



STEPPING UP

FOURTH QUARTER 2021 EARNINGS

January 28, 2022

lyondellbasell
Advancing Possible

CAUTIONARY STATEMENT AND INFORMATION RELATED TO FINANCIAL MEASURES

CAUTIONARY STATEMENT

The statements in this presentation relating to matters that are not historical facts are forward-looking statements. These forward-looking statements are based upon assumptions of management of LyondellBasell which are believed to be reasonable at the time made and are subject to significant risks and uncertainties. When used in this presentation, the words “estimate,” “believe,” “continue,” “could,” “intend,” “may,” “plan,” “potential,” “predict,” “should,” “will,” “expect,” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Actual results could differ materially based on factors including, but not limited to, market conditions, the business cyclicalities of the chemical, polymers and refining industries; the availability, cost and price volatility of raw materials and utilities, particularly the cost of oil, natural gas, and associated natural gas liquids; uncertainties and impacts related to the extent and duration of the pandemic; competitive product and pricing pressures; labor conditions; our ability to attract and retain key personnel; operating interruptions (including leaks, explosions, fires, weather-related incidents, mechanical failure, unscheduled downtime, supplier disruptions, labor shortages, strikes, work stoppages or other labor difficulties, transportation interruptions, spills and releases and other environmental risks); the supply/demand balances for our and our joint ventures’ products, and the related effects of industry production capacities and operating rates; our ability to manage costs; future financial and operating results; benefits and synergies of any proposed transactions; our ability to identify, evaluate and complete any strategic alternative related to the refinery; legal and environmental proceedings; tax rulings, consequences or proceedings; technological developments, and our ability to develop new products and process technologies; our ability to meet our sustainability goals, including the ability to operate safely, increase production of recycled and renewable-based polymers, and reduce our emissions and achieve net zero emissions by the time set in our respective goals; our ability to procure energy from renewable sources; potential governmental regulatory actions; political unrest and terrorist acts; risks and uncertainties posed by international operations, including foreign currency fluctuations; and our ability to comply with debt covenants and to amend, extend, repay, redeem, service, and reduce our debt. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in the “Risk Factors” section of our Form 10-K for the year ended December 31, 2020, which can be found at www.LyondellBasell.com on the Investor Relations page and on the Securities and Exchange Commission’s website at www.sec.gov. There is no assurance that any of the actions, events or results of the forward-looking statements will occur, or if any of them do, what impact they will have on our results of operations or financial condition. Forward-looking statements speak only as of the date they were made and are based on the estimates and opinions of management of LyondellBasell at the time the statements are made. LyondellBasell does not assume any obligation to update forward-looking statements should circumstances or management’s estimates or opinions change, except as required by law.

This presentation contains time sensitive information that is accurate only as of the date hereof. Information contained in this presentation is unaudited and is subject to change. We undertake no obligation to update the information presented herein except as required by law.

INFORMATION RELATED TO FINANCIAL MEASURES

This presentation makes reference to certain “non-GAAP” financial measures as defined in Regulation G of the U.S. Securities Exchange Act of 1934, as amended.

We report our financial results in accordance with U.S. generally accepted accounting principles, but believe that certain non-GAAP financial measures, such as EBITDA, net income and diluted EPS exclusive of adjustment for “lower of cost or market” (“LCM”) and impairment provide useful supplemental information to investors regarding the underlying business trends and performance of the company’s ongoing operations and are useful for period-over-period comparisons of such operations. Non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, the financial measures prepared in accordance with GAAP. We calculate EBITDA as income from continuing operations plus interest expense (net), provision for (benefit from) income taxes, and depreciation and amortization. We also present EBITDA, net income and diluted EPS exclusive of adjustments for LCM and impairment. LCM is an accounting rule consistent with GAAP related to the valuation of inventory. Our inventories are stated at the lower of cost or market. Cost is determined using the last-in, first-out (“LIFO”) inventory valuation methodology, which means that the most recently incurred costs are charged to cost of sales and inventories are valued at the earliest acquisition costs. Fluctuation in the prices of crude oil, natural gas and correlated products from period to period may result in the recognition of charges to adjust the value of inventory to the lower of cost or market in periods of falling prices and the reversal of those charges in subsequent interim periods as market prices recover. Property, plant and equipment are recorded at historical costs. If it is determined that an asset or asset group’s undiscounted future cash flows will not be sufficient to recover the carrying amount, an impairment charge is recognized to write the asset down to its estimated fair value.

Free operating cash flow, free operating cash flow yield, and free cash flow are measures of profitability commonly used by investors to evaluate performance. For purposes of this presentation, free operating cash flow means net cash provided by operating activities minus sustaining (maintenance and health, safety and environment) capital expenditures.

Free operating cash flow yield means the ratio of free operating cash flow to market capitalization. Free cash flow means net cash provided by operating activities minus capital expenditures.

These measures as presented herein, may not be comparable to similarly titled measures reported by other companies due to differences in the way the measures are calculated. Reconciliations for our non-GAAP measures can be found on our website at www.LyondellBasell.com/investorrelations.

