

The PolyOne logo features the word "PolyOne" in a red serif font with a red underline, set against a white circular background with blue concentric arcs.

# What Healthcare Customers Really Want From Material Suppliers

Steve Schlegel  
PolyOne Corporation  
April 20, 2010

Beyond Polymers. Better Business Solutions.<sup>SM</sup>





# About PolyOne

- ◉ Global headquarters: Avon Lake, OH
- ◉ More than 35,000 product solutions
- ◉ 35+ manufacturing facilities in 20 countries
- ◉ More than 10,000 customers in 35 countries
- ◉ Operations in North America, South America, Europe, Asia and Australia
- ◉ Joint ventures in North America and South America
- ◉ 4,000 employees globally
- ◉ 2009 annual revenues of \$2.1 billion





## Our Vision and Strategy

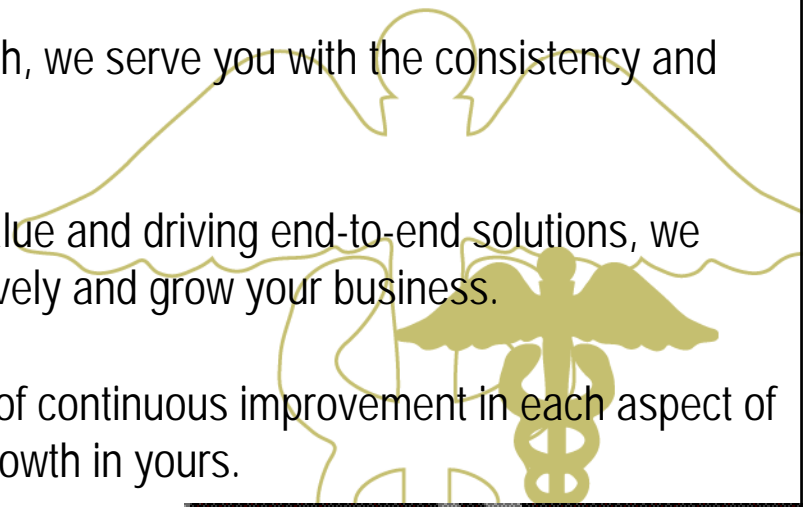
**PolyOne will be the world's premier provider of specialized polymer materials, services and solutions.**

**Specialization**: Our value-creating offerings extend beyond materials to help customers who care about service, technology and problem solving.

**Globalization**: Leveraging our broad geographic reach, we serve you with the consistency and reliability you demand from a true global partner.

**Commercial Excellence**: Understanding what you value and driving end-to-end solutions, we help you satisfy your customers, compete more effectively and grow your business.

**Operational Excellence**: By committing to a journey of continuous improvement in each aspect of our business, we help drive efficiency and profitable growth in yours.





## No Surprises Pledge<sup>SM</sup>

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 Pledge<sup>SM</sup>*, 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.





# PolyOne Strategic Business Units



## Color & Additives

Color and additive concentrates, color and additive systems, single-component and multifunctional performance additives, and virtual color-matching technology.



## Geon® Compounds

Proprietary and custom vinyl, and vinyl-based compounds and performance additives.



## PolyOne Distribution

Critical link between resin suppliers and users, distributing more than 3,500 thermoplastic resins and compounds from approximately 20 major material suppliers.



## Producer Services

Contract compounding services for resin producers, processors and OEMs that help them meet the needs of their diverse industries.



## Specialty Coatings & Resins

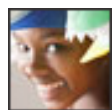
Geon™ dispersion, blending, powder-coating and specialized suspension vinyl resins; vinyl plastisols and powders; and UK-based coated fabrics and additives distribution.



