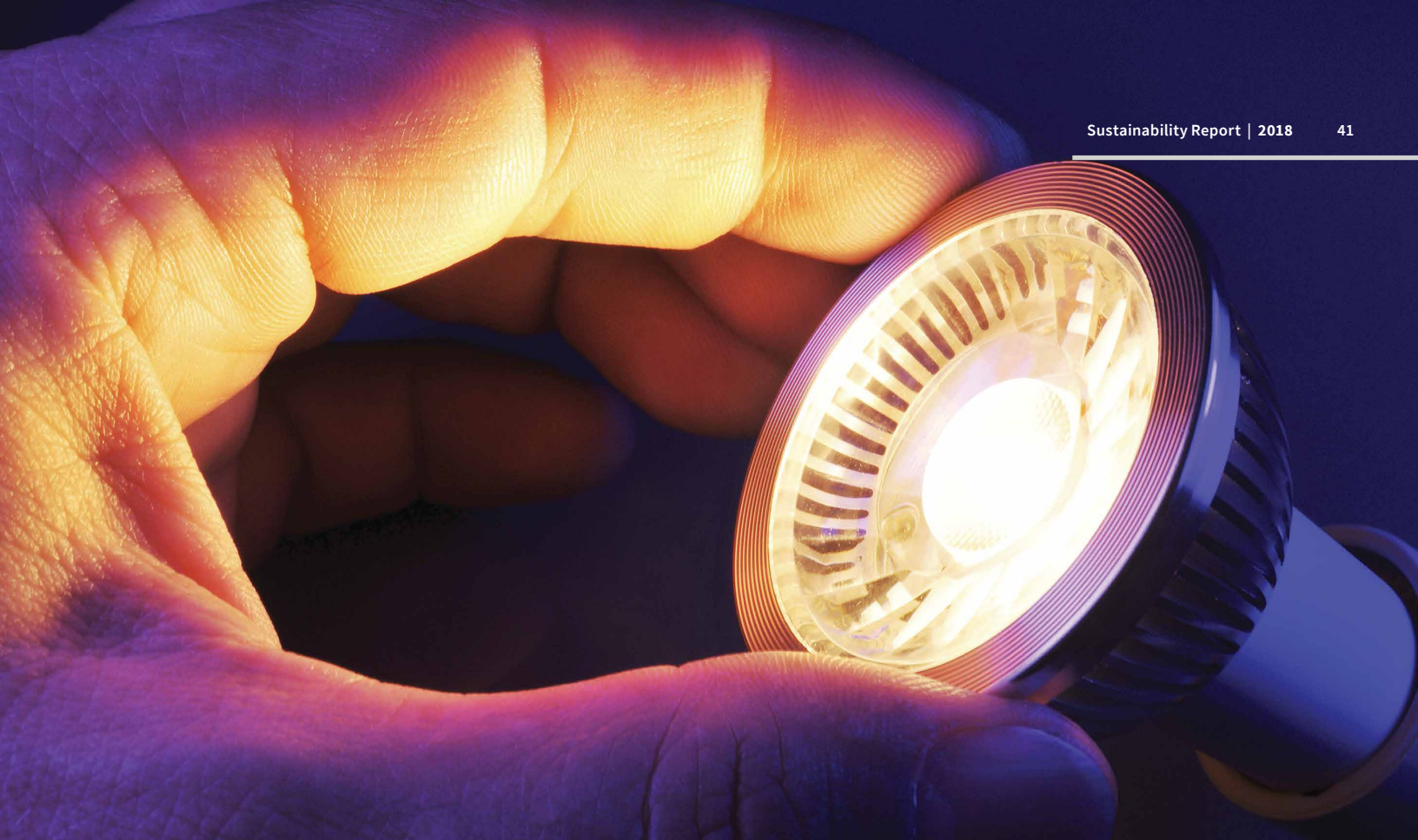
COMPLÉT™ AND ONFORCE™ LFT LONG FIBER THERMOPLASTIC COMPOSITES are formulated for demanding applications that require high stiffness

and good impact in structural and metal replacement applications. Our LFT solutions offer improved performance in the areas of creep and fatigue performance, improved dimensional stability, and exhibits exceptional surface finish. In addition, former metal products consisting of several parts can often be consolidated into a single, net shape to reduce assembly costs.

NYMAX™ AND BERGAMID™ RECLAIMED NYLON FORMULATIONS offer high strength, durability and impact resistance, all while enabling landfill waste reduction of >21M pounds since 2016, by providing an alternative use for post-industrial reclaimed nylon*. These materials are used in color matching for the automotive applications and will improve recyclability.

Following China's legislation of Vehicle Interior Air Quality (VIAQ) regulations in 2017, global OEMs are increasingly focused on reducing the level of volatile organic compounds, fogging and odor in new vehicles. **ONFLEX™ LO and MAXXAM™ ENGINEERED MATERIALS** used for interior HVAC air flaps, trays, console carrier and instrument panels related interior parts help our customers satisfy high VIAQ standards without compromising desired appearance or performance.

*Formulations are > 50% recycled content



Electronics

The light emitting diode (LED) luminaire market is developing quickly, but product costs need to drop for this growth to be realized. That means there's a need for more efficient manufacturing with innovative new materials. PolyOne has extensive experience helping manufacturers of LEDs and other forms of lighting to manufacture dependable parts more efficiently. For example, leaders in the industry are collaborating with PolyOne to transition from metal to thermally conductive polymers. This change increases design options, reduces weight and improves manufacturability. PolyOne offers a full range of sustainable solutions that are WEEE and RoHS compliant. In this highly competitive market, it pays to collaborate with a globally active, highly innovative supplier of specialty polymers.

While LED light bulbs can use up to 80 percent less energy than incandescent bulbs, and last more than 20 years, they generate a substantial amount of heat that must be dissipated with a heat sink. **THERMA-TECH™ THERMALLY CONDUCTIVE FORMULATIONS** have been shown to improve thermal conductivity by 50–100 times that of conventional plastics. They facilitate lightweighting and increased electrification, leading to lower fuel consumption and CO₂ emissions.

The need for advanced driver assistance system (ADAS) features, like back up cameras and lane departure warnings as standard safety components, is clear. Protecting these electronics with durable housings that won't dramatically increase the overall weight of the car can be challenging. **SURROUND AND STAT-TECH™ ELECTRICALLY CONDUCTIVE FORMULATIONS** are engineered to protect critical electronics from electrostatic discharge (ESD), electromagnetic and radio frequency interference (EMI/RFI). These formulations combine select engineering resins with reinforcing additives to provide the precise levels of electrical conductivity. Injection moldable Stat-Tech material can replace aluminum, or the costly processes associated with conductive painting or vacuum metallization, while achieving comparable performance.

Wire & Cable

PolyOne is a total polymer solutions provider for the wire and cable industry. With the ability to meet diverse global regulatory and product specifications, we draw on a wide range of polymers, colorants and services to find the best solutions for our customers' needs. Whether they need vinyl, color concentrates, manufacturing & production services, crosslinked polyethylene, halogen-free or other specialty materials, we have the polymer solutions and services that will streamline projects and meet challenges.

Rapidly changing technology, stringent regulations and standards, and increasing competition are just some of the difficulties facing the Apparatus & Cord marketplace. Common challenges include moisture, oil, chemical and abrasion resistance, and non-halogen or low smoke. Our range of offerings is RoHS-compliant, with non-phthalate versions available for applications that must meet the most severe international regulatory standards.

ECCOH™ LOW SMOKE & FUME, NON-HALOGEN FORMULATIONS have been designed to be highly flame retardant with very low toxicity and smoke density. These

solutions are well-suited for environments where smoke mitigation is of particular concern, such as those within closed spaces where means of escape is restricted (e.g., hotels, off-shore installations, trains, and ships). It helps to limit the generation of smoke and toxic fumes during burning, and maintains flame retardance without the use of halogens.

ONCOLOR™ NON-HALOGEN COLORANTS FOR WIRE & CABLE meet many standard wire and cable specifications, including RAL, IEC, BS and AFNOR. Non-heavy metal and non-halogen formulations are available.

MAXXAM™ FR FLAME RETARDANT POLYOLEFIN FORMULATIONS are engineered to meet stringent flammability performance requirements. Standard formulations conforming to UL 94 V-2, V-0 and 5VA performance ratings are available, with many in the portfolio offering elevated Relative Thermal Index (RTI) ratings. Custom products can be formulated with recycled PP and PE for improved recyclability, plus the portfolio includes halogen and non-halogen products.



Renewable Energy

Renewable and alternative energy is expanding quickly and there is tremendous market potential. We have the material experience in a broad range of energy applications including solar power, wind power, battery and fuel cells to help customers deliver value and innovation. PolyOne has the material science expertise and regulatory knowledge necessary to help design the optimum product solution. We are committed to helping our customers develop and manufacture alternative energy applications. Our solutions for the industry include non-halogenated flame retardant solutions, RoHS-compliant materials for wire & cable, bio-derived solutions and more.

Solar energy is part of a sustainable solution to address the challenges of increasing energy demand, decreasing natural resources, and a changing environment. We offer a full range of material solutions for photovoltaic wire and cable, including **SYNCURE™ SOLAR**, which provides high-performance, UL 4703 and VW 1-compliance and eliminates the need to use two separate insulation and jacketing formulations.

SMARTBATCH™ COLOR AND ADDITIVE CONCENTRATES are great UV weathering protection color concentrates for solar power stations. Additionally, protective cable insulation and jacketing can be made from **ECCOH™** low smoke and fume, non-halogen materials.

Wind power is another alternative energy application. **GLASFORMS™ PULTRUSION TECHNOLOGIES** offer exceptional strength-to-weight ratio for continuous fiber reinforced composites for structural wind turbine components.





5G as a Sustainability Enabler

Faster is the key to 5G. The 5th generation mobile network intends to provide data hundreds of times faster than current wireless technology, while enabling less latency in response times. It will elevate the mobile network to interconnect people and control machines, objects, and devices. From water and air quality management to energy and traffic efficiency, 5G has the potential to act as an enabler of environmental sustainability and public health.

According to The Center for Technology Innovation at Brookings, two-thirds of the world's population could face water shortages by 2025. In response to these potential crises, sensors enabled by 5G can detect unsafe chemicals in water, help in identifying and managing leaks in water lines, and pro-actively notify authorities about possible risks.

5G can provide people with better tools to monitor and improve air quality. Cities have the opportunity to install air quality monitoring stations that measure pollutants and particulates at a street level.

5G can also help intelligent traffic signals with dynamic functioning, improving the efficiency of traffic flows and thereby help protect air quality and congestion.

As 5G infrastructures are deployed, **EDGETEK™ FORMULATIONS** are the answer to meeting the requirements of 5G base station antenna applications. From design flexibility to easy processing, our customizable materials can dial in specific Dk (Dielectric Constant)/Df (Dissipation Factor) values to meet manufacturing requirements, helping customers reduce lead times and increase speed to market.

FIBER-LINE SWELLCOAT™ WATER BLOCKING YARNS support 5G antennae, data centers, and backbone cable designs to prevent equipment damage and signal attenuation due to water ingress in the cables. New lower diameter Swellcoat™ yarns have enabled cable designers to reduce the cable footprint to develop higher fiber count cables, increasing the data transmission capability within a fixed cross section.



Outdoor High Performance

Outdoor enthusiasts demand gear and equipment that delivers uncompromising performance, in places where failure is not an option. They settle for nothing less than the best—and neither should our customers. That's where PolyOne comes in. Whether we are helping to serve the casual explorer, the social adventurer, or the extreme enthusiast, our expertise and advanced polymer solutions spark design innovation and lead to pioneering products.

Some customers want to reduce weight but maintain strength and function, while others need protection against UV light, harsh temperatures, and other elements that might diminish product life.

COMPLÈT™ & ONFORCE™ LFT long fiber thermoplastic composites are formulated for demanding applications which require high stiffness and good impact in structural and metal replacement applications.

POLYSTRAND™ TAPES AND LAMINATES reduces weight to improve fuel economy, and enable thin-walling and material reduction through reinforcement of traditional materials.

PolyOne's exclusive **RESOUND™ BIOPOLYMER FORMULATIONS** combine engineering thermoplastic resins with bio-derived polymers such as PLA, PHB, PHBV and biopolyesters. Unlike neat biopolymers, such as PLA, reSound formulations will meet or exceed performance requirements for durable applications previously considered out of reach for bio-based materials. These formulations offer a unique balance of temperature, impact and cost performance, while reducing the carbon footprint from the onset of a product life cycle.

Mergers & Acquisitions

Indeed innovation is the lifeblood of our specialty company. New products and solutions are created primarily through our exceptional commercial associates (sales, marketing and R&D), who collaborate with customers, suppliers and fellow colleagues around the world.

We also add products and services through the acquisition of specialty companies, and for over a decade we have strategically executed an M&A strategy that has expanded our portfolio of innovative and sustainable solutions to world-class levels.

In 2008, we made our first specialty acquisition to spur our transformation. The company was GLS, a global leader in soft-touch thermoplastic elastomers. Since then, we have embarked on a bolt-on approach to M&A whereby we have added advanced technologies and exceptional talent to serve our customers.