2021 HIGHLIGHTS

ROBUST DEMAND AND TIGHT MARKETS LED TO RECORD RESULTS



\$5.6 B

NET INCOME

\$6.1 B

NET INCOME
ex. LCM and Impairment



\$16.75

DILUTED EPS

\$18.19

DILUTED EPS
ex. LCM and Impairment



\$8.7 B

EBITDA

\$9.3 B

EBITDA
ex. LCM and Impairment



\$7.6 B

CASH FROM
OPERATING ACTIVITIES

\$5.7 B

FREE
CASH FLOW

25%

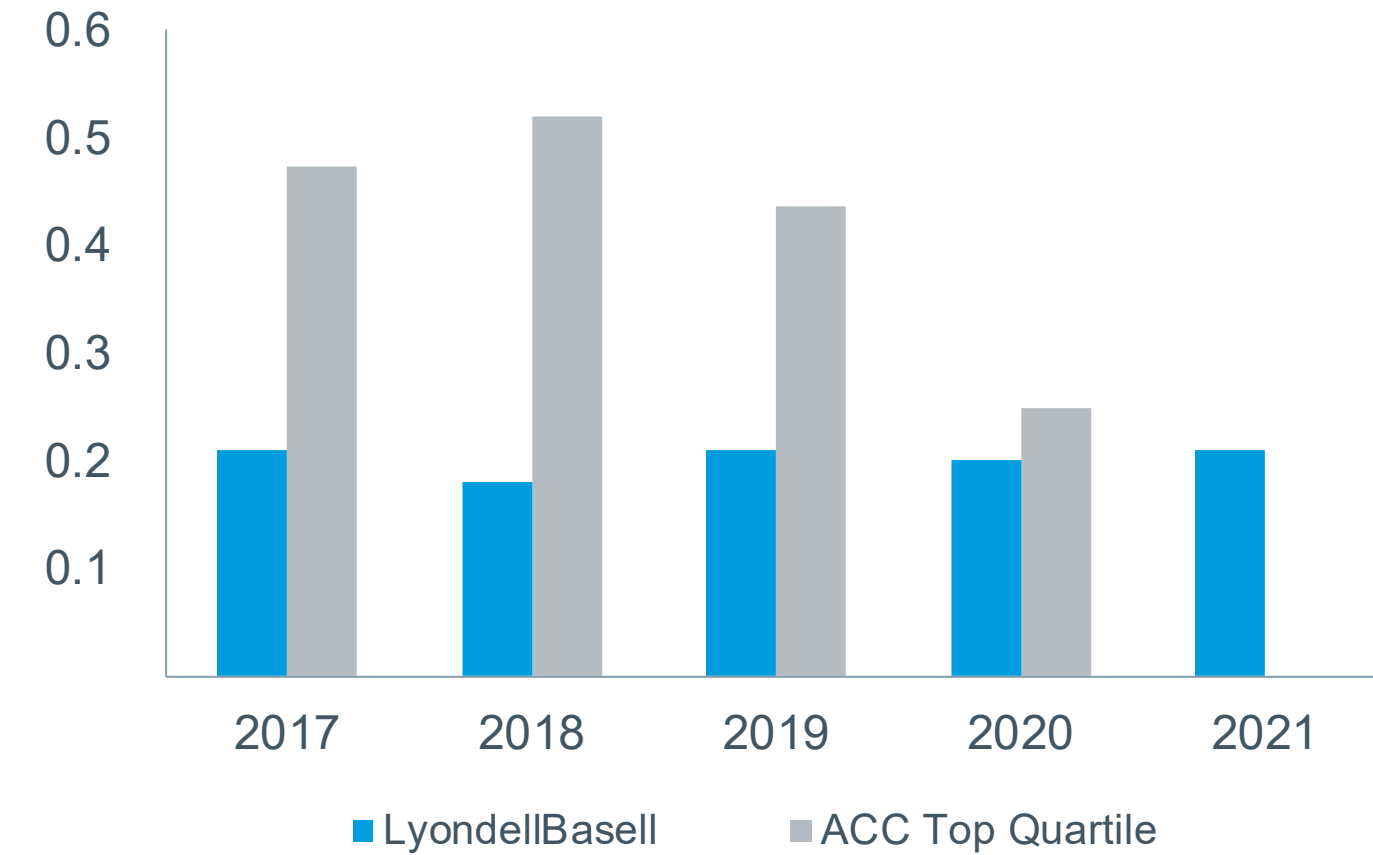
RETURN ON INVESTED CAPITAL



SAFETY PERFORMANCE

OUR FOCUS ON SAFETY REMAINS CONSISTENT

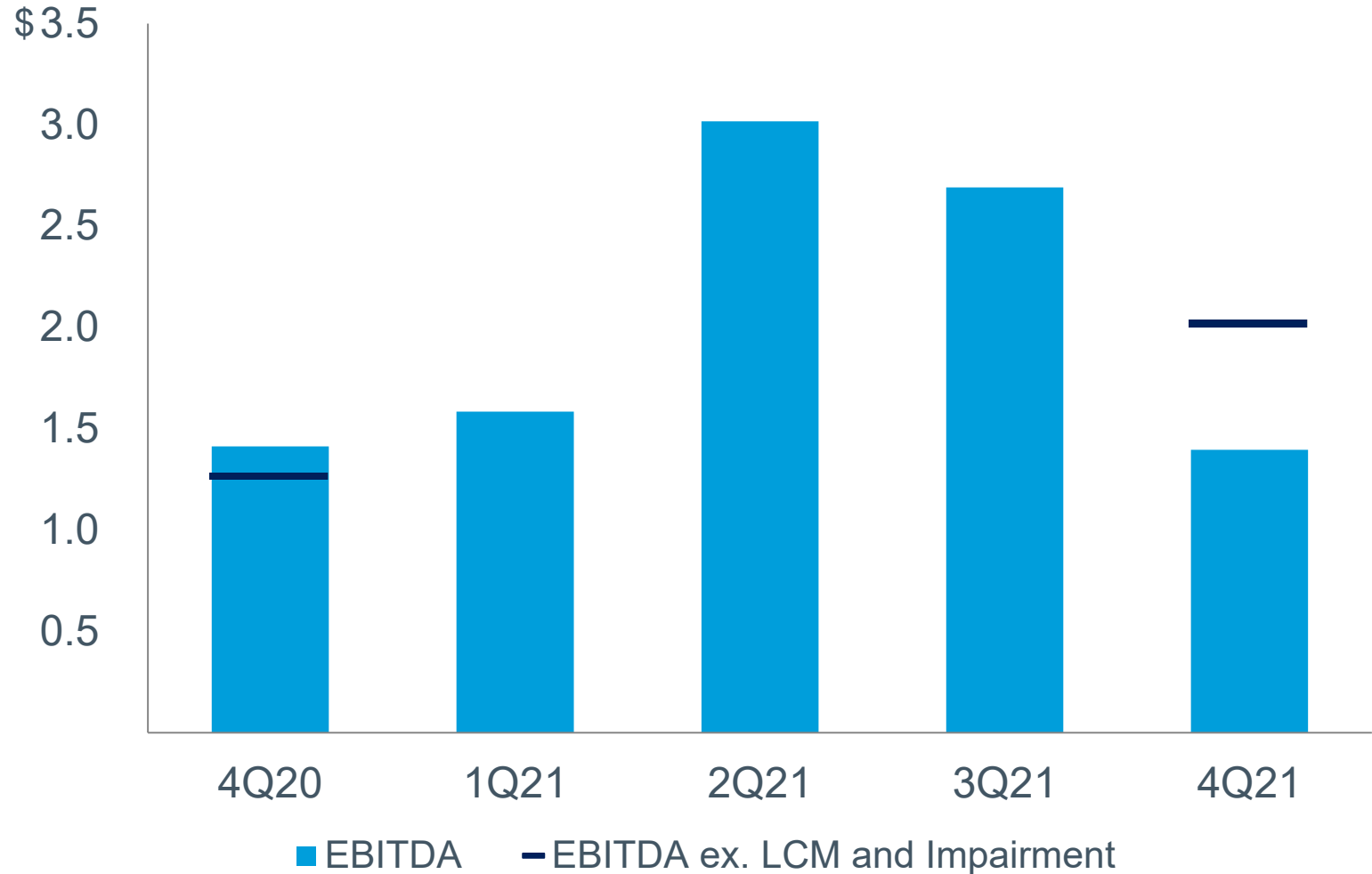
Injuries per 200,000 hours worked



CAPTURING BENEFITS FROM STRONG MARKETS

SOLID FOURTH QUARTER PERFORMANCE POWERED BY A DIVERSE GLOBAL PORTFOLIO

EBITDA ex. LCM and Impairment
USD, billions



HEALTHY GLOBAL MARKETS

Normalizing supply chains and continued benefits from reopening

INCREASING COSTS

Higher ethane, naphtha, natural gas and butane prices

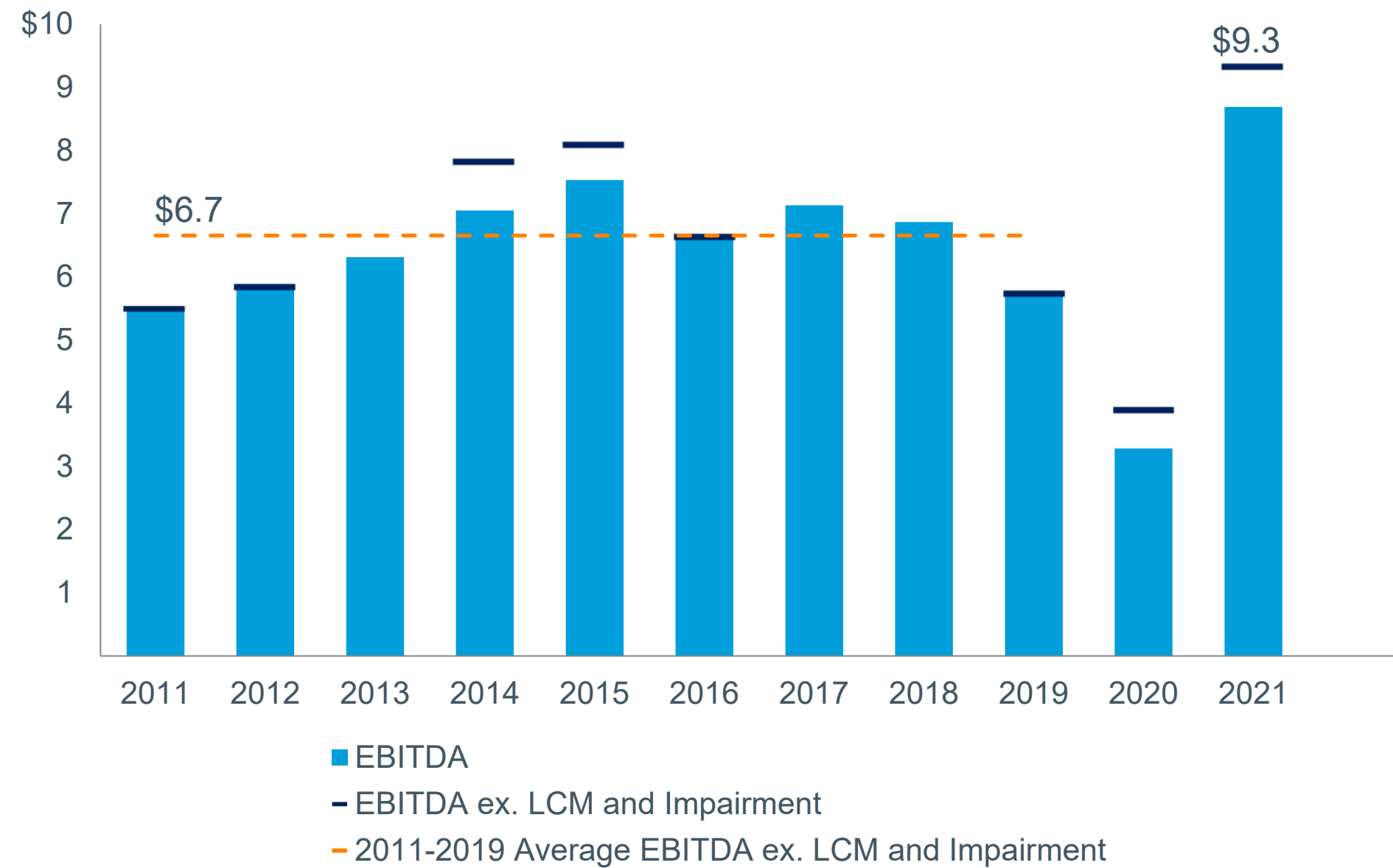
STRONG CONSUMER & INDUSTRIAL DEMAND

Above-average growth expected to continue in 2022