## Specialty Engineered Materials

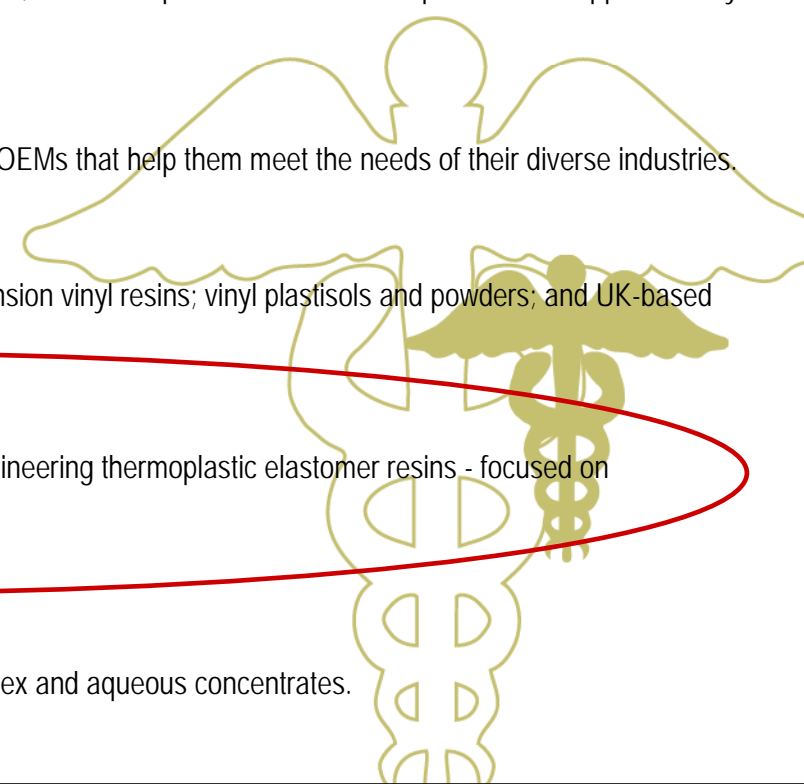
High-performance polymer compounds utilizing a broad range of engineering thermoplastic elastomer resins - focused on challenging applications.

GLS Thermoplastic Elastomers



## Specialty Inks & Polymer Systems

Polyurethanes, screen-printing inks, additives, specialty colorants, latex and aqueous concentrates.