Each specialized to deliver value in a wide range of material science in key end markets, the companies we purchase must be clear fits with both our portfolio objectives and culture. There must be unmistakable opportunities to maximize the best of their offerings, while leveraging the existing strengths of PolyOne. And after joining forces, the increased value generated for customers, associates, communities and shareholders must be equally as clear.

Recent areas of focus for our M&A strategy have concentrated in our Engineered Materials and Global Color, Additives and Inks segments, including the creation of PolyOne Advanced Composites through the acquisition of five leading composite businesses.

We've made several acquisitions in the high-growth and environmental-friendly composites space, where the offerings of our acquired companies like Glasforms, Gordon Composites and PlastiComp are providing lightweight, high-strength solutions to the demanding requirement specifications of our customers. Meanwhile, our purchases of Polystrand and Fiber-Line tout technological expertise that is poised for the next-generation of sustainability demands as well, with thermoplastic composite innovation and materials solutions that enable the build-out of 5G fiber optic cable infrastructure.

Our performance and barrier additives portfolio has also grown significantly with the addition of great companies like ColorMatrix and IQAP. Largely serving customers in packaging, consumer and healthcare applications, technology advancements enabled by our team has reduced material requirements, advanced recyclability and increased shelf life of perishable foods and beverages—eliminating waste while facilitating food availability reach around the world.



Integration and Investment

Announcing that a new specialty company has joined PolyOne is always an exciting time. Our customers can quickly begin to consider the new and expanded possibilities to collaborate with us, and our employees immediately prepare to welcome our newest colleagues to the PolyOne team.

Despite the tremendous amount of diligence and strategy conducted in the many months prior to a deal being completed, much of the critical work for success is only just beginning. Successful integration of new companies into PolyOne is of the utmost importance.

Our “invest to grow” approach and experience has evolved into a playbook of key activities. Every integration has its own unique opportunities and nuances, yet our three key priorities are unwavering and are established on Day 1: safety first, serve our customers and retain employees.

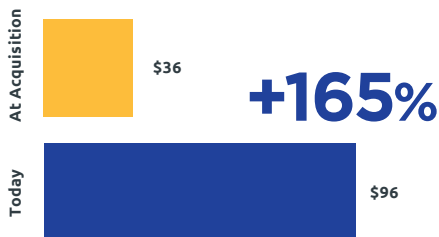
As time progresses and our investments begin, we do so in a natural, collaborative manner that begins to drive growth, by investing in our customer’s growth. As our commitment to innovation, operations and commercial excellence gains traction, the power of our integration efforts—and purpose for the acquisition—become vividly apparent through value creation and sustainable innovation.

Established Acquisitions (>7 years)

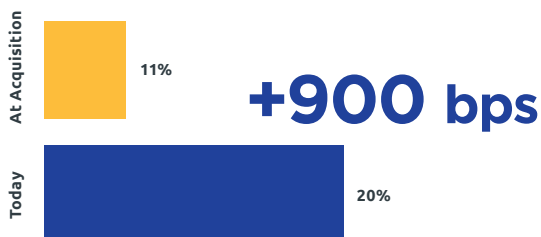
Commercial Resources



Operating Income (\$ in millions)



Operating Margins



Integration efforts begin on Day 1 after an acquisition is announced.

CEO Bob Patterson visits employees to welcome them to PolyOne, introduce the priorities for integration, and explain our commitment and expectations related to our sustainability cornerstones of People, Products, Planet and Performance.

Pictured below, associates at PlastiComp in Winona, Minnesota show their new PolyOne pride during Day 1 integration activities after the announced acquisition in June 2018.



Invest to Grow Playbook



Over a Decade of Specialty Acquisitions

2008

Specialized soft touch elastomer materials enabling vibration damping and ergonomic benefits
JAN 2008



2009

Advanced healthcare formulations for medical devices
DEC 2009



2011  **ColorMatrix**

Deep portfolio of liquid color and additive solutions for sustainable packaging, including reduced material requirements and barrier technology
DEC 2011

2012  **glasForms**

Lightweight, high-strength composite technology enabling energy efficiency
DEC 2012

2014  **ACCELLA**
PERFORMANCE MATERIALS

Liquid polymer formulations and specialty coatings solutions for a wide range of end markets
DEC 2014

2015

Color solutions for fibers to eliminate post production dyeing, minimizing water intensity
DEC 2015



2016

KRATON TPE

Thermoplastic elastomer solutions for products requiring sustainable performance attributes, such as medical, consumer and packaging
FEB 2016



Lightweight, high-strength composite technology for precision and performance
JUL 2016



Thermoplastic composite solutions providing lightweighting, design and recycling advantages
JUL 2016



Color masterbatch provider focused on high-temperature applications in demanding environments, including high efficiency engines
DEC 2016

2017

Silicone colorant and additive dispersions for healthcare and other specialty markets
JAN 2017



A leading provider of specialty and eco-conscious inks for the screen-printing industry
JUN 2017



Color and additive technologies for consumer, outdoor and packaging applications
JUL 2017

2018

Europe-based innovator of color and additive solutions supporting customers' high standards for design, functionality and performance
JAN 2018



Thermoplastic composite technology with lightweighting, high-strength and recyclability benefits
JUN 2018

2019



Lightweighting composite technology that enables connectivity and infrastructure through fiber optic and 5G applications
JAN 2019

Our Solutions...In Action

Case Studies in Sustainability

All of our work—from idea, to design, to R&D, and through to commercialization—culminates when our customer's products are brought to market. We take great pride in the strategic role we play in product development and take pride in knowing we are an integral part of customers' success.

With each customer success story, there is a potential case study that allows us to step back, self-reflect, learn and get better. The market research and analysis. The formulation. The testing, refining, and testing again. The prototyping. And the crowning achievement of the end product launch.

With every success story generated utilizing our Sustainable Solutions portfolio, there comes an opportunity for our associates to learn and grow in our sustainability commitment. For our customers, it's an opportunity to push further to increase sustainability goals and lessen environmental footprints. Most importantly, it's an opportunity for all stakeholders to become inspired to accelerate innovation in the ongoing pursuit of the next challenge that will come PolyOne's way.



Case Study

Closing the Loop with Post-consumer Recycled PET Beverage Bottles

Beverage bottle companies aim to leave a positive legacy while ensuring minimal impact on the environment, especially when it comes to sustainable packaging and responsible sourcing.

Bottles for carbonated drinks require more strength when compared to bottles for still beverages. This small fact created a big problem for one beverage bottle customer, when they set out to create a beverage bottle for carbonated drinks made with 100% recycled PET (rPET). The bottle preform refused to stretch properly during the blow molding process, making it difficult to reach their sustainable goal.

PolyOne's **ColorMatrix™ Smartheat™ Infrared Absorber** is primarily used to reduce energy usage (10–15%) during injection-stretch blow molding. However, this solution also makes for a cleaner resin for the recycling stream. Smartheat™ was used to widen the blowing window, allowing the recycled resin to be evenly distributed along the bottle. With this beverage bottle customer's sustainable vision and PolyOne's Smartheat™ additive for PET, Australia's first carbonated soft drink bottles made from 100% rPET hit the market. More single-serve plastic bottles in Australia will now switch to the new fully recycled materials by the end of 2019.



Reduced
Energy Use



Improved
Recyclability



Case Study

Renewable Energy From Floating Solar Panels

Solar energy is part of a sustainable solution to address the challenges of increasing energy demand, decreasing natural resources, and a changing environment. Floating solar panels are mounted on structures that float on large bodies of water. In some cases, 1 float generates enough energy to power 375 homes for a year*.

However, this alternative energy solution has its challenges. Existing industry solutions fail to protect panels from outdoor exposure and harsh weather conditions. And this is where PolyOne made a huge difference for one customer. **Smartbatch™ Color and Additive Concentrates** offered unparalleled UV weathering protection color concentrates for their

solar power stations. Smartbatch™ also enhanced the customer's power generation efficiency by 10%, while providing shielding to prevent algae growth. We helped them reduce their carbon footprint by reducing evaporation. Fixed in idle waters in Taiwan, our integrated colorant and anti-UV solution is expected to provide 25 years of weathering resistant performance.

*1 float = 10kgs, 1 MW= 3,100~3,700 floats (3.5 MT MB)



Renewable
Energy
Applications



Case Study

Enabling Recyclability in Drinkable Yogurt Bottles

As with most industries, sustainability is consistently taking the mainstage for food and beverage packaging companies, and encouraging responsible business goals. PolyOne helped a particular customer displace non-recyclable packaging.

ColorMatrix™ Lactra™ SX Light Blocking Additives

for PET provided high-performance light blocking technology and enabled a recyclable alternative to long-life dairy packaging. Lactra™ enabled production of over 250 million recyclable containers annually. This additive is particularly suitable in packaging for ultra-high temperature (UHT) liquid dairy products, as these types

of products have a longer shelf life, making them more susceptible to light-induced oxidation due to ambient storage conditions. UHT dairy products require special packaging consideration for long ambient shelf life, and ColorMatrix™ Lactra™ SX Light Blocking Additive provided a high-performance light blocking product.



Improved
Recyclability



Case Study

Lightweighting for Heavy Trucks

High strength, unidirectional fibers and engineered thermoplastic resins combine to create **Polystrand™ continuous fiber reinforced thermoplastic (CFRTP)** tapes and laminates that can help reduce weight while maintaining exceptional strength and impact resistance in a variety of applications.

One customer used Polystrand™ CFRTP materials in the trailer space of heavy truck applications, which increased loading per square foot and provided a moisture and debris barrier. This solution extended the life of the trucks by 20–25%. It also reduced weight to improve fuel economy.

Polystrand™ tapes and laminates can be post-formed and co-molded with mixed materials in thermoforming and injection molding processes to achieve part designs and cycle times that meet the most demanding performance targets. And because they are thermoplastic, these CFRTP materials are more easily recycled compared to thermoset materials.



Lightweighting



Case Study

Cleaner and Safer Internal Automotive Parts

If a car looks appealing on the lot, it will get a lot of looks. If it feels good and operates smoothly inside, it will attract even more buyers. From aesthetic features, such as the shade of the dashboard, to technology components such as the interactive GPS screen, we offer materials that create a comfortable, safe and reliable experience for drivers.

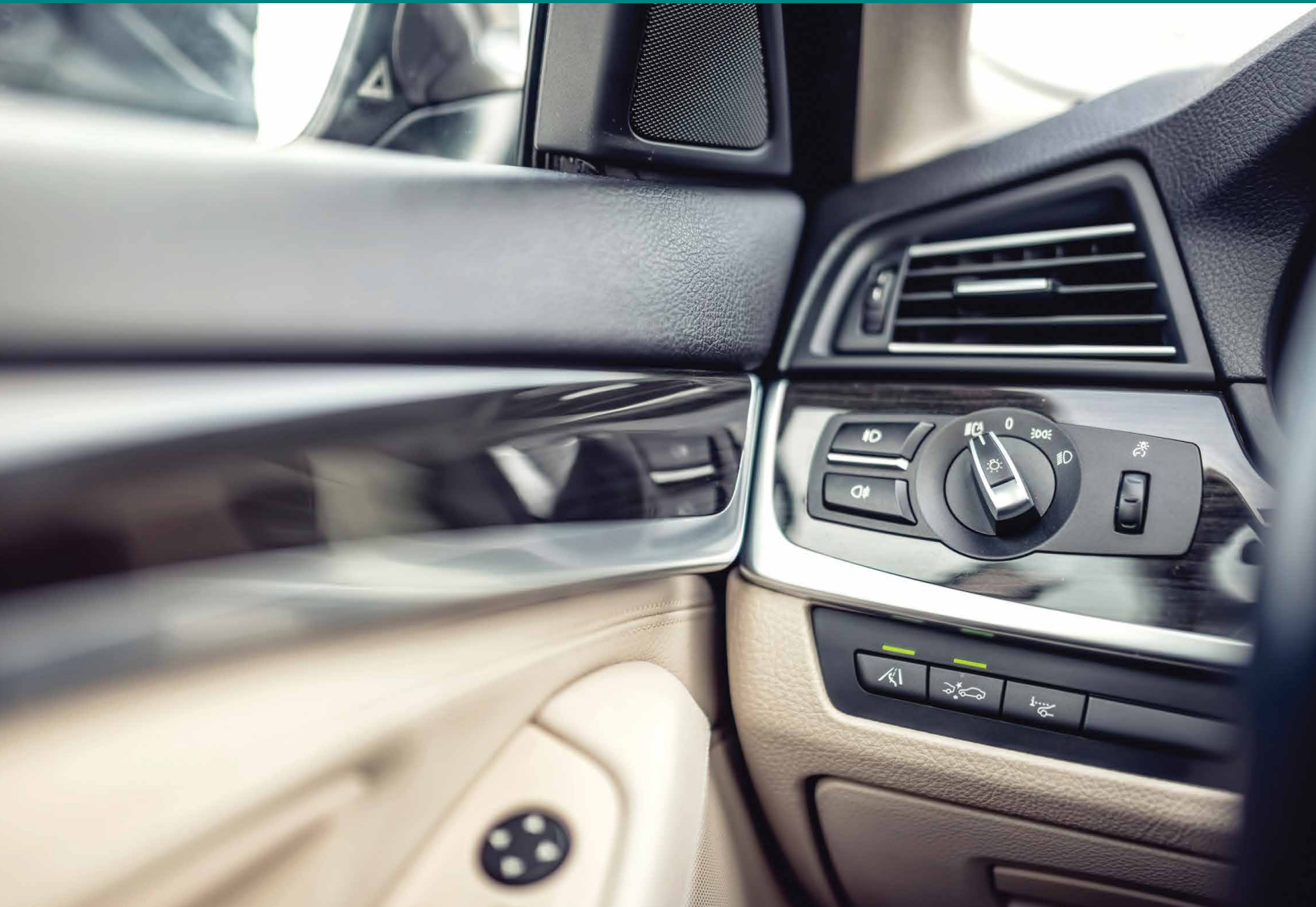
Following China's legislation of Vehicle Interior Air Quality (VIAQ) regulations in 2017, global OEMs are increasingly focused on reducing the level of Volatile Organic Compounds (VOCs), fogging and odor in new vehicles.