STEPPING UP EARNINGS

STRONG MARKETS AND LARGER ASSET BASE GENERATING ADDITIONAL EARNINGS

EBITDA ex. LCM and Impairment
USD, billions

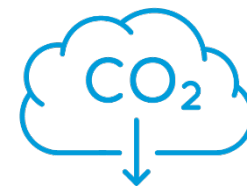


STEPPING UP CIRCULARITY & CLIMATE AMBITIONS

COMMITTED TO HELP ADDRESS THE GLOBAL CHALLENGES OF CLIMATE CHANGE



Launched our *Circulen* portfolio of polymers



30% reduction in scope 1 & 2 CO₂ emissions by 2030

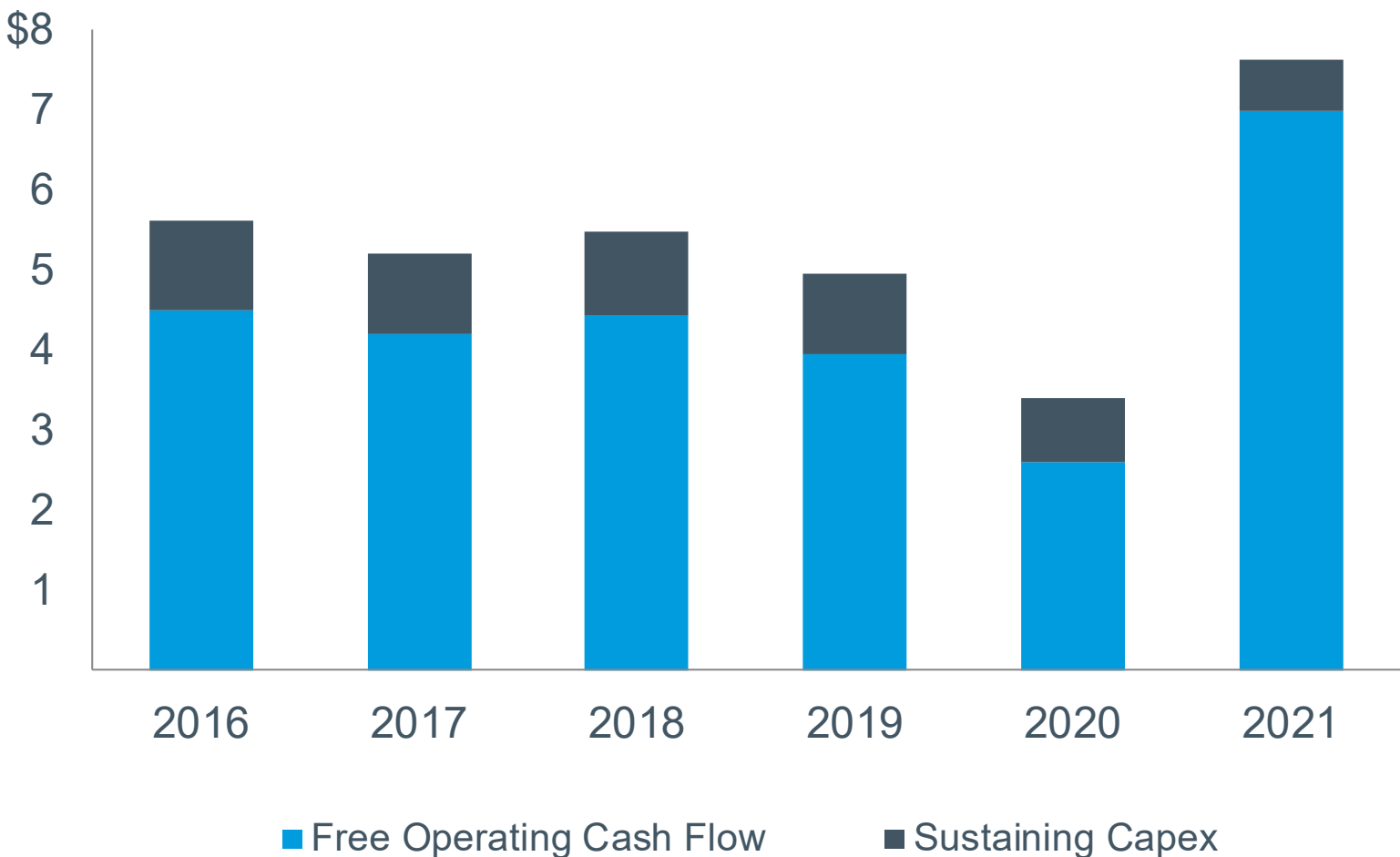


Reach net zero scope 1 & 2 emissions by 2050

STEPPING UP CASH GENERATION

RECORD CASH FROM OPERATING ACTIVITIES DRIVEN BY STRONG MARKETS AND GROWTH INVESTMENTS

Cash from Operating Activities
USD, billions



\$7.6 B

CASH FROM OPERATING ACTIVITIES
2021



82%

CASH CONVERSION
2021



23%

FREE OPERATING CASH FLOW YIELD
2021

Note: Free operating cash flow is cash from operating activities minus sustaining (maintenance and HSE) capital expenditures. Cash Conversion equals cash from operating activities divided by EBITDA excluding LCM and impairment.