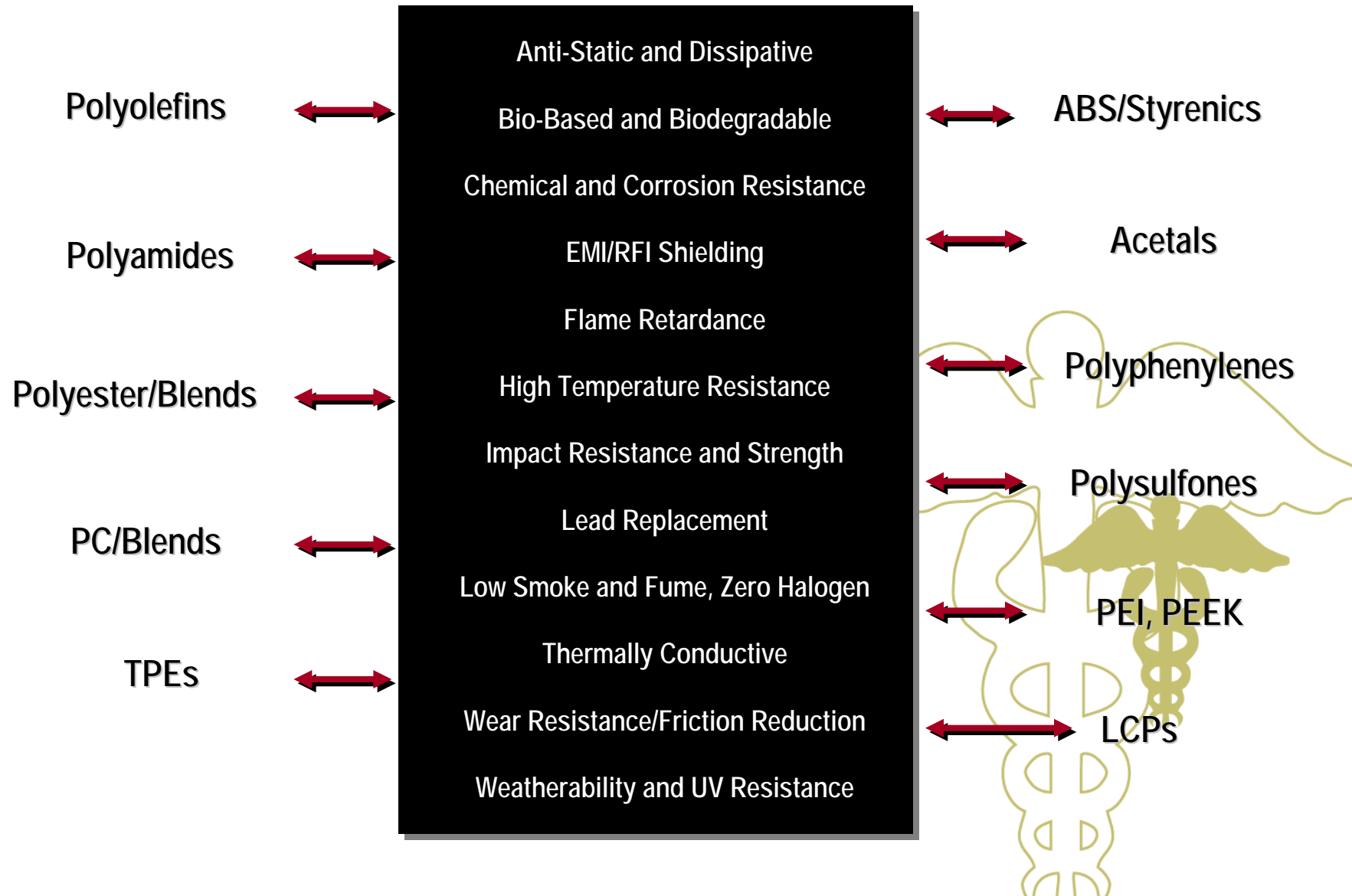
# SEM Value Proposition

- ◉ We offer advanced technology solutions for OEMs and processors. These value-driven solutions enhance our customers' competitive advantage in the market with a differentiated product.
- ◉ As a specialty compounder of polymeric materials, we deliver value by providing:
  - Technology Solutions
  - Consistent Quality
  - Unmatched Customer Service
  - Seamless Global Support





# SEM Product Scope





# SEM Product Platforms & Trade Names

## Specialty Engineered and High-Performance Thermoplastics

- Edgetek™ High-Performance Compounds
- Stat-Tech™ Electrically Conductive Compounds
- LubriOne™ Wear Resistant Compounds
- Gravi-Tech™ High-Density Compounds
- Therma-Tech™ Thermally Conductive Compounds
- Trilliant™ HC Specialty Compounds for Healthcare Applications

## General Purpose Thermoplastics

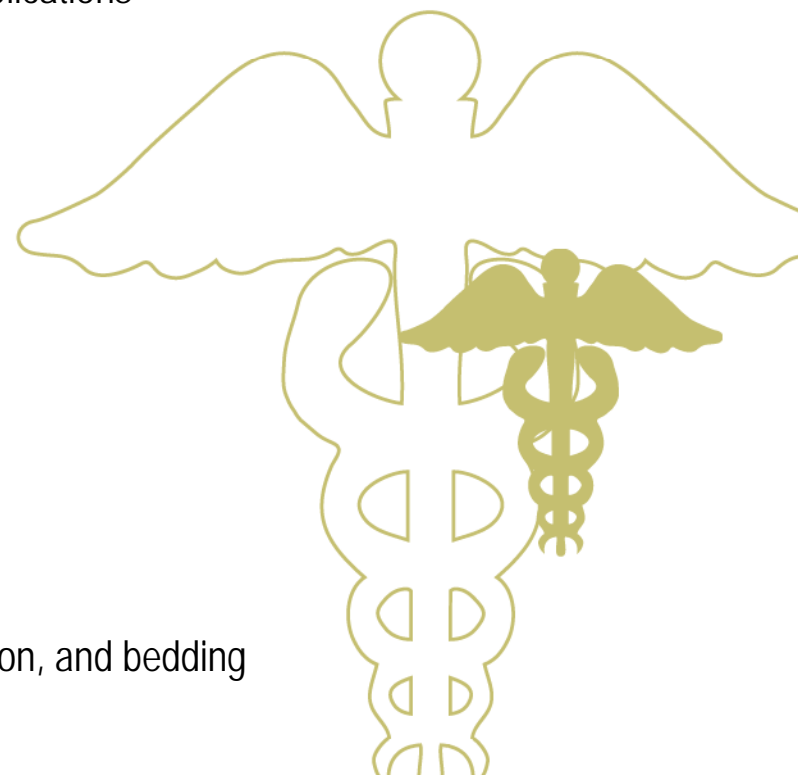
- Nymax™ Nylon Compounds
- Maxxam™ Polyolefin Compounds
- Maxxam™ FR Flame Retardant Compounds