PolyOne's **Onflex™ Lo TPE** and **Maxxam™** engineered material formulations are used for interior HVAC air flaps, trays, console carrier and instrument panels, and related interior parts. These solutions helped one of our

customers satisfy high Vehicle Interior Air Quality (VIAQ) standards without compromising desired surface finish, gloss level, mechanical property or density. Maxxam™ helped the customer reduce the VOCs and fogging in their newly launched models by up to 80%, without compromising desired mechanical property or surface finish. Onflex™ Lo TPE helped the same customer replace traditional PU foaming materials for HVAC sealing components, which greatly improved the VOC levels to meet local vehicle interior air quality standards. These formulations consistently achieve 3.0 per VDA 278, meeting the specifications of automotive OEMs globally.



Volatile
Organic Compound
Reduction



Product Stewardship

Protecting PolyOne's associates, customers and the environment by providing safe products is a global commitment we make. Our materials and solutions are part of a complex, global system involving a diverse group of suppliers and customers. Understanding, communicating and minimizing environmental, health and safety impacts of our products is enabled through strong partnerships across this value chain and product lifecycle.

In 2018, utilizing these strong partnerships, EU REACH-Phase 3 was successfully completed. The focus is now on continued assessment and communication on the safe handling of these substances. More recently in June of 2019 we successfully completed the pre-registration for Korea REACH (K-REACH). We continue to monitor risk assessments associated with the U.S. Environmental Protection Agency's (EPA) Toxic Substance Control Act (TSCA) inventory reset rule.

Management of these global inventories allows for safe movement and consistent supply of our products around the world. Monitoring these global inventory changes and other emerging issues by our regional product stewardship experts ensures a quick evaluation and response to potential regulatory impacts to our key stakeholders. This drives more sustainable replacement initiatives. Efforts are underway to further identify sustainable solutions within our innovation pipeline prior to commercialization.

In addition to monitoring and implementing global compliance initiatives, PolyOne has implemented and been certified to the ACC's Responsible Care® Management System and corresponding Product Safety Code. These efforts go beyond compliance for our associates, customers and the environment and have been critical in reinforcing a continual improvement mindset for product safety through prioritized risk assessments.

Products are prioritized based upon a set of criteria, such as environmental, health and safety impacts, volume and intended use in addition to others. For our sensitive applications, we have implemented ISO 13485 and Good Manufacturing Processes (GMP). 100% of our facilities producing those sensitive applications and warehouses are GMP audited within a 3-year period. For this reporting period, PolyOne has experienced no non-compliance events and no non-conformances with voluntary or required compliance activities associated with our products and services.



Product Excellence

Management systems and external third-party certification of those management systems are an important part of ensuring our products are aligned with industry standard best practices.

In addition to our certification as an ACC Responsible Care® company, PolyOne has over 140 third-party certifications across multiple areas of expertise.

Our third-party certifications span Quality, Environmental, Health & Safety, Automotive Quality, Laboratory Testing and Food Safety.

These certifications are created and maintained via disciplined, sustainable processes that establish baseline expectations for our performance and remain evergreen.



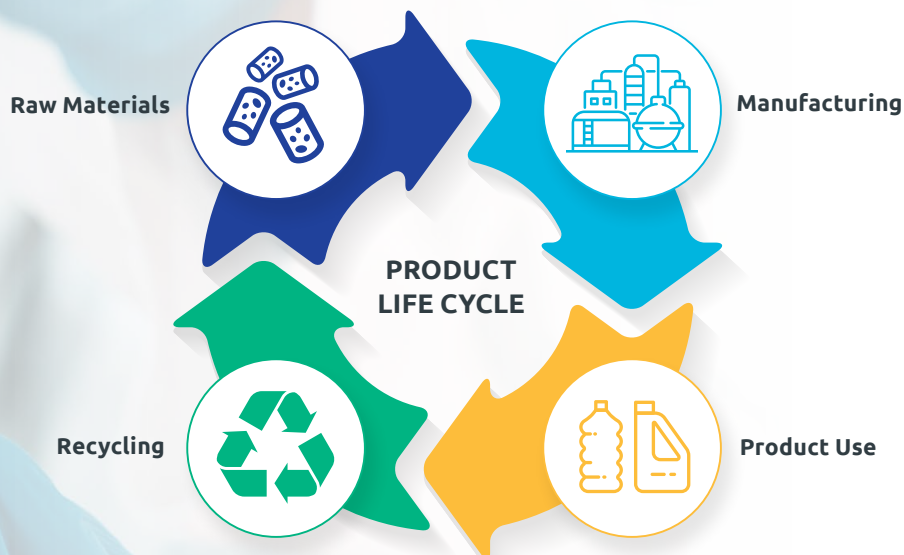
Product Life Cycle

PolyOne recognizes that given our location in the supply chain we are very well positioned to enable sustainability along the value chain, through innovation at the earliest stages of the product life cycle.

In 2020, we anticipate to have begun more robust life cycle analyses on key products as a complementary tool to the materiality assessment. Product data associated

with life cycle analysis will give a more holistic view of the trade-offs all products inherently have, as far as impact to human health and the environment.

We believe this will drive continued innovation and responsible decision-making in the sustainability space enterprise-wide and for the planet.



Supplier Collaboration

PolyOne's value extends not only to consumers through specialty products, but beyond the boundaries of our own processes and operations. Strong, transparent relationships with suppliers are key to our success.

We seek to collaborate with world class organizations that espouse our values and principles to bring innovation, sustainable materials and efficient processes to PolyOne and our customers.

Our No Surprises PledgeSM is critical to our success, and we expect our supplier base to help us achieve this Pledge. Our Supplier Code of Conduct drives interactions with our suppliers and expectations for doing business.

To ensure mutually beneficial and productive relationships, PolyOne asks all suppliers to adhere to our safety procedures and security policies within our manufacturing plants, distribution centers, as well as our sales, regional, or corporate offices.

Over 250 supplier self-assessments have been completed and have incorporated criteria for our most sensitive applications. It is expected this activity will continue to mature in the future. We are also developing a Supplier Sustainability Program designed to address quality, cost and reliability requirements, and a range of sustainability, social responsibility and environmental considerations.





PLANET

Environmental Stewardship

PolyOne, like every company, has a responsibility to take great care of our planet — and we take the responsibility very seriously. Through our operations, product technology and supply chain management, we work to ensure we meet the needs of the present, without compromising future generations' ability to meet their needs.

In 2018, PolyOne's capital investments in the areas of environment, health and safety totaled nearly \$9 million and increased from the prior year.

PolyOne's environmental materiality assessments have led us to focus on energy, emissions, and effluents/waste. Our primary focus is on the impacts of our own operations, which can be controlled and monitored directly. Potential effects along supply chains are also considered.

PolyOne's Corporate EHS&S Department is responsible for overseeing environmental protection and resources. While this group sets and monitors performance against management system standards, the full operational accountability lies within each PolyOne Business Unit and operating site. To ensure performance expectations are met, each site has management personnel to manage their EHS&S systems.

PolyOne collects key performance indicators throughout the year to monitor EHS&S performance and efficiency improvements. PolyOne's internal EHS&S tracking system is used as a central tool for measuring and monitoring progress toward short, mid, and long-term objectives.

PolyOne abides by the principles of the Responsible Care® Global Charter. This Charter's aim is to highlight chemical producers' commitment to continuous improvement in the areas of environmental, health & safety, product safety, and security. PolyOne also adheres to our Sustainability Promise, Environmental Policy, Code of Conduct, and internal EHS&S Management System.



EHS&S Compliance and Improvements

We set ambitious goals for safety, health, security, and environmental protection. We regularly conduct audits to monitor our performance and progress. We assess the potential of all our activities, from research to production and logistics, and the effects of these on all of our stakeholders. In our databases, we document safety and environmental incidents and near misses at our sites as well as along our transportation routes. Incident and near miss investigations are a critical element of continuous improvement. Root causes are identified, corrective and preventive actions are implemented, and review processes ensure enduring preventive measures are in place.

Fifty-three safety, health, security, and environmental protection audits were performed in 2018. Regular audits help ensure that regulatory requirements are adhered to and standards are met. Sites and companies added to PolyOne's portfolio as part of acquisitions are audited as a part of our integration process to bring new sites into line with our standards. Our audit program is designed to quantify risk presented by sites, measure the maturity of management systems in place, and define a path to reduce those risks and advance maturity. Where improvements are necessary, we agree on measures and monitor their implementation. Our internal audit process facilitates continuous improvement by providing information that enables informed strategic decision-making.

Energy and Emissions

PolyOne is committed to protect the environment by conserving natural resources and preventing pollution, through energy efficiency and global climate protection.

In order to conserve resources and be cost-efficient, PolyOne is undertaking efforts to more actively manage energy consumption. We aim to minimize emissions and greenhouse effects from energy use with our operations, and also strive to offer solutions to our customers that enable them to significantly save energy. We want to reduce emissions along the value chain and utilize efficient production processes guided by comprehensive energy management systems. Our Sustainable Solutions make an important contribution toward helping our customers avoid emissions as well.

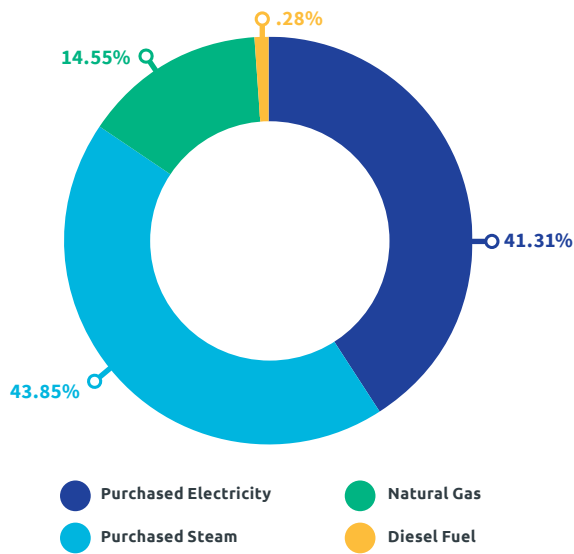
Annually, each facility is expected to complete energy saving activities. Efforts to meet this objective support careful management of the company's energy demand. An Energy Saving Projects & Idea Tool is used to promote action and capture information on savings realized. This tool combines information, advice, best practices, and successful optimization projects, as well as key figures and tools that support energy efficiency, enabling users to systematically improve the energy efficiency of operations. We were able to further optimize the resource and energy consumption of our production in numerous projects around the world in 2018.