CASH GENERATION AND DEPLOYMENT

STRENGTHENING OUR BALANCE SHEET AND DELIVERING SHAREHOLDER RETURNS

DELIVERING RESULTS

Generated \$7.6 B in cash from operating activities

GENERATING VALUE FOR SHAREHOLDERS

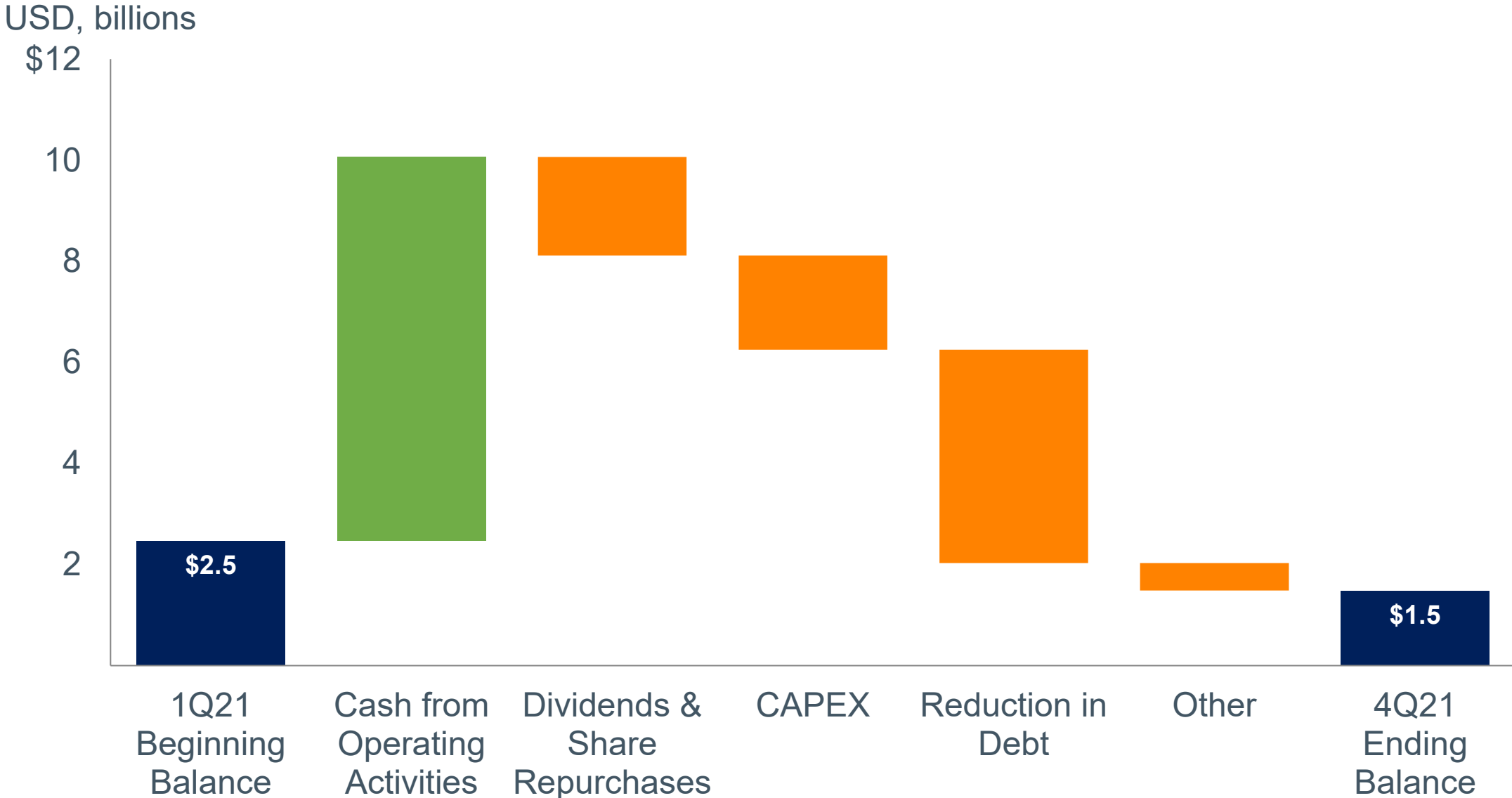
Paid \$1.5 B in dividends

Repurchased \$0.5 B of our shares

Invested in growth

IMPROVING OUR BALANCE SHEET

Reduced long-term debt by \$4 B

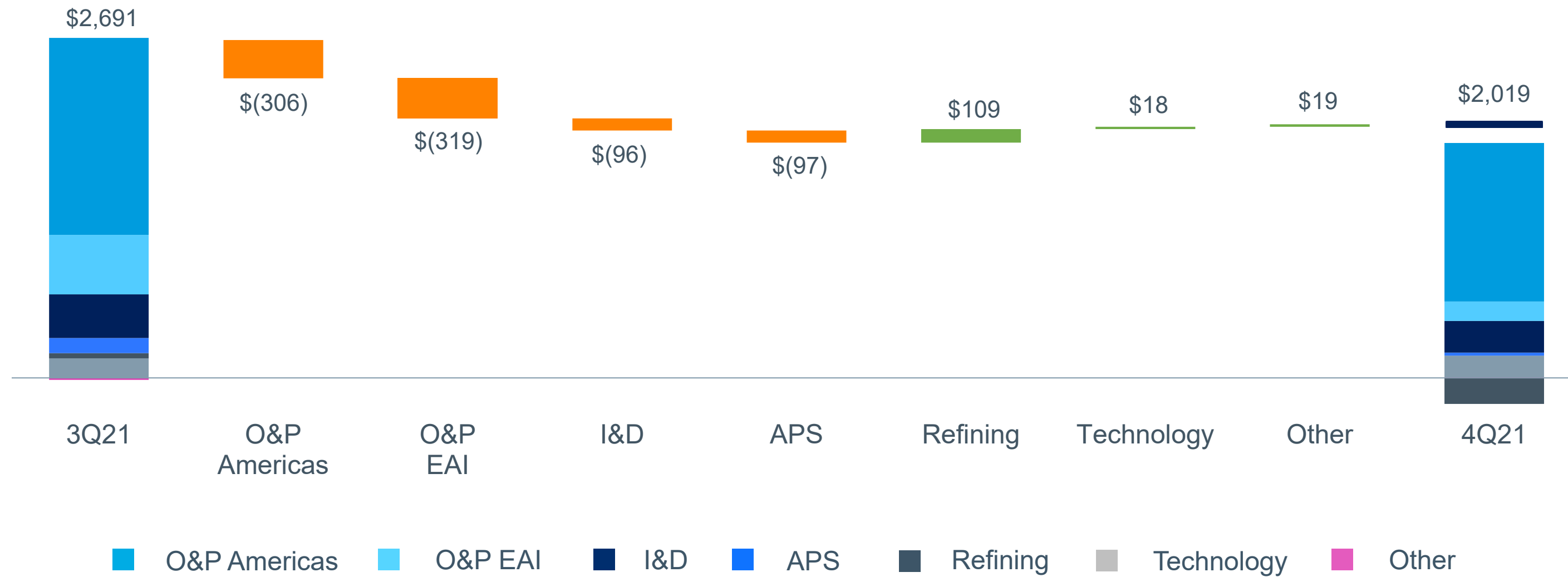


Note: Beginning and ending cash balances include cash and cash equivalents, restricted cash, and liquid investments. CAPEX includes growth and sustaining (maintenance and HSE) capital.