## Thermoplastic Elastomer Compounds

- GLS TPEs

## Wire and Cable Compounds

- Specialty compounds for wire & cable jacketing, extrusion, and bedding







# Bridge to the Future

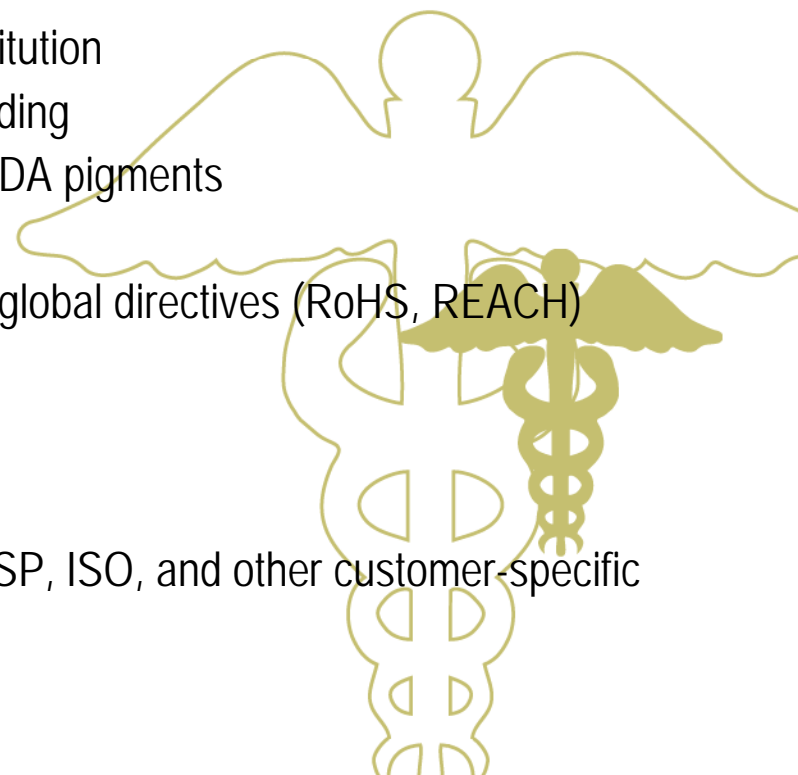
- Target Segments
  - Biopolymers
  - Electrical & Electronic
  - Healthcare
  
- Key Technology Solutions
  - Eastman Tritan™ Copolyester Compounds
  - reSound™ Biopolymer Compounds
  - Trilliant™ HC Specialty Compounds for Healthcare Applications





# Trilliant™ HC Specialty Compounds

- Developed exclusively for the demanding and sophisticated needs of healthcare and medical applications
  
- Key Offerings:
  - Medical grade material selection based on USP Class VI, FDA, and ISO 10993 testing requirements
  - Formulation lockdown with no material substitution
  - Customized materials for specialty compounding
  - Small-lot, pre-colored production using US FDA pigments
  - FDM/GMP manufacturing compliance
  - Eco-conscious materials that meet stringent global directives (RoHS, REACH)
  
- Other Value-Added Services:
  - Device Master File submission
  - Access to testing/certification for UL/CSA, USP, ISO, and other customer-specific validation