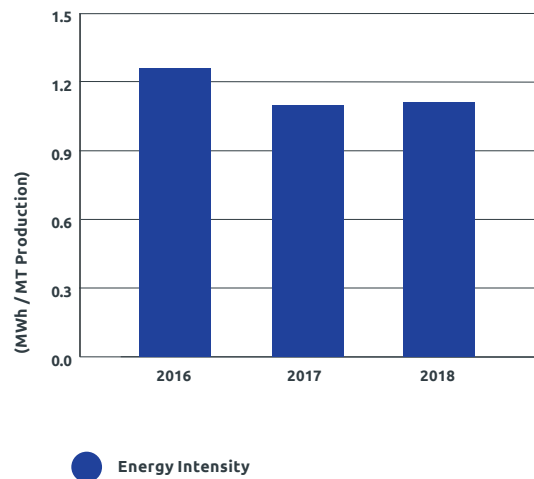
**ENERGY
SAVINGS
PROJECTS &
IDEA TOOL**

Environmental Metrics/Charts

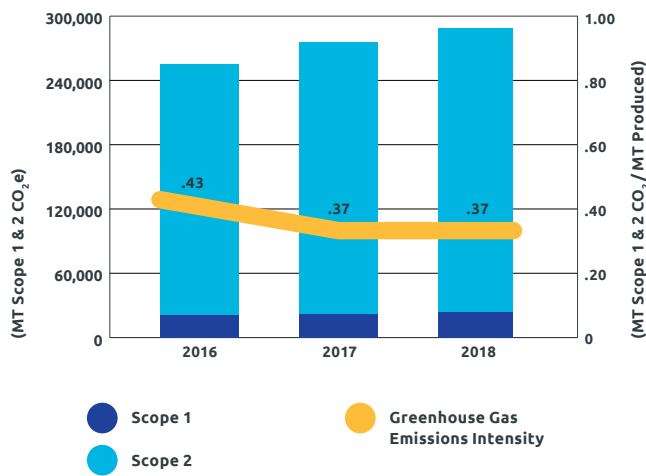
Energy Source Breakdown



Energy Intensity



GHG Emissions (MT CO₂e)



Emissions Reductions

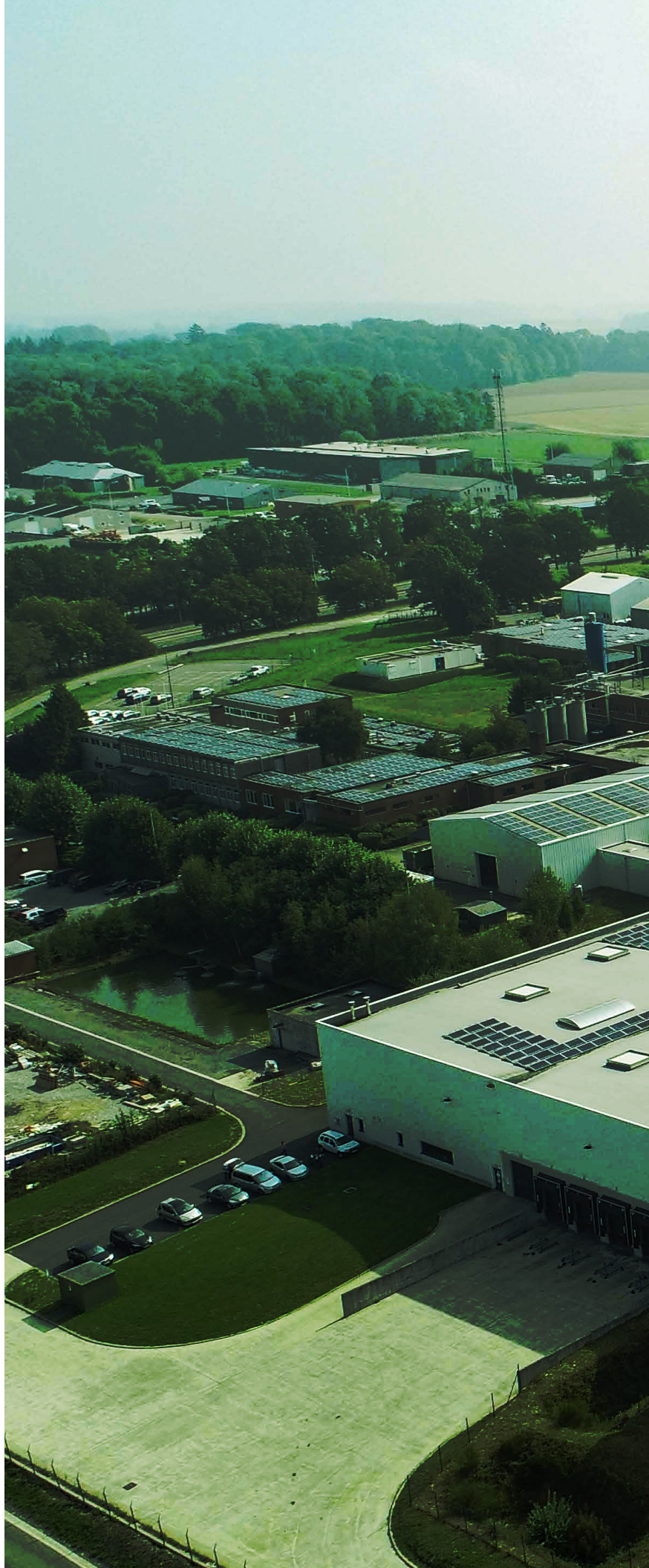
41 Energy Saving Projects Eliminated

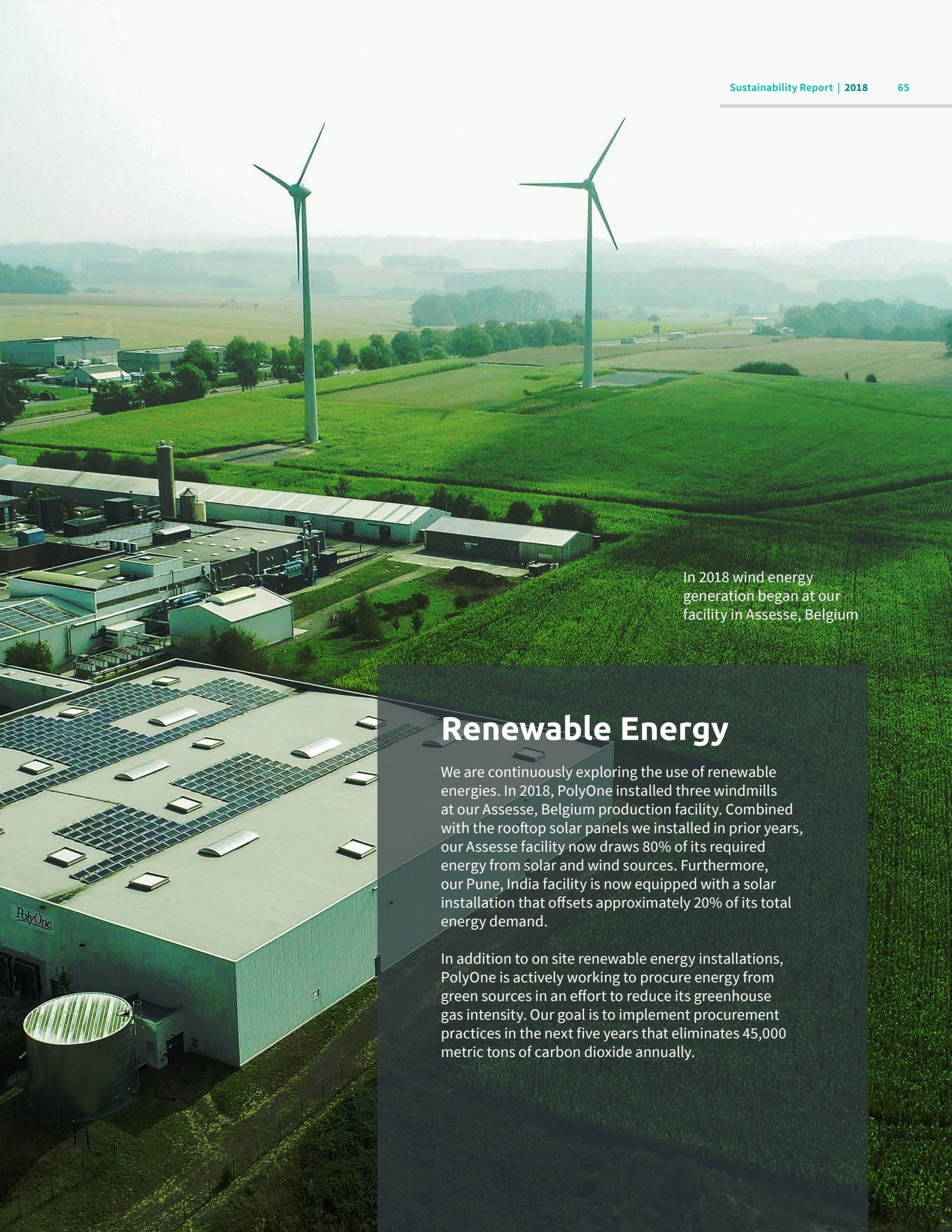
4600+
MT of Carbon Dioxide Per Year

Lean Six Sigma Impact

Efficiency and continuous improvement are at the core of our Operational Excellence strategy and also ensure we're taking responsible care of our planet. This begins with the Lean Six Sigma (LSS) culture that we continue to invest in and utilize each day throughout our company. More than 4,100 active associates have been trained in LSS and at any given time there are approximately 350 process improvement projects underway. These and other projects benefit the planet by minimizing the amount of natural resources required to safely manufacture, transport and ensure first-time quality material to our customers. For example, 41 energy savings projects last year will result in an approximate 2,250 MWh/year reduction of energy.

What's effective for PolyOne has also proven to be desirable and effective for our customers. In launching PolyOne's LSS Customer First service, we have been training our customers in lean principles, who then identify and implement process improvement projects in their operations. In doing so, it not only strengthens their business and builds loyalty to PolyOne, but also multiplies the positive impact on our planet.





In 2018 wind energy generation began at our facility in Assesse, Belgium

Renewable Energy

We are continuously exploring the use of renewable energies. In 2018, PolyOne installed three windmills at our Assesse, Belgium production facility. Combined with the rooftop solar panels we installed in prior years, our Assesse facility now draws 80% of its required energy from solar and wind sources. Furthermore, our Pune, India facility is now equipped with a solar installation that offsets approximately 20% of its total energy demand.

In addition to on site renewable energy installations, PolyOne is actively working to procure energy from green sources in an effort to reduce its greenhouse gas intensity. Our goal is to implement procurement practices in the next five years that eliminates 45,000 metric tons of carbon dioxide annually.

Waste Management

PolyOne is committed to eliminating or reducing wastes generated by our operations and enabling our customers to meet their waste minimization goals. Our waste management approach adds value by reducing the risk of environmental harm as well as costs associated with waste production. These efforts are in line with our commitment to sustainability and provide impact and credibility to our operations around the world.

At PolyOne, the prevention of waste takes priority over recycling or disposal. Therefore, every effort is made during the development and manufacturing of products to ensure that as little waste as possible is generated. Unavoidable production waste is recycled or disposed of properly. Waste management systems track the amounts and type of wastes generated by each facility and how it is managed. Disposal includes energy recovery processes to gain benefits where possible. Proper disposal is proven and documented in internal records.

Total waste intensity amounted to 8.35 KG/MT in 2018 (14.1% reduction since 2016).

We regularly carry out audits to inspect external waste disposal companies to ensure that waste is properly managed. In this way, we also contribute environmental protection and keep today's waste from becoming tomorrow's contamination.

If soil or groundwater contamination were to occur at an active or former PolyOne site, proper remediation measures are reviewed based on current legal and technical standards and undertaken as necessary. A worldwide network of experts would ensure proper remedial solutions are implemented. These solutions strive to maximize the conservation of natural resources, climate protection efforts and social responsibility. In 2018, ongoing remediation work around the world continued on schedule and planning was concluded on future remediation projects.

We view water intensity and management as an important consideration in many industrial sectors, though PolyOne's operations are generally not water intensive. Water use is limited to sanitary applications and process cooling, with closed loop process cooling dominating. The majority of our manufacturing sites are located in areas with sufficient and stable water availability. Where operations are located in areas under water stress, efforts are made to further reduce and reuse. Furthermore, PolyOne adheres to local regulatory limits placed on water use and discharge at all sites.

**Total Waste Intensity
(KG Waste/MT Production)**



8.35 14.1%
REDUCTION
SINCE 2016

**Percent of Total Waste Recycled or
Beneficially Reused**

63.75%



Reportable Releases



**IN EXCESS OF PERMITTED LEVEL
TO THE ENVIRONMENT SINCE 2013**

**Total Water Withdrawal Intensity
(M³/MT Production)**



2.01 7.8% REDUCTION
SINCE 2016

Eliminating Plastic Waste

Plastic is a miraculous, versatile material that positively impacts our world. It's in equipment that helps save lives, keeps food safe from spoilage, lowers the use of fossil fuels, and makes alternative energy possible.

But some plastics are also in places they shouldn't be, like in our oceans and rivers. They find their way to landfills instead of being recycled. PolyOne is committed to eliminating plastic waste through innovation, broad stakeholder engagement, and strong partnerships and alliances.

We are continuously making a positive impact through our innovative portfolio of technologies that enable our customers to improve plastic recyclability and reduce the amount of material required for packaging.

However, no one company or country can solve the plastics waste problem. That's why PolyOne joined the Alliance to End Plastic Waste as a founding member in 2018 and is collaborating with more than 40 global organizations to promote infrastructure, education and engagement, innovation, and clean up efforts to keep plastic waste in the right place.

Additionally, PolyOne is a member of the ACC and Plastic Industry Association's Operation Clean Sweep®, a set of guidelines for process, training and audit of our operations to prevent plastic pellet loss into the environment.

We will continue to invest and work aggressively to eliminate plastic waste in the environment to deliver critical sustainability and performance benefits to people and communities around the world and live up to our promise of meeting the needs of the present without compromising future generations' ability to meet their needs.



INFRASTRUCTURE



INNOVATION



EDUCATION



CLEAN UP



Community Service

Another way we contribute to the Planet is with our passion for service and improving the communities in which we operate. We do that through our time, talent and treasures. Our associates give generously in every regard.