4Q21 SEGMENT HIGHLIGHTS

STRONG DEMAND OFFSET BY INCREASED COSTS FOR FEEDSTOCKS AND ENERGY

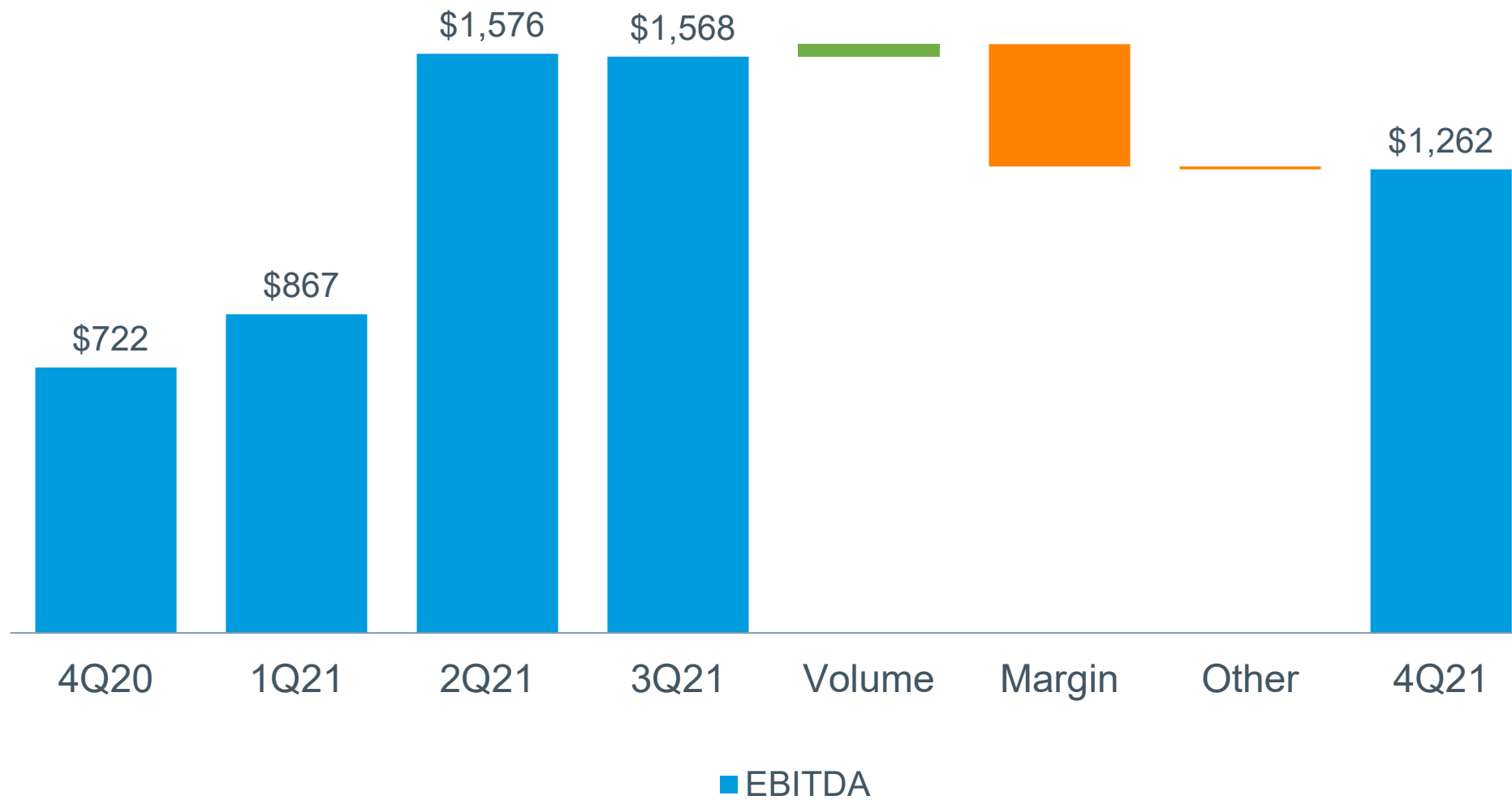
EBITDA variance by segment ex. LCM and impairment
USD, millions



OLEFINS & POLYOLEFINS – AMERICAS

MARGINS DECLINED AS PRICES FOR MONOMERS AND POLYMERS DECREASED

EBITDA
USD, millions



OLEFINS

Margins declined driven by lower ethylene and propylene prices

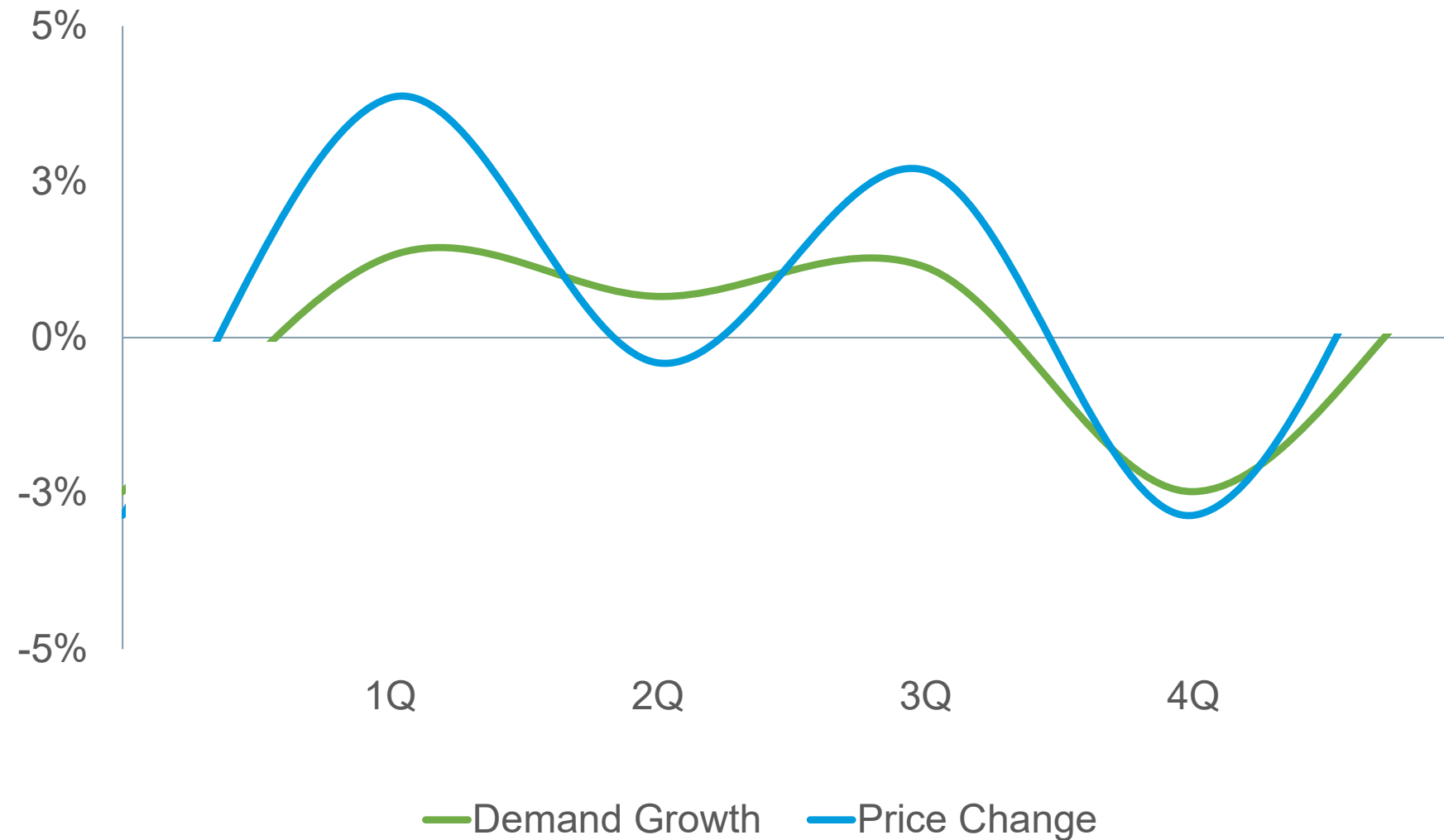
POLYOLEFINS

Spreads decreased with declines in polyolefins prices outpacing declines in monomer prices
Record polyethylene volume driven by strong demand