# Trilliant™ HC Specialty Compounds

- ⦿ Specialty Solutions Focused on Healthcare:
  - Impact/Chemical Resistant – Blends and Alloys
  - Infection Control – Antimicrobial additives
  - Radiation Shielding – Lead alternatives
  - Ergonomic Handling – Soft-touch TPEs
  - Friction Reduction - Lubricity
  - Static Control – Conductive and shielding properties
  - Flame Retardant – UL requirements





# Key Success Areas in Healthcare

- Risk Mitigation
- Enabling Technology
- Speed-to-Market
- “Glocalization”
- Commitment
- Ease of Doing Business
- Delivering Value

## Experts On Call





# Risk Mitigation

- Helping manage risk
  - ➔ Confidentiality
  - ➔ US FDA cGMP (FDM) standards
  - ➔ No Surprises Pledge
  - ➔ Quality System; ISO 9001-2000
  - ➔ Raw Material Traceability
  - ➔ Certificate of Analysis
  - ➔ Enterprise Risk Management
    - ✓ Multiple Manufacturing & Stocking Locations
    - ✓ Multiple Suppliers & Sourcing
    - ✓ Strong Financials



Brand Recognition = Risk Mitigation



# Enabling Technology

- ◉ Marrying of Materials and Processing
  - Breadth & Depth of Available Materials
    - ✓ Raw Materials
    - ✓ Additives & Fillers (Glass, Mineral, Talc)
    - ✓ Performance Additives (Antimicrobial, Radiopacifiers)
  - Processing Capabilities
    - ✓ Drying, Blending & Mixing
    - ✓ Extrusion Equipment
    - ✓ Proprietary Technology
      - ➔ Formulation Development
      - ➔ Process Optimization Technology



Establish a Value Position in the Supply Chain



# Speed-to-Market

## Shortening Long Development Cycles

- Engineering Services
- Technical Support
  - ✓ Field Resources for Mold Trials
- Support Infrastructure
  - ✓ Product Stewardship
  - ✓ Testing Services
- Cross-Selling / One-Stop-Shop
  - ✓ Multiple Products and Capabilities
- Ability to work with OEMs and Outsourcing Partners



Be in the "Hurry Up";  
Let the Competitor be in the "Wait"



# “Glocalization”

## ○ “Glocalization” in Action

- Multiple Manufacturing and Stocking Locations Around the World
  - ✓ NA, EU, Asia, SA
  - ✓ Focus on Emerging Markets (BRIC)
- Global IT Structure
- Matrix Organization Structure
  - ✓ Global Councils for Knowledge Share
- Local Resources
  - ✓ Ability to React, Meet @ Customer Site
- Sustainability Policy



## Global Reach, Local Touch





# Commitment

## ◉ Types of Commitment

- Resources
  - ✓ Money, People
  - ✓ Capital Equipment
- Support Infrastructure
  - ✓ Product Stewardship
- Promotion; Involvement in Industry Events
  - ✓ Plastics in Medical Devices Conference
- Alignment of Products and Services with Market Needs
- Management Support
  - ✓ Acquisition



Put Your Money Where Your Mouth is



# Ease of Doing Business

## ○ Retaining Customers

- ➔ Pricing/Quotations/Sampling
- ➔ Material Availability
- ➔ Data Sheets
- ➔ On-Time Delivery
  - ✓ Customer Request Date vs. Supplier Commitment Date
- ➔ Logistics
- ➔ Talk to Real People
  - ✓ Access to Key Resources for Info and Support



There is Always Someone Willing to Take Your Customers From You



# Delivering Value

- Ways to Deliver Value...and Quantify it!
  - ➔ EVE Tools
    - ✓ Value Drivers
    - ✓ Know What Your Customers' Customers Value
  - ➔ Information Sharing
  - ➔ Knowledgeable Source
  - ➔ Technology Alignment with Market Trends
  - ➔ Services to go with Products



Don't Just Deliver Value, Quantify it

The PolyOne logo is located in the top left corner. It features the word "PolyOne" in a red, italicized serif font, with a blue underline that extends to the left and curves upwards. The logo is set against a white circular background with blue concentric arcs, all contained within a blue vertical bar that runs down the left side of the slide.

*PolyOne*

# Thank You!



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