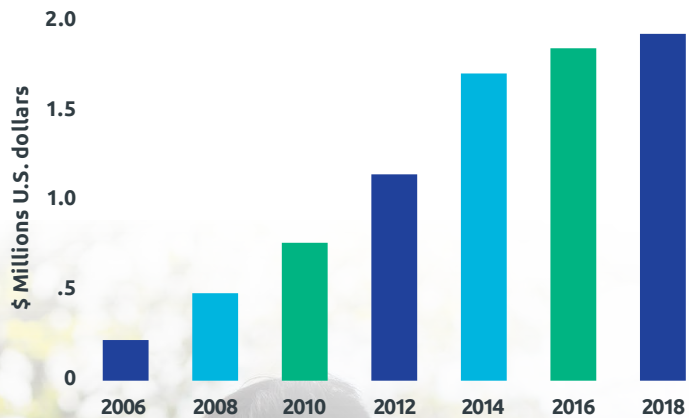
In North America, we are proud to have a long-standing relationship with United Way in more than 50 communities. Since 2006 we have raised and donated more than \$12 million to United Way.

Our community service efforts are increasing and globalizing every year. And in 2018, our associates collectively performed more than 2,300 hours of work in our communities. In addition numerous leaders in our company serve on non-profit Boards of Trustees, helping them toward sustainability in their operations and mission to serve.



\$12M+

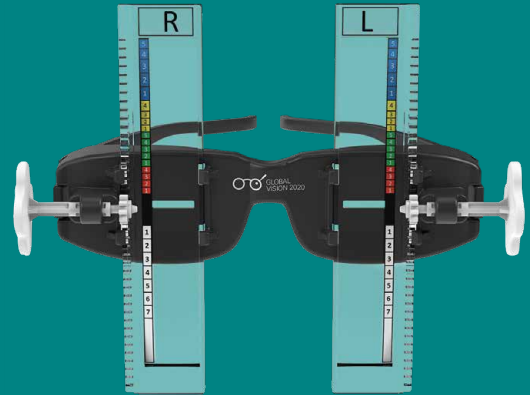
For United Way Since 2006



Global Vision 2020

PolyOne collaborates with Global Vision 2020, a non-profit organization that provides a system for diagnosing and creating eyeglasses onsite for people in low resource countries with no access to eye care. Our IQ Design team contributed design and manufacturing support, and we donated material to help this incredible organization in their mission.

“Working towards a solution to a world problem of this scale is in perfect alignment with PolyOne’s sustainability goals and commitment to our communities, both local and global,” said **Cathy Dodd**, Vice President, Marketing at PolyOne. “Through our design expertise, deep material science resources, and the energy and passion of our associates, PolyOne is well placed to help organizations such as GV2020 achieve their goals and make the world a better place to live.”



Community Engagement



Community Service Team

Avon Lake, United States

Our Avon Lake Community Service Team plans quarterly community service events for any associate to participate.

For the 15th year, PolyOne Associates in Avon Lake, Ohio have provided donations for a local organization's annual holiday drive. Neighborhood Alliance's Christmas for Caring provides gifts for homebound seniors and low-income families during the holiday season. Generous PolyOne associates last year contributed 130 care packages for seniors, purchased gifts for 77 children, filled 75 stockings and 51 baskets of household items for families.

Knowsley, United Kingdom

Our Knowsley, United Kingdom's Charity, Community & Celebration Committee plans quarterly community service events, working hard to make a difference to the lives of more than 8,000 people who live in the local area.

For example, The Big Help Project is a local charity that offers many services such as a food bank, debt advice and basic baby items to impoverished people to help them build a stronger, more sustainable future.

"The Committee at Knowsley has the same commitment as everyone at PolyOne does, which is to have a positive presence in the communities in which we work and live," said **Jennifer Calvert**, Supply Chain Coordinator and Committee Secretary.

Distribution

Recently, our PolyOne Distribution team dedicated part of their day to volunteering with There With Care, a non-profit group in Colorado that provides fundamental services to children and families during the critical phase of a medical crisis.

"This experience was extremely rewarding; it served as a reminder that we need to be grateful for everything we have and to take the time to give back to our communities," shared **Scott Horn**, president, POD.

Ramos, Mexico

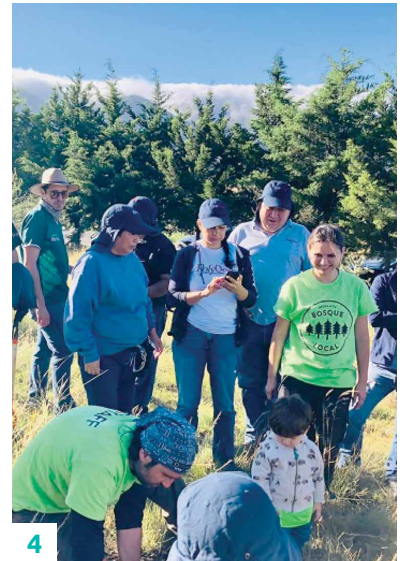
Recently, our associates in Ramos, Mexico volunteered with reforestation efforts at a local mountain range that suffered from devastating forest fires and illegal tree harvesting. A team of 20 PolyOne associates planted 100 pine trees.

"It was an honor spending time together for such a worthy cause," said **Juan Sesatty**, manager, Human Resources & EHS. "We feel it's our obligation to do our part to protect the environment in the communities we serve."

Pune, India

Last summer, severe, deadly floods affected the south Indian state of Kerala, due to unusually high rainfall during the monsoon season. It was the worst flooding Kerala had seen in nearly a century.

In support of neighbors in need, our team in India gathered and assembled over 200 care packages, including one week's worth of groceries and supplies to over 200 families. The representative at the collection camp was very appreciative of PolyOne's quick response and support.



- 1-2. Avon Lake, Ohio
- 3. Knowsley, United Kingdom
- 4. Ramos, Mexico
- 5. PolyOne Distribution
- 6. Pune, India



“PolyOne has a strong presence in the communities where we live and work and we want community members to know we are there for them in times of crisis. The work is not done and we look forward to helping rebuild Kerala and continuing to be a partner.”

—Atul Shelar, Senior Human Resource Generalist





PERFORMANCE

Performance Overview

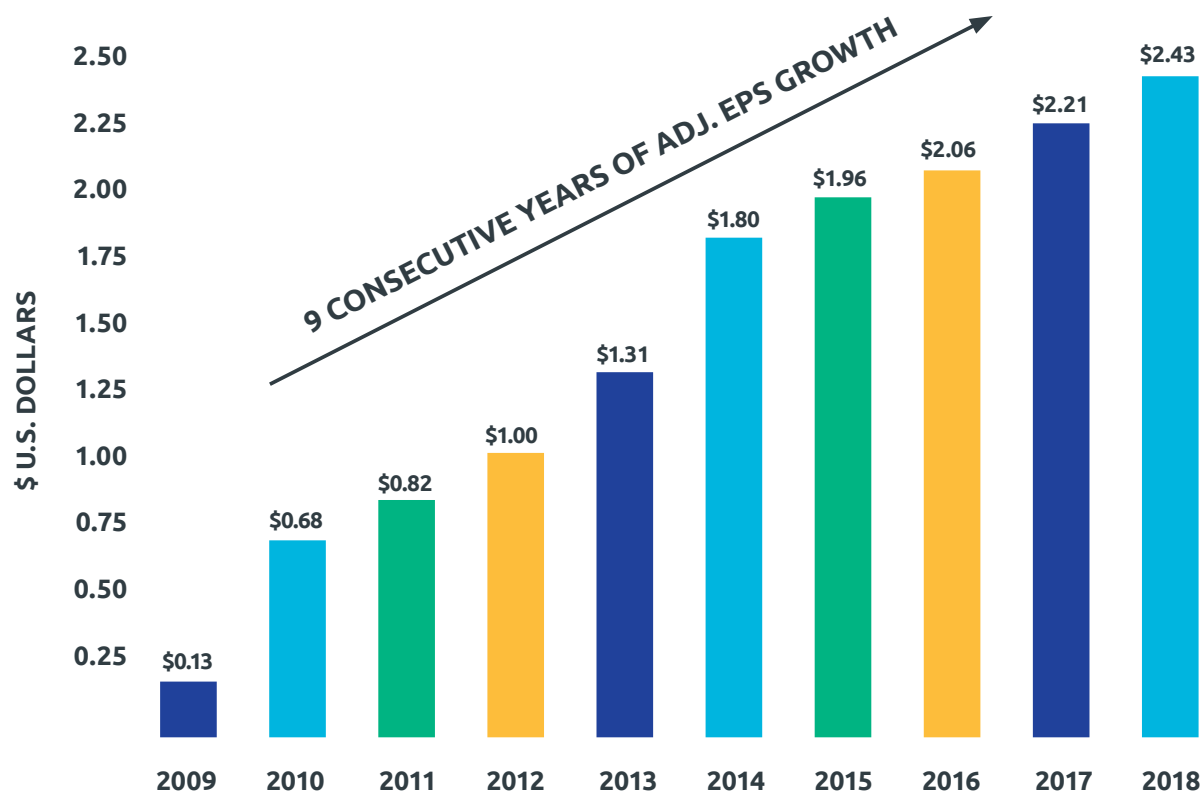
The fourth “P” of our sustainability cornerstones is Performance. While our work in People, Product and Planet are vitally important commitments, ultimately, they must yield financial performance and growth to create a truly world-class sustainable organization.

We are forever committed to achieving “the right results, the right way.” To do so, we maintain strict adherence to areas like policies, audit, governance, and global training for our associates on ethics and our Code of Conduct.

And combined efforts to execute our strategy have worked. **2018 marked the ninth consecutive year of adjusted EPS expansion at PolyOne, as we delivered \$2.43 per share.** It’s a commendable streak that we work tirelessly to achieve and build upon.

Over this period we have significantly increased our operating margins in each of our businesses, as well as our Return on Invested Capital, and we have raised our dividend for seven years in a row.

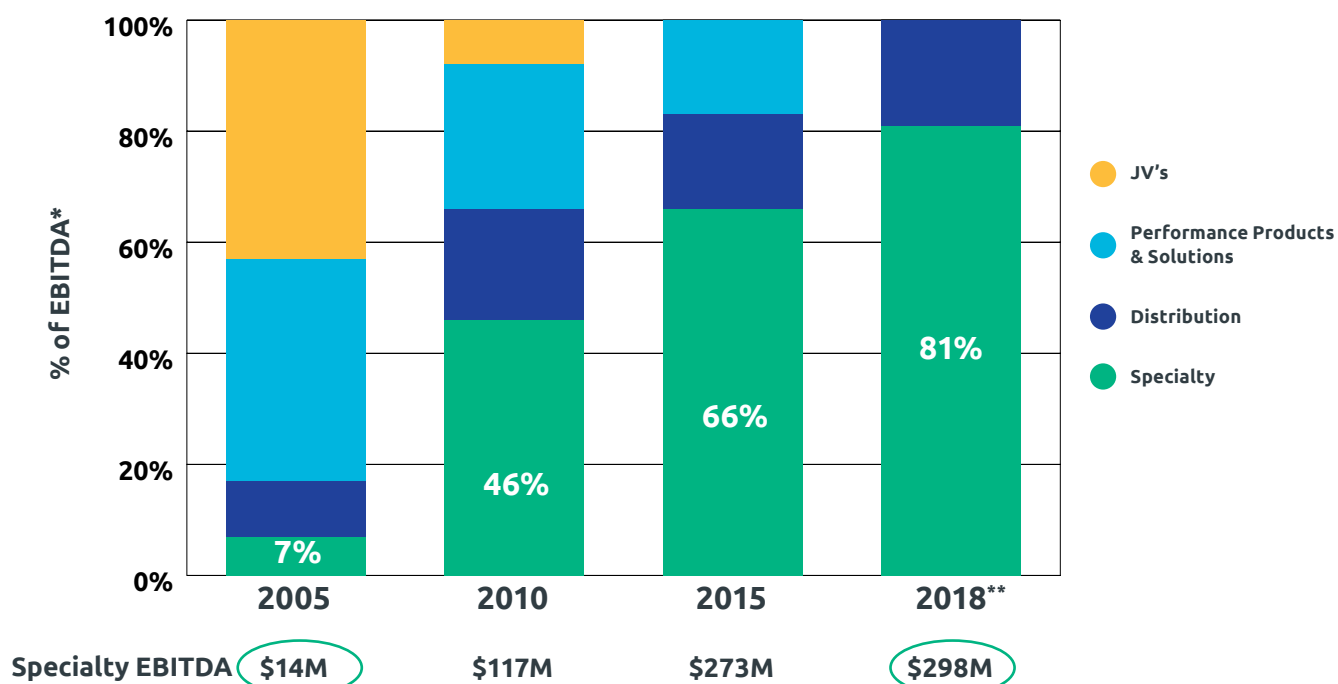
Adjusted Earnings Per Share*



*EPS excluding special items and income from equity affiliates

Performance Overview

Mix Shift Improvement



* EBITDA excludes corporate costs and special items

** Pro Forma for sale of PP&S

Specialty Transformation Drives Margin Expansion

	2006	2018
ROIC*	5.0%	14.1%
Operating Income % of Sales		
Color, Additives & Inks	1.7%	15.1%
Specialty Engineered Materials	1.1%	11.2%
Performance Products & Solutions	4.3%	10.0%
Distribution	2.6%	5.6%