POLYETHYLENE MARKET OUTLOOK

SUPPLY CONSTRAINTS AND TYPICAL SEASONAL DEMAND GROWTH EXPECTED TO DRIVE PRICING

North America Industry Polyethylene
2012-2019 Average



STRONG DEMAND

1Q demand typically stronger than 4Q

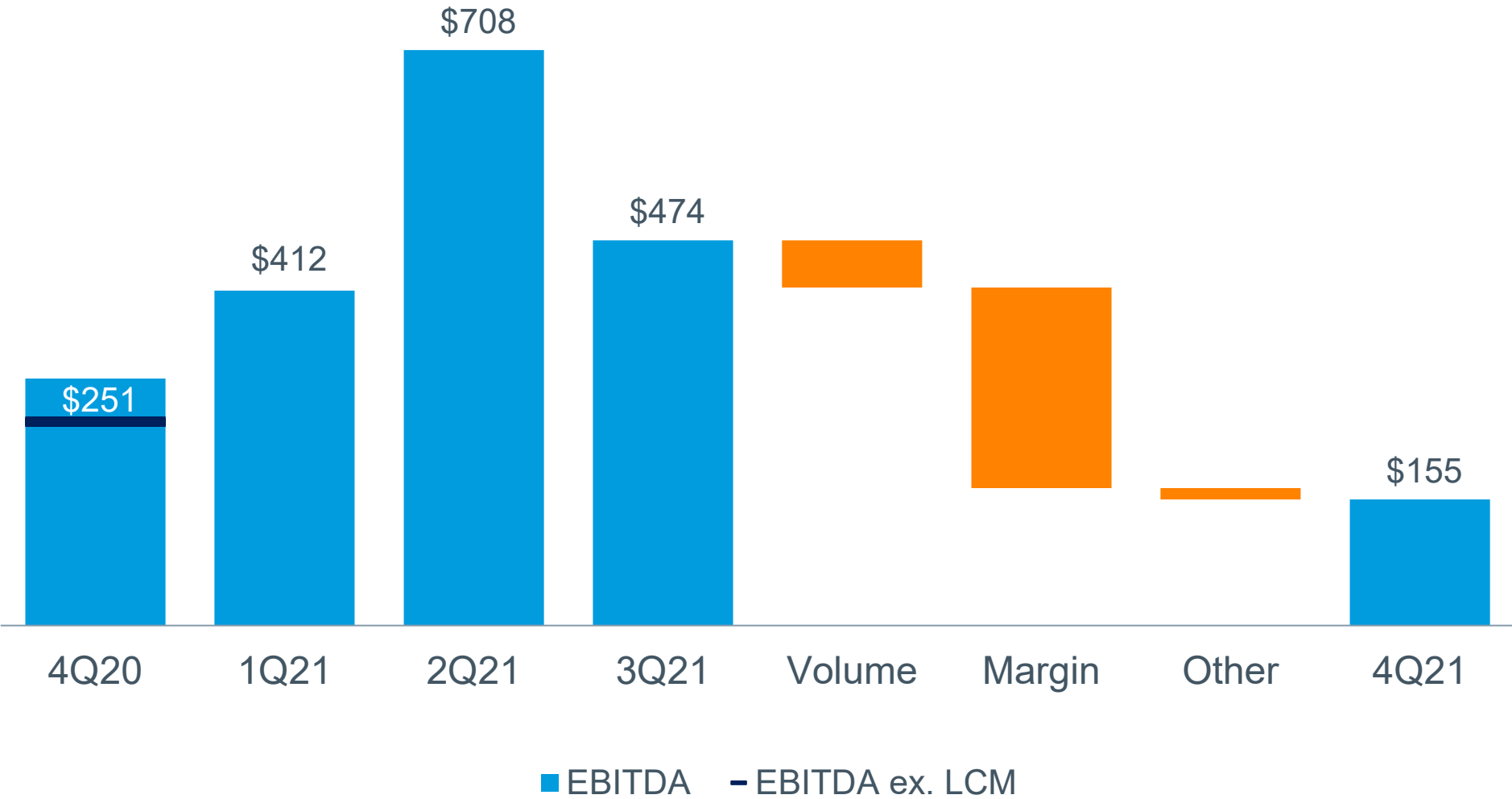
HIGHER INDUSTRY MAINTENANCE

1Q22 planned downtime 3x higher than historical average
~15% of U.S. capacity planned to be undergoing maintenance

OLEFINS & POLYOLEFINS – EUROPE, ASIA & INTERNATIONAL

HIGHER FEEDSTOCK AND ENERGY COSTS AND LOWER SPREADS REDUCED MARGINS

EBITDA ex. LCM
USD, millions



OLEFINS

Margins decreased driven by higher feedstock and energy costs, partially offset by higher ethylene and propylene prices
Volumes declined due to planned maintenance

POLYOLEFINS

Margins declined due to higher energy costs and lower spreads

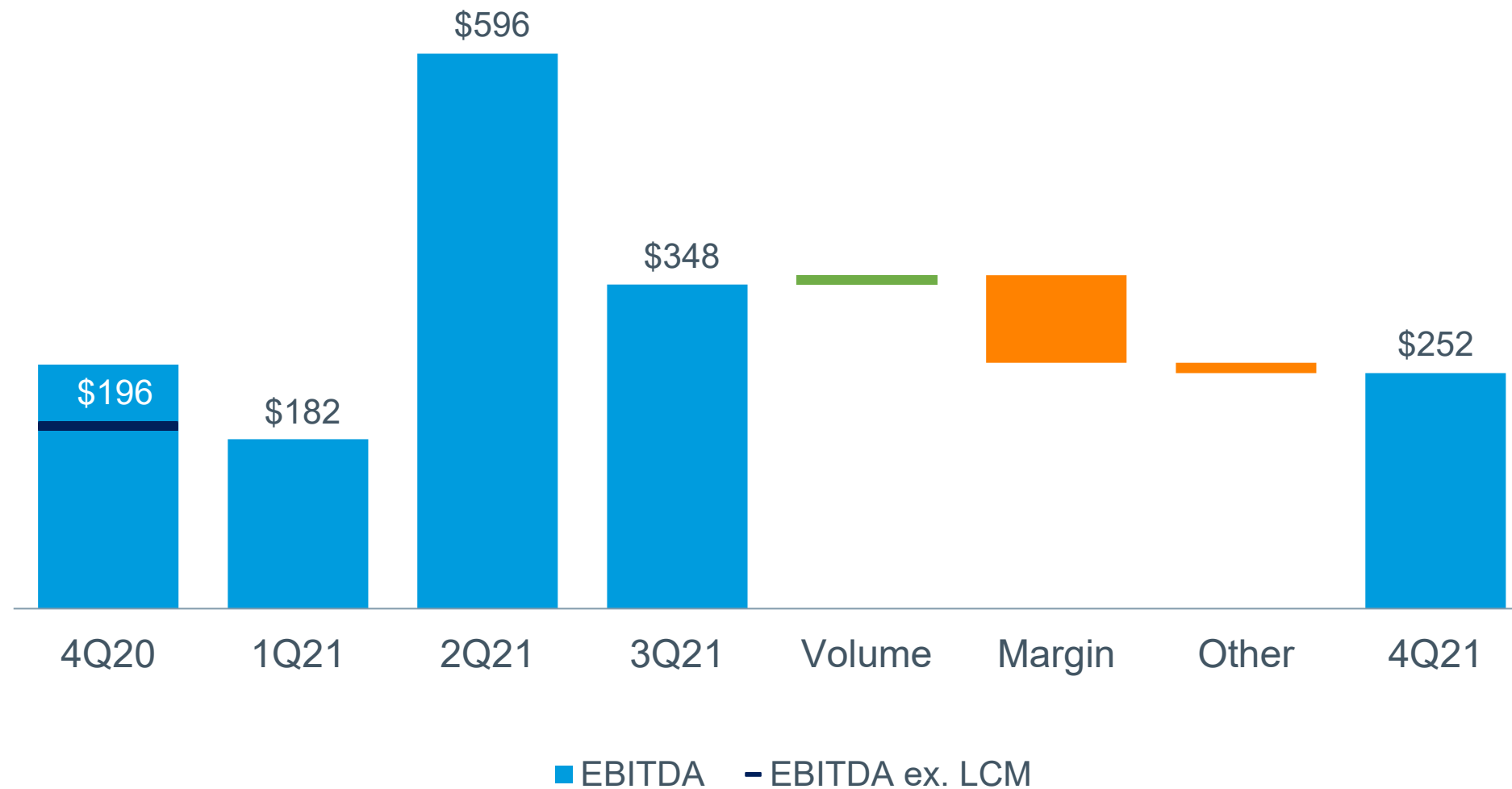
EQUITY INCOME

Polyolefin margins declined due to higher energy costs and lower spreads

INTERMEDIATES & DERIVATIVES

INCREASED VOLUMES OFFSET BY MARGIN DECLINES DUE TO INVENTORY VALUATION CHARGES AND HIGHER FEEDSTOCK COSTS

EBITDA ex. LCM
USD, millions



INVENTORY VALUATION

LIFO charges of ~\$95 MM

PO & DERIVATIVES

Margins increased driven by strong demand

Volumes decreased due to planned maintenance

INTERMEDIATE CHEMICALS

Volume increased due to acetyls downtime in 3Q

Margins increased primarily due to styrene

OXYFUELS & RELATED PRODUCTS

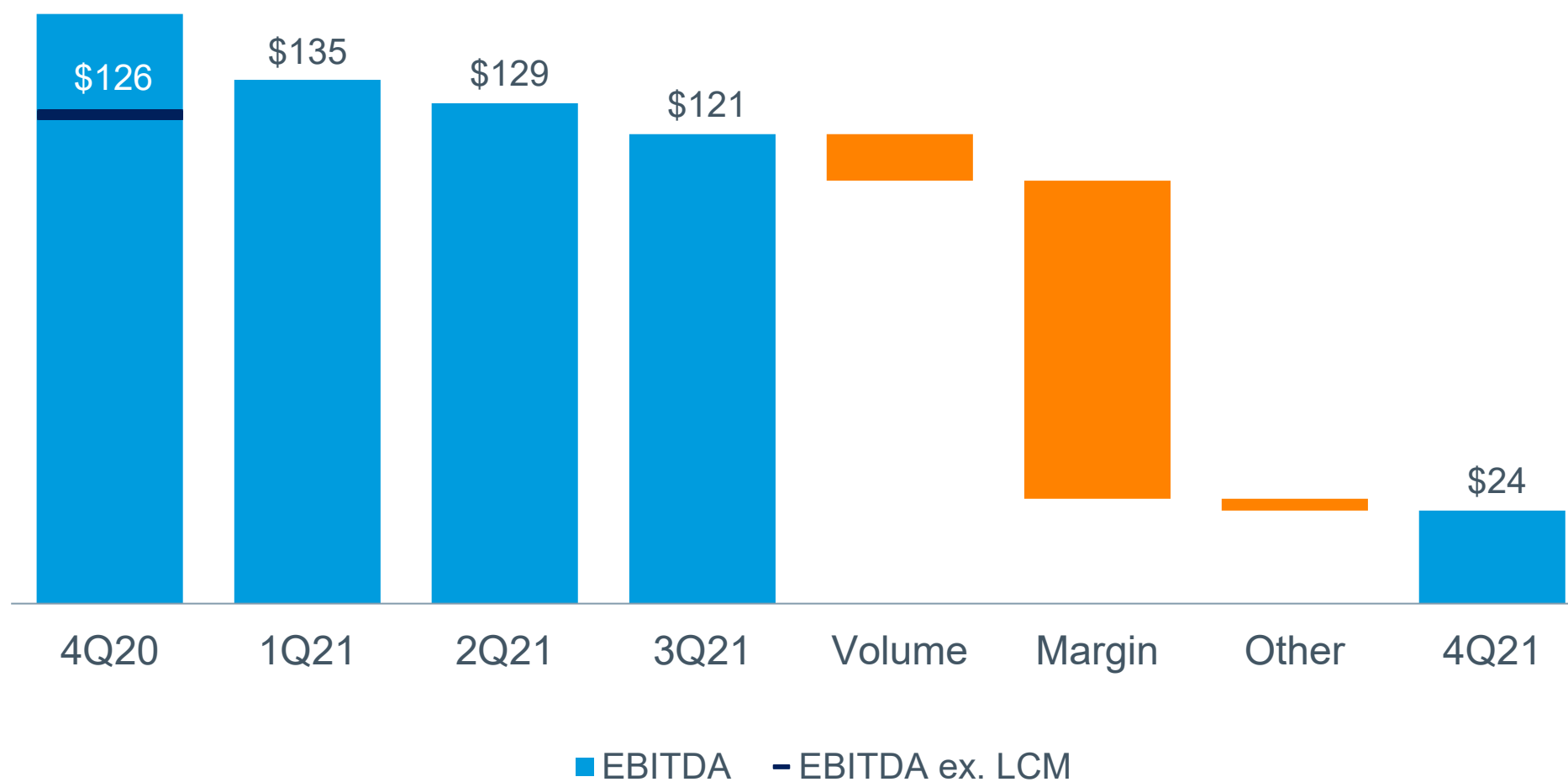
Margins declined due to increased butane feedstock price

Volume decreased due to planned maintenance

ADVANCED POLYMER SOLUTIONS

CUSTOMERS' SUPPLY CHAIN CONSTRAINTS, HIGH RAW MATERIAL COSTS AND INVENTORY VALUATION CHARGES

EBITDA ex. LCM
USD, millions



INVENTORY VALUATION

LIFO charges of ~\$55 MM

COMPOUNDING & SOLUTIONS

Margins decreased due to higher raw material costs
Volumes declined with semiconductor shortages
constraining production in automotive, appliances and
other industries