*ROIC is defined as TTM adjusted OI divided by the sum of average debt and equity over a 5 quarter period

Sustainable Products Performance

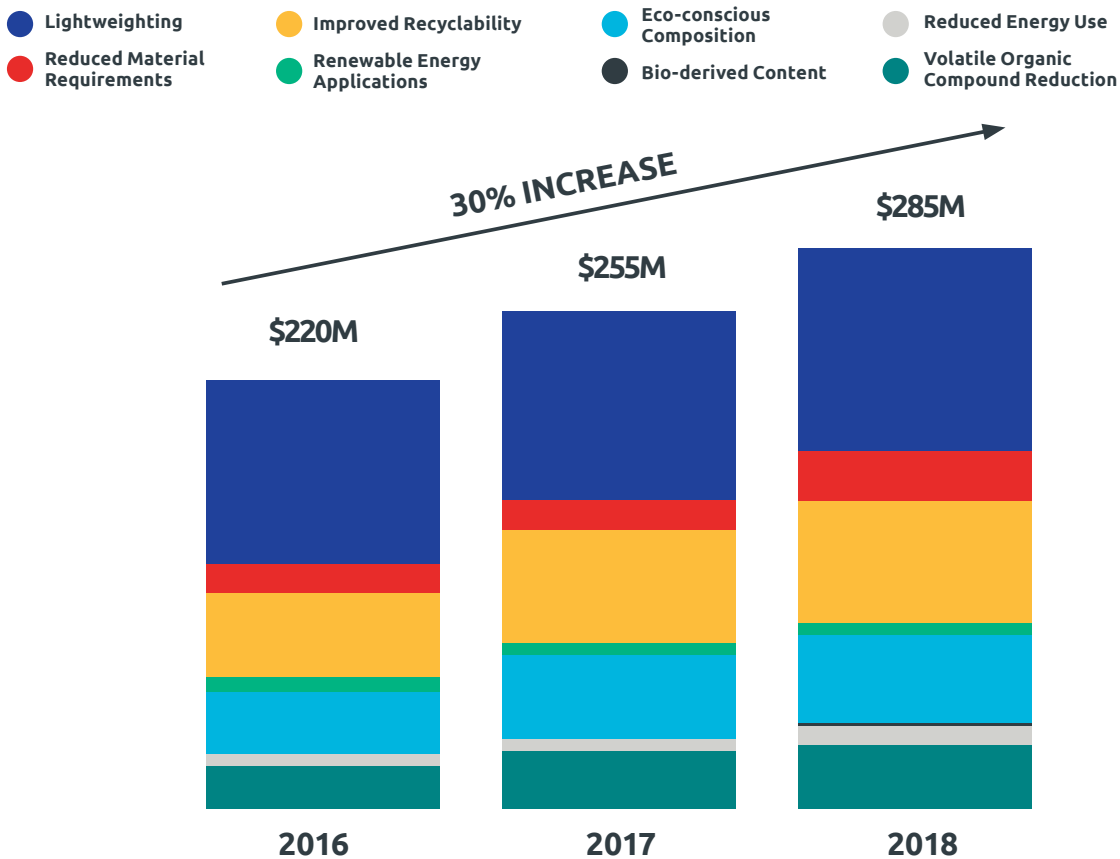
As highlighted in our Products section, PolyOne has a highly-technical and broad portfolio of materials solutions that help our customers—and our planet—be more sustainable.

These sustainable solutions have comprised a growing portfolio for our company, as demand increases across the globe and canvasses many end markets. Our innovation efforts and collaboration with customers have increased in lockstep. As a result, revenue from sustainable solutions has increased 30% over the last three years.

In 2018, we delivered \$285 million in sustainable solutions sales, as defined using criteria aligned with the FTC 2012 Guide for the Use of Environmental Marketing Claims. And we did so while also yielding sustainable benefits in each of the eight key areas where our material science can have the most impact.

As we look to the future, we expect these same eight areas to gain even more importance—and acceptance—among our customers and their end users. This we expect will further the win-win benefit trend for both our planet and PolyOne.

30% Increase in Revenue from Sustainable Solutions* 2016–2018**



*PolyOne Sustainable Solutions definitions aligned with FTC 2012 Guide for the Use of Environmental Marketing Claims ("Green Guides")

** Pro Forma for sale of PP&S

The Highest Ethical Standards

At PolyOne, we strive to create a world-class sustainable organization, by conducting business in a way that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Knowing that the judgments and decisions we make as individuals affect the way PolyOne is viewed in the marketplace and in the communities where we work, we let our personal values of Integrity, Honesty and Respect shape the way we do business. These values are based on high ethical standards, and demand honesty and integrity in our business dealings.

We strive to uphold a consistent global standard of ethical conduct, while respecting the cultures and business practices of the countries and local communities with which we interact.

Our Code of Conduct establishes a clear set of ethical and behavioral standards for our business conduct. Our internal Ethics Committee and the Audit Committee of our Board provide oversight and direction for the training and education of the Code and other ethics related matters and reviews trends in ethical and legal matters affecting PolyOne.



Code of Conduct

Ihre Verantwortlichkeiten

...und befolgen Sie dem Kodex und alle Gesetze, Verordnungen und Richtlinien, die für Ihre Arbeit bei PolyOne...

...liche Pflichten von Vorgesetzten managern bei PolyOne...



F&A

F Ich habe im Unternehmen einen Verdacht, dass ein Verhalten gegen den Kodex vorliegt. Ich weiß, ich sollte es melden, aber es macht mich unwohl, mich beim Vorgesetzten darauf zu melden, wenn ich es nicht... wie könnte meine Arbeit leiden, wenn ich es tue?

A: Wenn Sie in gutem Glauben Informationen melden, sind die Risiken dafür, unethisches, ungesetzliches, unprofessionelles Verhalten zu begehen, zu vermindern. Auch wenn Sie sich zunächst Sorgen über mögliche Konsequenzen machen, ist es wichtig, dass Sie sich nicht scheuen, Ihre Vorgesetzten zu informieren, wenn Sie den Verdacht haben, dass ein Mitarbeiter gegen den Kodex verstoßen hat. Wenn Sie sich Sorgen machen, dass Ihre Vorgesetzten nicht aufpassen, sprechen Sie mit dem Personalabteil oder dem Compliance-Abteilung.

Sie sollten keine Angst vor Konsequenzen aus einer Meldung in gutem Glauben haben. Wir danken Ihnen für Ihre Mithilfe.

هل تعلم؟

أين بعض الأمثلة الخاصة بعمليات أعمالنا تضمن الآتي:

- توفير منتج جديد
- تحسين العمليات
- تطوير المنتجات
- تحسين الجودة
- تحسين خدمة العملاء
- تحسين العلاقات مع الموردين
- تحسين العلاقات مع المجتمع
- تحسين العلاقات مع الحكومة
- تحسين العلاقات مع البيئة
- تحسين العلاقات مع الموظفين
- تحسين العلاقات مع المستثمرين
- تحسين العلاقات مع البنوك
- تحسين العلاقات مع وسائل الإعلام
- تحسين العلاقات مع المنظمات غير الربحية
- تحسين العلاقات مع الجامعات
- تحسين العلاقات مع المدارس
- تحسين العلاقات مع المكتبات
- تحسين العلاقات مع النوادي
- تحسين العلاقات مع الجمعيات
- تحسين العلاقات مع الأندية
- تحسين العلاقات مع الفرق
- تحسين العلاقات مع اللاعبين
- تحسين العلاقات مع المشجعين
- تحسين العلاقات مع الجماهير
- تحسين العلاقات مع الإعلام الرياضي
- تحسين العلاقات مع المنظمات الرياضية
- تحسين العلاقات مع الحكومات الرياضية
- تحسين العلاقات مع المنظمات الدولية
- تحسين العلاقات مع المنظمات العالمية
- تحسين العلاقات مع المنظمات الإقليمية
- تحسين العلاقات مع المنظمات المحلية
- تحسين العلاقات مع المنظمات الوطنية
- تحسين العلاقات مع المنظمات الإقليمية
- تحسين العلاقات مع المنظمات العالمية

تتضمن العمليات المسجلة الملكية والسرية الآتي:

- تطوير المنتجات الجديدة
- تحسين العمليات
- تطوير المنتجات
- تحسين الجودة
- تحسين خدمة العملاء
- تحسين العلاقات مع الموردين
- تحسين العلاقات مع المجتمع
- تحسين العلاقات مع الحكومة
- تحسين العلاقات مع البيئة
- تحسين العلاقات مع الموظفين
- تحسين العلاقات مع المستثمرين
- تحسين العلاقات مع البنوك
- تحسين العلاقات مع وسائل الإعلام
- تحسين العلاقات مع المنظمات غير الربحية
- تحسين العلاقات مع الجامعات
- تحسين العلاقات مع المدارس
- تحسين العلاقات مع المكتبات
- تحسين العلاقات مع النوادي
- تحسين العلاقات مع الجمعيات
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- تحسين العلاقات مع الفرق
- تحسين العلاقات مع اللاعبين
- تحسين العلاقات مع المشجعين
- تحسين العلاقات مع الجماهير
- تحسين العلاقات مع الإعلام الرياضي
- تحسين العلاقات مع المنظمات الرياضية
- تحسين العلاقات مع الحكومات الرياضية
- تحسين العلاقات مع المنظمات الدولية
- تحسين العلاقات مع المنظمات العالمية
- تحسين العلاقات مع المنظمات الإقليمية
- تحسين العلاقات مع المنظمات المحلية
- تحسين العلاقات مع المنظمات الوطنية
- تحسين العلاقات مع المنظمات الإقليمية
- تحسين العلاقات مع المنظمات العالمية



سؤال وجواب

سؤال: إذا كنت متأكدًا من أنك قد اكتشفت انتهاكًا للثقافة أو لسياسة الشركة، فماذا يجب أن تفعل؟

جواب: يجب عليك إبلاغ مديرك أو مديرة مباشرة أو إبلاغ قسم الامتثال أو الإبلاغ عن المخالفات.

سؤال: ماذا يحدث إذا لم أكن متأكدًا من ما إذا كان هذا انتهاكًا؟

جواب: يجب عليك إبلاغ مديرك أو مديرة مباشرة أو إبلاغ قسم الامتثال أو الإبلاغ عن المخالفات.

سؤال: ماذا يحدث إذا كنت متأكدًا من أنك قد اكتشفت انتهاكًا، لكنك لست متأكدًا من ما إذا كان هذا انتهاكًا؟

جواب: يجب عليك إبلاغ مديرك أو مديرة مباشرة أو إبلاغ قسم الامتثال أو الإبلاغ عن المخالفات.

سؤال: ماذا يحدث إذا كنت متأكدًا من أنك قد اكتشفت انتهاكًا، لكنك لست متأكدًا من ما إذا كان هذا انتهاكًا؟

جواب: يجب عليك إبلاغ مديرك أو مديرة مباشرة أو إبلاغ قسم الامتثال أو الإبلاغ عن المخالفات.



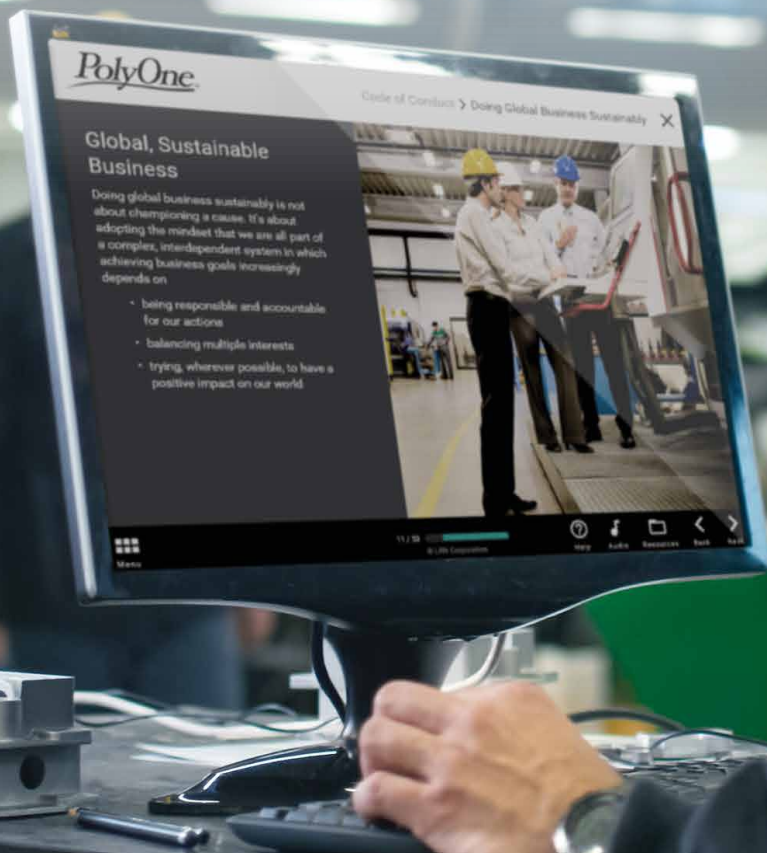
Compliance and Training Programs

Compliance oversight is provided by a combination of the VP, Internal Audit & Corporate Ethics Officer, Legal, the Audit Committee of the Board of Directors, and our internal Ethics Committee, which is comprised of executive and business leaders across all business segments and each region globally. Our compliance program is designed to promote and sustain a culture of excellence in all that we do.