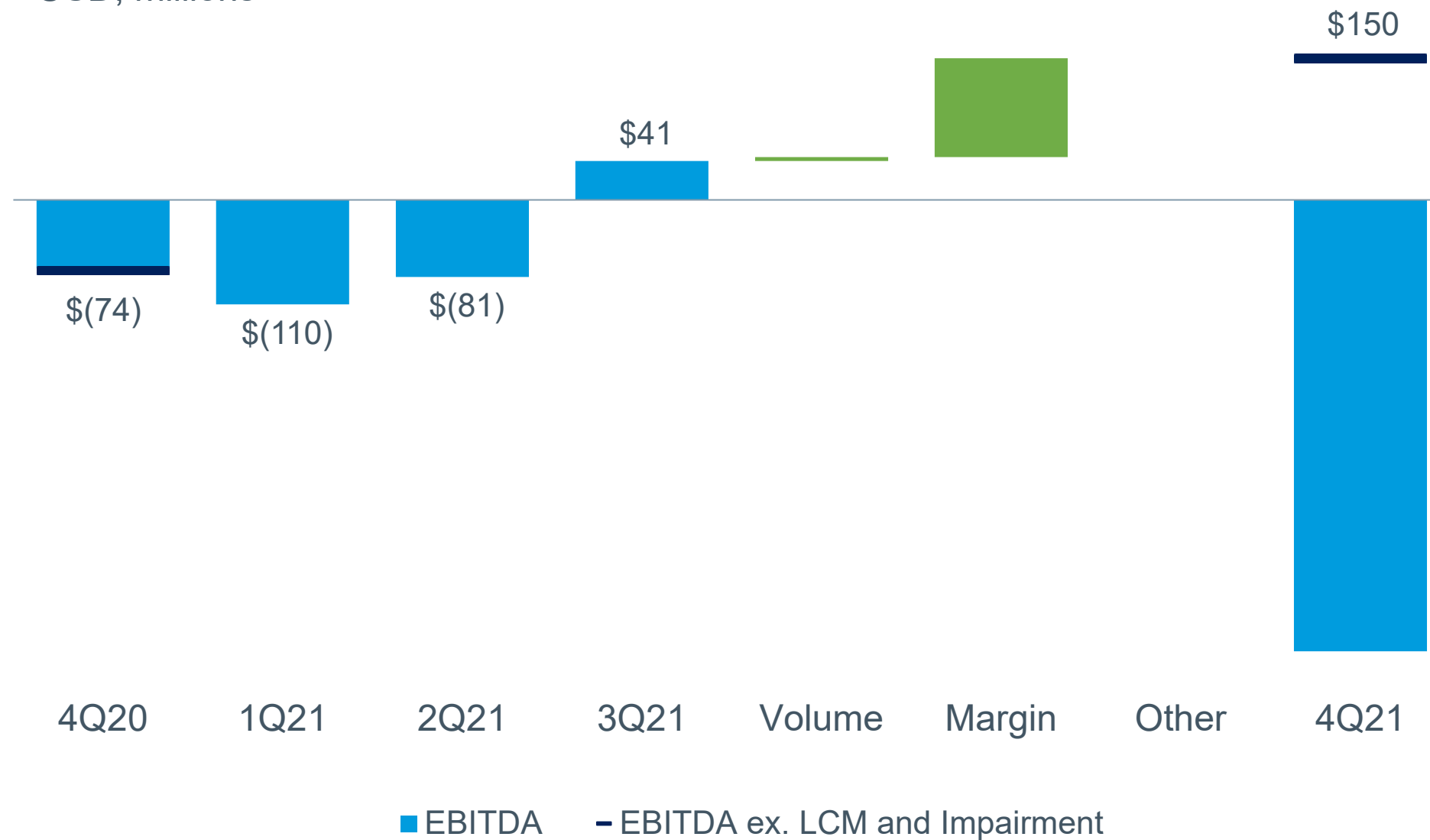
ADVANCED POLYMERS

Margin improvement was offset by volumes declines

REFINING

MARGIN INCREASED WITH INVENTORY VALUATION BENEFITS, IMPROVED PRODUCT MIX AND HIGHER MAYA 2-1-1

EBITDA ex. LCM and Impairment
USD, millions



CRUDE THROUGHPUT

99% utilization rate

MARGIN

LIFO benefits of ~\$50 MM

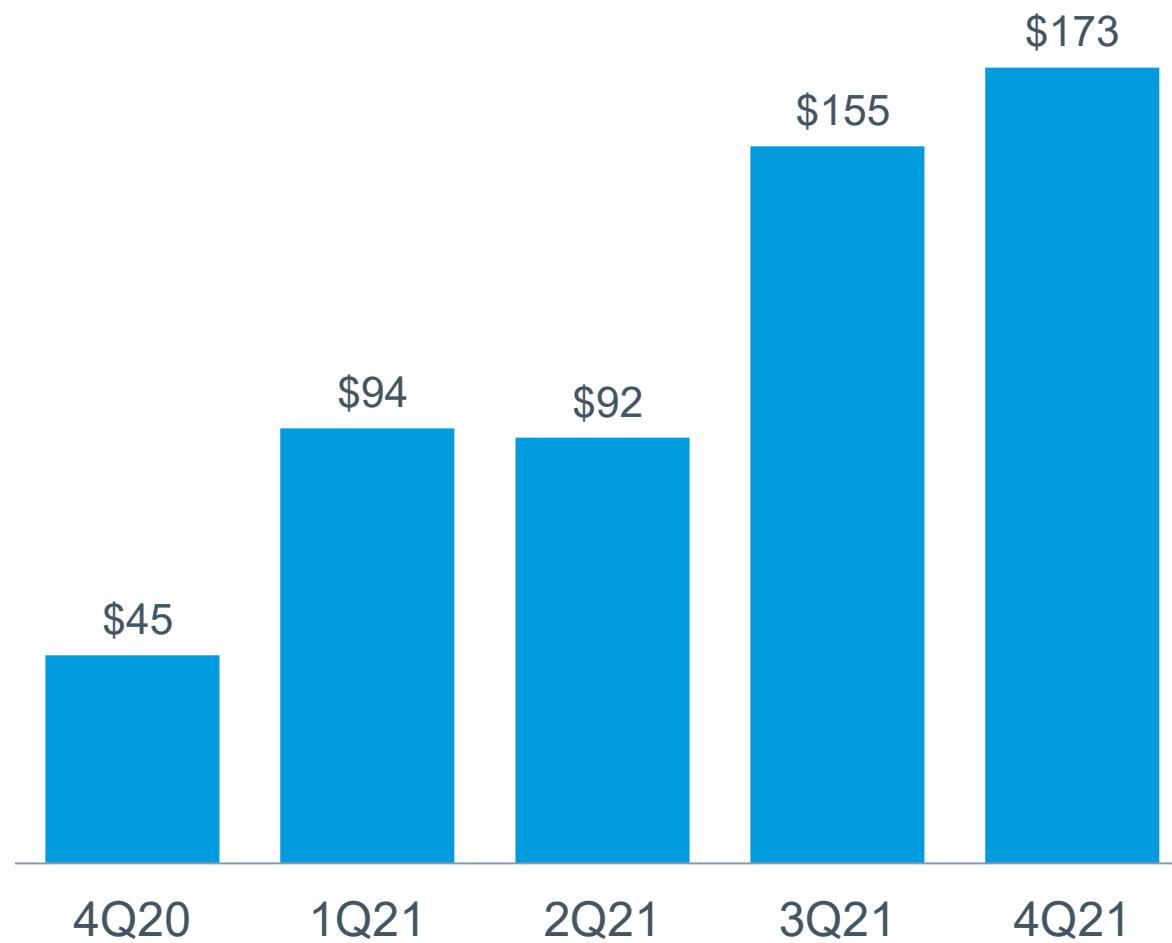
Optimization of gasoline blending

Maya 2-1-1 increased by \$0.47 to \$23.58

TECHNOLOGY

RECORD QUARTER BENEFITING FROM HIGHER LICENSING REVENUE AND CATALYST VOLUMES

EBITDA
USD, millions



LICENSING

Revenue increased

CATALYST

Record catalyst volumes supported by higher Asian demand

LYONDELLBASELL 2022 MODELING INFORMATION

CAPITAL EXPENDITURES	Total CAPEX	Sustaining CAPEX	
	~\$2.1 B	~\$1.2 B	Profit Generating CAPEX
		~\$0.9 B	

MAJOR PLANNED MAINTENANCE EBITDA IMPACT ~\$265 MM		1Q	2Q	3Q	4Q
	O&P - AM	~\$125 MM			
	O&P - EAI	~\$25 MM	~\$15 MM	~\$10 MM	~\$10 MM
	I&D		~\$80 MM		

FINANCIAL METRICS
Net Interest Expense
~\$340 MM
Depreciation & Amortization
~\$1.3 B
Pension Contribution
~\$70 MM
Pension Expense
~\$55 MM
Effective Tax Rate
~20%

Note: Net interest expense includes ~\$95 MM capitalized interest. Major planned maintenance EBITDA impact is the estimated lost production multiplied by forecast margins.

STEPPING UP

STRONG MOMENTUM WITH CONTINUED DISCIPLINE, FURTHER GROWTH AND SUSTAINABLE VALUE

EARNINGS

Larger global portfolio

Commissioning 2 new PO plants

Improving outlook for
APS and fuel markets

CAPITAL ALLOCATION

Strong dividend and
share repurchases

Deleveraging complete

Committed to
investment-grade rating

Prudent investments

CIRCULARITY & CLIMATE COMMITMENTS

Growing *Circulen* products
to 2 million tons by 2030

Reducing emissions
30% by 2030

Net Zero by 2050