We provide training and communication that set clear expectations on our policies and ethical behaviors

expected while providing a clear process for seeking guidance when needed. PolyOne associates receive Code of Conduct training annually, and the Code is available in 18 languages.

Additionally, on a quarterly basis, salaried associates are required to take various trainings that educate and reinforce important topics, such as anti-bribery, anti-corruption, antitrust, FCPA, harassment & discrimination, conflict of interest, insider trading and information security.



Ethics Hotline and Reporting

An independently managed Ethics Hotline, with multi-language capabilities, is available globally via Web or by phone, 24/7. The Hotline is available to anyone within or outside PolyOne. The service aims to collect questions or concerns related to our business, people or products. Reporters can remain anonymous.

We promote the availability of our Hotline through a number of avenues, including our annual Code of Conduct trainings, new-hire onboarding, Hotline posters which are displayed at all PolyOne locations, and ongoing associate communications. Additionally, during our Internal Audit team's site visits across the globe, we reinforce awareness and importance of the Hotline.

PolyOne does not tolerate retaliation against any individual who, in good faith, seeks advice, raises a concern, reports misconduct or provides information in an investigation related to a suspected Code of Conduct violation.

Our Code of Conduct and Ethics Hotline are available at: <https://www.polyone.com/company/policies-and-governance>



“Ethics is everything at PolyOne. We work extensively to train our associates to understand and recognize their responsibility to ethical business practices. We then maintain our internal and external compliance controls to both monitor and continually improve in every regard. It’s an integral component in creating a world-class sustainable organization.”

—George Inglis Jr., VP, Internal Audit and Corporate Ethics Officer

A graphic for an ethics poster. At the top, a dark blue banner contains the text "Do you have an ethics concern?" in white, followed by "ETHICS MATTERS" in large, bold, white capital letters. Below this, on a light blue background, is a 3D white figure of a person standing and thinking, with a hand to their chin. To the right of the figure is a large, 3D blue question mark. Text on the left side of the graphic provides contact information: "Don't keep it to yourself. Talk to your human resources representative or supervisor." "Or contact the Ethics Hotline:" "Online at: polyone.ethicspoint.com" "By Phone: 1-877-228-5410". At the bottom of the graphic, a dark blue banner contains the text "ETHICS REPORTS: Confidential, Discreet, No Retaliation" and the PolyOne logo.

Enterprise Risk Management (ERM)

The ERM process is collaborative across PolyOne's functions in order to identify PolyOne's risks. Once risks are identified the likelihood of occurrence and potential impact of each risk is evaluated and assessed considering "before" and "after" mitigating activity. The prioritized risks are reviewed annually with executive management to ensure our risk identification and responses remain up-to-date, mitigation actions remain effective, and that new and emerging risks are considered. More information regarding risks are available in PolyOne's Annual Report on Form 10-K.

PolyOne's Chief Financial Officer presents Management's ERM analysis to PolyOne's Board of Directors on an annual basis. Sustainability-related risks are included and evaluated as part of the ERM process, and address potential issues related to People, Products, Planet and Performance.

ERM Topic Areas:

Business Continuity

Crisis & Incident Management

Cyber Security

Data Privacy

Geopolitical Risks

Global Market
Competitiveness

Incentive Alignment

Increasing & Changing
Regulation*

Intellectual Property
Protection &
Maintenance

IT systems

M&A Execution

M&A Integration

Market Intelligence

Quality Systems

Raw Material Sourcing

Safety

Talent Retention &
Development

*Includes increased focus on plastics and recycling

Board of Directors Governance*

Our Board consists of 10 Directors, who each bring a unique set of qualifications pertaining to corporate governance and PolyOne’s business. The Nominating and Governance Committee of the Board regularly reviews criteria for Board membership to ensure an appropriate mix of skills, experience, and diversity. Mandatory membership criteria include high ethical standards, integrity, judgment, and an ability to devote sufficient time to the affairs of our Company.

Ultimate responsibility for governance of PolyOne rests with the Board. It sets the objectives for the Company, and holds management accountable for achieving our strategy. The Board delegates its oversight responsibilities to its committees. For instance, its Audit Committee and Environmental, Health, and Safety Committee are responsible for ensuring our objectives on sustainability are met.

Diversity is a key focus area for our global associates and that extends to our Board as well. We were very pleased to have been recognized for our Board diversity by 2020 Women on Boards, for having at least 20% women on its Board.

AVERAGE TENURE

5.25 years

AVERAGE AGE

59

GENDER DIVERSITY

30% women



“PolyOne fully understands and values the responsibility of creating a sustainable global business. Through ethical, strategic and innovative business practices, the company continues to make important contributions to the sustainability goals of customers and communities worldwide.”

— Richard Fearon, Lead Director, PolyOne Corporation, Board of Directors



PolyOne Corporation Board of Directors (Left to Right): Dr. Patricia Verduin, Kerry J. Preete, Gregory J. Goff, Kim Ann Mink, Robert E. Abernathy, Robert M. Patterson, Richard H. Fearon, William A. Wulfsohn, Sandra B. Lin, and William R. Jellison.

*As of March 2019

Appendix

Environmental Data
GRI Content Index

Environmental Data*

Category	2016	2017	2018	Change from 2016
Energy				
Total Energy (MWh)	756,838	817,877	863,614	14.1%
Energy Intensity (MWh/MT Production)	1.26	1.10	1.11	-12.2%
Percent Energy—Purchased Electricity (%)			41.31	
Percent Energy—Natural Gas (%)			14.55	
Percent Energy—Purchased Steam (%)			43.85	
Percent Energy—Diesel Fuel (%)			0.28	
Emissions				
Greenhouse Gas Emissions (MT Scope 1 & 2 CO ₂ e)	254,995	275,811	288,436	13.1%
Greenhouse Gas Emissions (MT Scope 1 CO ₂ e)	21,211	21,546	23,439	10.5%
Greenhouse Gas Emissions (MT Scope 2 CO ₂ e)	233,784	254,265	264,997	13.4%
Greenhouse Gas Emissions Intensity (MT Scope 1 & 2 CO ₂ / MT Produced)	0.43	0.37	0.37	-13.0%
Reportable Releases (above permitted limits)	0	0	0	0.0%
Waste				
Total Waste (MT)	18,449	19,037	18,465	0.1%
Total Waste Intensity (Kg Waste/MT Production)	9.71	9.49	8.35	-14.1%
Percent of Total Waste Recycled/ Beneficially Reused (%)	66.37	61.26	63.75	-3.9%
Percent of Total Waste Landfilled (%)	31.52	37.17	34.53	9.5%
Water				
Total Water Withdrawal (M m ³)	1,316	1,609	1,505	14.4%
Total Water Withdrawal Intensity (m ³ /MT Production)	2.18	2.15	2.01	-7.8%

* Includes updated data as originally estimated in the 2018 Annual Report

GRI Content Index

GRI Standard	Disclosure Title	PolyOne Disclosures
1. Organizational Profile		
102-1	Name of the organization	About PolyOne
102-2	Activities, brands, products, and services	Products—All Sections PolyOne products are not banned in any market.
102-3	Location of headquarters	PolyOne Annual Report—Form 10-K Cover Page
102-4	Location of operations	Our Sustainability Message—Where We Are PolyOne Annual Report—Form 10-K Page 10
102-5	Ownership and legal form	PolyOne 2018 Annual Report—Form 10-K Cover Page
102-6	Markets served	Our Sustainability Message—Where We Do It
102-7	Scale of the organization	Performance—Overview PolyOne 2018 Annual Report—Form 10-K Pages 2–10 & 14
102-8	Information on employees and other workers	People—All Sections PolyOne Annual Report—Form 10-K Pages 2 & 4 Currently we report on the number of associates. A majority of our associates have full time contracts.
102-9	Supply chain	Products—Supplier Collaboration PolyOne 2018 Annual Report—Form 10-K Page 3
102-10	Significant changes to the organization and its supply chain	Products—Mergers and Acquisitions PolyOne 2018 Annual Report—Form 10-K Pages 2 & 15–16
102-11	Precautionary Principle or approach	Our Sustainability Message—PolyOne's 4 Ps of Sustainability PolyOne 2018 Annual Report—Form 10-K Pages 6–9
102-12	External initiatives	About PolyOne—About Us: Vision and Values People—Safety First, Security, and A Great Place to Work Products—Product Excellence Planet—Environmental Stewardship, Waste Management, and Community Service
102-13	Membership of associations	American Chemistry Council Plastics Industry Association National Association of Manufacturers Alliance To End Plastic Waste

GRI Content Index

GRI Standard	Disclosure Title	PolyOne Disclosures
2. Strategy		
102-14	Statement from senior decision-maker	About PolyOne—Message from the CEO PolyOne 2018 Annual Report—Letter To Our Shareholders
102-15	Key impacts, risks, and opportunities	Products—Innovation: The Lifeblood of a Specialty Organization Performance—Enterprise Risk Management PolyOne 2018 Annual Report—Form 10-K Pages 6–9
3. Ethics & Integrity		
102-16	Values, principles, standards, and norms of behavior	About PolyOne—About Us: Vision and Values Performance—The Highest Ethical Standards PolyOne 2018 Annual Report—Creating a World-Class, Sustainable Organization
102-17	Mechanisms for advice and concerns about ethics	Performance—The Highest Ethical Standards
4. Governance		
102-18	Governance structure	Performance—Board of Directors PolyOne 2018 Annual Report—Form 10-K Pages 11–12 & 63 and Proxy Statement Pages 17–22 https://www.polyone.com/investors/governance
102-20	Executive-level responsibility for economic, environmental, and social topics	Performance—Board of Directors PolyOne 2018 Annual Report—Form 10-K Pages 11–12 & 63 and Proxy Statement https://www.polyone.com/investors/governance
102-22	Composition of the highest governance body and its committees	Performance—Board of Directors PolyOne 2018 Annual Report—Form 10-K Pages 11–12 & 63 and Proxy Statement Pages 17–22 https://www.polyone.com/investors/governance
102-23	Chair of the highest governance body	Performance—Board of Directors PolyOne 2018 Annual Report—Form 10-K Pages 11–12 & 63 and Proxy Statement Pages 17–18 https://www.polyone.com/investors/governance
102-24	Nominating and selecting the highest governance body	Performance—Board of Directors PolyOne 2018 Annual Report—Form 10-K Pages 11–12 & 63 and Proxy Statement Pages 21–22 https://www.polyone.com/investors/governance

GRI Content Index

GRI Standard	Disclosure Title	PolyOne Disclosures
102-25	Conflicts of interest	Performance—Board of Directors Code of Conduct https://www.polyone.com/investors/governance
102-26	Role of highest governance body in setting purpose, values, and strategy	Performance—Board of Directors PolyOne 2018 Annual Report—Form 10-K Pages 11–12 & 63 and Proxy Statement Pages 17–22 https://www.polyone.com/investors/governance
102-27	Collective knowledge of highest governance body	Performance—Board of Director PolyOne 2018 Annual Report—Form 10-K Pages 11–12 & 63 and Proxy Statement Pages 9–12 https://www.polyone.com/investors/governance
102-28	Evaluating the highest governance body's performance	Performance—Board of Directors PolyOne 2018 Annual Report and Proxy Statement Page 22 https://www.polyone.com/investors/governance
102-29	Identifying and managing economic, environmental, and social impacts	Performance—Board of Directors https://www.polyone.com/investors/governance
102-30	Effectiveness of risk management processes	Performance—Board of Directors Proxy Statement Page 18 https://www.polyone.com/investors/governance
102-31	Review of economic, environmental, and social topics	Performance—Board of Directors PolyOne 2018 Annual Report—Form 10-K Pages 11–12 & 63 and Proxy Statement Pages 17–22 https://www.polyone.com/investors/governance
102-32	Highest governance body's role in sustainability reporting	Performance—Board of Directors PolyOne 2018 Annual Report—Form 10-K Pages 11–12 & 63 and Proxy Statement Pages 17–22 https://www.polyone.com/investors/governance
102-33	Communicating critical concerns	Performance—Board of Directors PolyOne 2018 Annual Report—Form 10-K Pages 11–12 & 63 and Proxy Statement Page 19 Code of Conduct https://www.polyone.com/investors/governance
102-34	Nature and total number of critical concerns	PolyOne 2018 Annual Report—Form 10-K Page 51–52
102-35	Remuneration Policies	PolyOne Notice of 2019 Annual Meeting of Shareholders and Proxy Statement

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GRI Standard	Disclosure Title	PolyOne Disclosures
102-36	Process for determining remuneration	PolyOne Proxy Statement
102-37	Stakeholders' involvement in remuneration	PolyOne Proxy Statement
102-38	Annual total compensation ratio	PolyOne Proxy Statement
102-39	Percentage increase in annual total compensation ratio	PolyOne Proxy Statement
5. Stakeholder Engagement		
102-40	List of stakeholder groups	Throughout PolyOne 2018 Sustainability Report
102-41	Collective bargaining agreements	PolyOne 2018 Annual Report—Form 10-K Page 4
102-42	Identifying and selecting stakeholders	Throughout PolyOne 2018 Sustainability Report
102-43	Approach to stakeholder engagement	Throughout PolyOne 2018 Sustainability Report
102-44	Key topics and concerns raised	Our Sustainability Message—Communities Counting on PolyOne People—All Sections Products—Product Stewardship & Supplier Collaboration Planet—Environmental Stewardship
6. Reporting Practice		
102-45	Entities included in the consolidated financial statements	PolyOne 2018 Annual Report—Form 10-K Page Cover Page
102-46	Defining report content and topic boundaries	The information in this report applies to PolyOne Corporation and all owned facilities, joint ventures, and operating companies globally within the reporting period, unless otherwise stated. In the case of our associates, all information pertain only to employees of PolyOne and its operating subsidiaries, unless otherwise noted. Environmental data covers all sites owned or operated by PolyOne Corporation.
102-47	List of material topics	Our Sustainability Message—Communities Counting on PolyOne People—All Sections Products—Product Stewardship, Product Excellence & Supplier Collaboration Planet—Environmental Stewardship PolyOne 2018 Annual Report—Form 10-K Pages 6-9 and Proxy Statement
102-48	Restatements of information	This is PolyOne's first Sustainability Report.
102-49	Changes in reporting	This is PolyOne's first Sustainability Report.

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GRI Standard	Disclosure Title	PolyOne Disclosures
102-50	Reporting period	This report covers the period of January 1, 2018 through December 31, 2018.
102-51	Date of most recent report	This is PolyOne's first Sustainability Report.
102-52	Reporting cycle	At minimum biennial
102-53	Contact point for questions regarding the report	https://www.polyone.com/content/contact-us
102-54	Claims of reporting in accordance with the Standards	This report has been prepared in accordance with the GRI Standards: Core Option.
102-55	GRI content index	Appendix—GRI Index
102-56	External assurance	Currently, we do not peruse external assurance/verification of our Sustainability Report. In the next reporting period, this will be reconsidered.
GRI 201: Economic		
201-1	Direct economic value generated and distributed	PolyOne 2018 Annual Report—Form 10-K Page 17
201-2	Financial implications and other risks and opportunities due to climate change	Products—How Our Products Enable Sustainability Performance—Enterprise Risk Management PolyOne 2018 Annual Report—Form 10-K Pages 6-9
201-3	Defined benefit plan obligations and other retirement plans	PolyOne 2018 Annual Report—Form 10-K Pages 26 & 41
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	Products—Supplier Collaboration Performance—The Highest Ethical Standards & Enterprise Risk Management Code of Conduct https://www.polyone.com/investors/governance
205-2	Communication and training about anti-corruption policies and procedures	Performance—The Highest Ethical Standards Code of Conduct https://www.polyone.com/investors/governance
205-3	Confirmed incidents of corruption and actions taken	There were no incidents of corruption in 2018. Code of Conduct https://www.polyone.com/investors/governance
GRI 206: Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions were brought against PolyOne for anti-competitive behavior, anti-trust, or monopoly practices in 2018.

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GRI Standard	Disclosure Title	PolyOne Disclosures
GRI 301: Materials		
301-1	Materials used by weight or volume	PolyOne 2018 Annual Report—Form 10-K Page 3
GRI 302: Energy		
302-1	Energy consumption within the organization	Planet—Energy & Emissions
302-3	Energy intensity	Planet—Energy & Emissions
302-4	Reduction of energy consumption	Planet—Energy & Emissions
GRI 305: Emissions		
305-1	Direct (Scope 1) GHG emissions	Planet—Energy & Emissions
305-2	Energy indirect (Scope 2) GHG emissions	Planet—Energy & Emissions
305-4	GHG emissions intensity	Planet—Energy & Emissions
305-5	Reduction of GHG emissions	Planet—Energy & Emissions
GRI 306: Effluents & Waste		
306-1	Water discharge by quality and destination	Planet—Waste Management
306-2	Waste by type and disposal method	Planet—Waste Management
306-3	Significant spills	Planet—Waste Management
GRI 308: Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	Products—Supplier Collaboration
308-2	Negative environmental impacts in the supply chain and actions taken	We are developing a Supplier Sustainability Program designed to address, among other things, a range of sustainability, social responsibility and environmental considerations. As this program develops, data on negative environmental impacts in the supply chain and actions taken will be included in future reports.
GRI 401: Employment		
401-1	New employee hires and employee turnover	PolyOne 2018 Annual Report. We hired 439 new associates in 2018.

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GRI Standard	Disclosure Title	PolyOne Disclosures
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>Full-time employee benefits include:</p> <ul style="list-style-type: none"> • Company matching contributions to the 401k, 100% match on the first 3% and 50% match on the next 3% • Health and welfare benefits, including medical, prescription, dental, vision, life, accidental death & disability insurance, short and long term disability
401-3	Parental leave	In order to assist and support new parents with balancing work and family matters, PolyOne provides paid parental leave to eligible employees for activities related to the care and well-being of their newborn or adopted child. PolyOne provides up to six weeks of 100% paid (regular rate of base pay) parental leave to eligible employees following the birth or adoption of a child.
GRI 403: Occupational Health & Safety		
403-1	Occupational health and safety management system	<p>People—Safety First Planet—Environmental Stewardship PolyOne 2018 Annual Report—Form 10-K Page 5</p>
403-2	Hazard identification, risk assessment, and incident investigation	<p>People—Safety First Planet—Environmental Stewardship PolyOne 2018 Annual Report—Form 10-K Page 5</p>
403-3	Occupational health services	<p>People—Safety First PolyOne 2018 Annual Report—Form 10-K Page 5</p>
403-4	Worker participation, consultation, and communication on occupational health and safety	<p>People—Safety First PolyOne 2018 Annual Report—Form 10-K Page 5</p>
403-5	Worker training on occupational health and safety	<p>People—Safety First PolyOne 2018 Annual Report—Form 10-K Page 5</p>
403-6	Promotion of worker health	<p>People—Safety First & Training and Development</p>
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<p>People—Safety First Planet—Environmental Stewardship Products—Mergers & Acquisitions, Product Stewardship, & Supplier Collaboration</p>
403-8	Workers covered by an occupational health and safety management system	<p>People—Safety First PolyOne 2018 Annual Report—Form 10-K Introduction Page 3</p>

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GRI Standard	Disclosure Title	PolyOne Disclosures
403-9	Work-related injuries	People—Safety First PolyOne 2018 Annual Report—Form 10-K Introduction Page 3
403-10	Work-related ill health	People—Safety First PolyOne 2018 Annual Report—Form 10-K Introduction Page 3
GRI 404: Training & Education		
404-1	Average hours of training per year per employee	People—Training and Development In 2018, on average, associates received 4 hours of ethics related training which included Code of Conduct, Anti-bribery/Anti-corruption, Information Security, Harassment & Discrimination, and Conflict of Interest. Associates receive additional training based on their role, such as Lean Six Sigma and Customer Centric Selling.
404-2	Programs for upgrading employee skills and transition assistance programs	People—Training and Development Associates have access to training and professional development courses through PolyOne Academy. More than 2,800 learning experiences were delivered to associates through PolyOne Academy in 2018.
404-3	Percentage of employees receiving regular performance and career development reviews	100% of PolyOne associates receive regular performance feedback. Associates have the opportunity twice per year through the performance appraisal process to request a career development discussion with their manager.
GRI 405: Diversity & Equal Opportunity		
405-1	Diversity of governance bodies and employees	People—Diversity & Inclusion
GRI 406: Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	People—Diversity & Inclusion To our knowledge, no claims of discrimination have been brought against PolyOne and we remain in compliance with all statutory requirements.

GRI Content Index

GRI Standard	Disclosure Title	PolyOne Disclosures
GRI 407: Freedom of Association & Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Products—Supplier Collaboration To our knowledge, within PolyOne's operations the right to freedom of associate and collective bargaining continue to remain compliant with all statutory requirements. Suppliers are expected to comply with our Supplier Code of Conduct.
GRI 408: Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	Products—Supplier Collaboration To our knowledge, within PolyOne's operations there is no significant risk of child labor. Suppliers are expected to comply with our Supplier Code of Conduct.
GRI 409: Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Products—Supplier Collaboration To our knowledge, within PolyOne's operations there is no significant risk of incidents of forced or compulsory labor. Suppliers are expected to comply with our Supplier Code of Conduct.
GRI 416: Customer Health & Safety		
416-1	Assessment of the health and safety impacts of product and service categories	Products—Product Stewardship
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Products—Product Stewardship PolyOne 2018 Annual Report—Form 10-K Page 52
GRI 419: Socioeconomic Compliance		
419-1	Non-compliance with laws and regulations in the social and economic area	PolyOne 2018 Annual Report—Form 10-K Page 52 To our knowledge, within PolyOne's operations, there is compliance to all laws and regulations in the social and economic areas.

Appendix

Reconciliation of Non-GAAP Financial Measures (Unaudited)

Reconciliation of Non-GAAP Financial Measures (Unaudited)

(Dollars in millions, except per share data)

Senior management uses comparisons of adjusted net income from continuing operations attributable to PolyOne shareholders and diluted adjusted earnings per share (EPS) from continuing operations attributable to PolyOne shareholders, excluding special items, to assess performance and facilitate comparability of results. Senior management believes these measures are useful to investors because they allow for comparison to PolyOne's performance in prior periods without the effect of items that, by their nature, tend to obscure PolyOne's operating results due to the potential variability across periods based on timing, frequency and magnitude. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation from, or solely as alternatives to, financial measures prepared in accordance with GAAP. Below is a reconciliation of these non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with GAAP.

Adjusted EPS attributable to PolyOne common shareholders is calculated as follows:

	2009*	2010*	2011*	2012*	2013*	2014*	2015*	2016	2017	2018
Net income from continuing operations attributable to PolyOne common shareholders	\$ 106.7	\$ 152.5	\$ 153.4	\$ 53.3	\$ 94.0	\$ 78.0	\$ 144.6	\$ 166.4	\$ 173.5	\$ 161.1
Joint venture equity earnings, after tax	(19.0)	(14.7)	(3.7)	—	—	—	—	—	—	—
Special items, before tax ⁽¹⁾	(48.7)	24.2	(48.1)	55.1	46.3	164.2	87.6	23.8	32.9	59.5
Special items, tax adjustments ⁽¹⁾	(27.2)	(96.7)	(24.7)	(18.9)	(13.7)	(73.7)	(58.7)	(15.9)	(24.8)	(25.3)
Adjusted net income from continuing operations attributable to PolyOne common shareholders	\$ 11.8	\$ 65.3	\$ 76.9	\$ 89.5	\$ 126.6	\$ 168.5	\$ 173.5	\$ 174.3	\$ 181.6	\$ 195.3
Diluted shares	93.4	96.0	94.3	89.8	96.5	93.5	88.7	84.6	82.1	80.4
Adjusted EPS attributable to PolyOne common shareholders	\$ 0.13	\$ 0.68	\$ 0.82	\$ 1.00	\$ 1.31	\$ 1.80	\$ 1.96	\$ 2.06	\$ 2.21	\$ 2.43

* Historical results are shown as presented in prior filings and have not been updated to reflect subsequent changes in accounting principle, discontinued operations or the related resegmentation.

(1) Special items include charges related to specific strategic initiatives or financial restructuring such as: consolidation of operations; debt extinguishment costs; costs incurred directly in relation to acquisitions or divestitures, including adjustments related to contingent consideration; employee separation costs resulting from personnel reduction programs, plant realignment costs, executive separation agreements; asset impairments; mark-to-market adjustments associated with actuarial gains and losses on pension and other post-retirement benefit plans; environmental remediation costs, fines, penalties and related insurance recoveries related to facilities no longer owned or closed in prior years; gains and losses on the divestiture of operating businesses, joint ventures and equity investments; gains and losses on facility or property sales or disposals; results of litigation, fines or penalties, where such litigation (or action relating to the fines or penalties) arose prior to the commencement of the performance period; one-time, non-recurring items; and the effect of changes in accounting principles or other such laws or provisions affecting reported results. Tax adjustments include the net tax benefit/(expense) from one-time income tax items, the set-up or reversal of uncertain tax position reserves and deferred income tax valuation allowance adjustments.



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This report contains forward-looking statements. Forward-looking statements will give current expectations or forecasts of future events and are not guarantees of future performance. They're based on management's expectation and involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in, or implied by, the forward-looking statement. Some of these risks and uncertainties can be found in the company's filings with the Securities and Exchange Commission. While PolyOne believes all information in this report is accurate, such information is made without any warranty or guarantee and shall establish no legal duty on the part of PolyOne or its affiliates. Sustainability metrics represent 2018 data or 12-month approximate values based on available data from reporting facilities and are often made in reliance on third-party supplier information.