



PROTECTING WHAT MATTERS. PRESERVING THE FUTURE.



INNOVATION + TECHNOLOGY SUSTAINABILITY
GLOBAL INFRASTRUCTURE GROWTH-FOCUSED
RESEARCH EXPERTISE EMPLOYEE ENGAGEMENT
PRODUCT PORTFOLIO INCLUSION + DIVERSITY
VERTICAL INTEGRATION COMMUNITY IMPACT
PROFITABILITY ENVIRONMENTAL STEWARDSHIP

**Investor Presentation
August 2020**

Forward Looking Statement

Certain statements in this presentation are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and may include, but are not limited to, statements about sales levels, acquisitions, restructuring, profitability and anticipated synergies, expenses and cash outflows. All forward-looking statements involve risks and uncertainties. All statements contained herein that are not clearly historical in nature are forward-looking, and words such as "believe," "anticipate," "expect," "estimate," "may," "will," "should," "continue," "plan," "potential," "intend," "likely," "outlook," "guidance," "forecast," or other similar words or phrases are generally intended to identify forward-looking statements. Any forward-looking statement contained herein, in press releases, written statements or documents filed with the Securities and Exchange Commission, or in Koppers communications with and discussions with investors and analysts in the normal course of business through meetings, phone calls and conference calls, regarding expectations with respect to sales, earnings, cash flows, operating efficiencies, restructurings, the benefits of acquisitions and divestitures or other matters as well as financings and debt reduction, are subject to known and unknown risks, uncertainties and contingencies. Many of these risks, uncertainties and contingencies are beyond our control, and may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Factors that might affect such forward-looking statements, include, among other things, the impact of changes in commodity prices, such as oil and copper, on product margins; general economic and business conditions; the length and extent of economic contraction as a result of the coronavirus (COVID-19) pandemic; disruption in the U.S. and global financial markets; potential difficulties in protecting our intellectual property; the ratings on our debt and our ability to repay or refinance outstanding indebtedness; our ability to operate within the limitations of our debt covenants; potential impairment of our goodwill and/or long-lived assets; demand for Koppers goods and services; competitive conditions; interest rate and foreign currency rate fluctuations; availability of key raw materials and unfavorable resolution of claims against us, as well as those discussed more fully elsewhere in this presentation and in documents filed with the Securities and Exchange Commission by Koppers, particularly our latest annual report on Form 10-K and subsequent filings. Any forward-looking statements in this presentation speak only as of the date of this presentation, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after that date or to reflect the occurrence of unanticipated events.

Strategic Overview

Why Invest in KOP?

- ✓ Attractive **valuation**
- ✓ **Unified focus on wood protection technologies**; global leader; strong market position; **generally #1 or #2**
 - Railroad sector: treatment of wood crossties
 - Utility pole market: treatment of utility poles and piling
 - Pressure treated lumber: residential decking, fencing, outdoor structures, interior fire protection
 - Carbon pitch: serving aluminum industry
 - Refined chemicals: for production of concrete, rubber, plasticizers
- ✓ **Serving diversified geographies & end markets**
- ✓ Consistently generate **strong cash flows**
- ✓ Demonstrated track record on **re-allocation of capital structure**
 - **Debt paydown priority use of cash**

**Global Leader in High Value, Vertically Integrated,
Wood-Based Solutions Market**

Investment Thesis

Global leader in oil and water-borne preservatives
serving many market applications for **treated wood**

Successfully transitioned from a business built on producing carbon pitch to serve global aluminum industry into **an enterprise centered on the preservation and enhancement of wood**

Knowledge of wood preservation is a core competency

- Largest integrated producer of wood treatment preservatives for railroad crosstie industry in North America
- Performance Chemicals wood treatment preservatives serve various residential, industrial and agricultural markets

Strategic plan to deliver significant profitability improvements;
continue to enhance product portfolio and capital structure

- Focusing on network optimization, commercial development and cost savings
- Improved CMC profitability by streamlining footprint/cost structure
- Reduced dependence on highly cyclical industries tied to oil and aluminum

Wood Treatment Technologies Are At The Heart Of Our Value Creation Model



Business Strategy

Repositioned As Leader In Wood Treatment Technologies

- Focusing on wood treatment and protection technology; niche markets with small number of sizable competitors
- Tighter focus around core competency of wood allows for better stability and visibility of earnings stream
- Investing in capacity to serve increased demand of copper-based wood preservative products; improve distribution of oil-borne wood preservative products
- Pursue growth opportunities through selective tuck-in acquisitions primarily in wood related markets

Improve Profitability; Expand Margin

- Drivers to further profitability improvements
 - ✓ Market share gains
 - ✓ New products/R&D
 - ✓ KJCC divestiture pending
 - ✓ Potential for sale of additional non-core assets
- Opportunity to realize significant benefits/synergies
 - ✓ Network optimization
 - ✓ Commercial development opportunities
 - ✓ Raw materials & other savings

Strengthen Balance Sheet; Improve Financial Flexibility

- Strong cash flow generation
- Divested non-core businesses
- Highly focused on debt reduction; increased leverage due to acquisitions in 2018
 - ✓ M.A. Energy Resources (February 2018)
 - ✓ Cox Industries (April 2018)
- Long-term goal of 2-3X net leverage ratio
 - ✓ Relentless focus on debt reduction

At-A-Glance



- Leading integrated global provider of oil and water-borne preservatives serving various market applications of treated wood
- Right-sized CMC business
- Global geographic footprint: 43 locations across North America, South America, Asia, Europe and Australia

Selected Product & Brand Overview

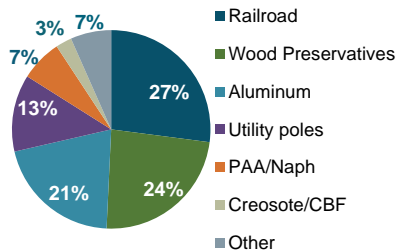


Pre-Treated Crossties

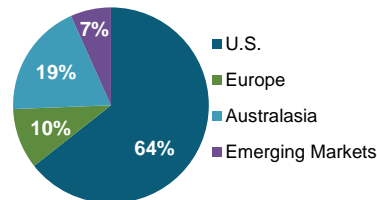


Treated Crossties with End Plates

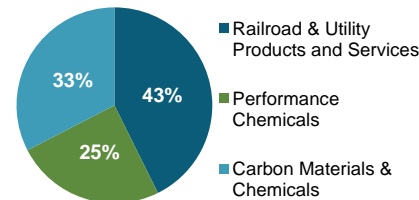
Sales by End Market



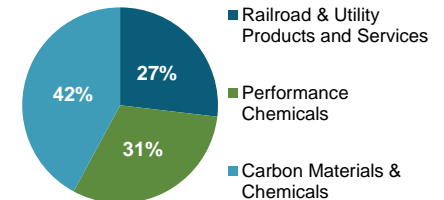
Sales by Geography



Sales by Segment



Adj. EBITDA by Segment¹



2019 Sales: \$1,773M

2019 Adj EBITDA: \$211M

¹) Excludes corporate unallocated amounts

Segment Overview

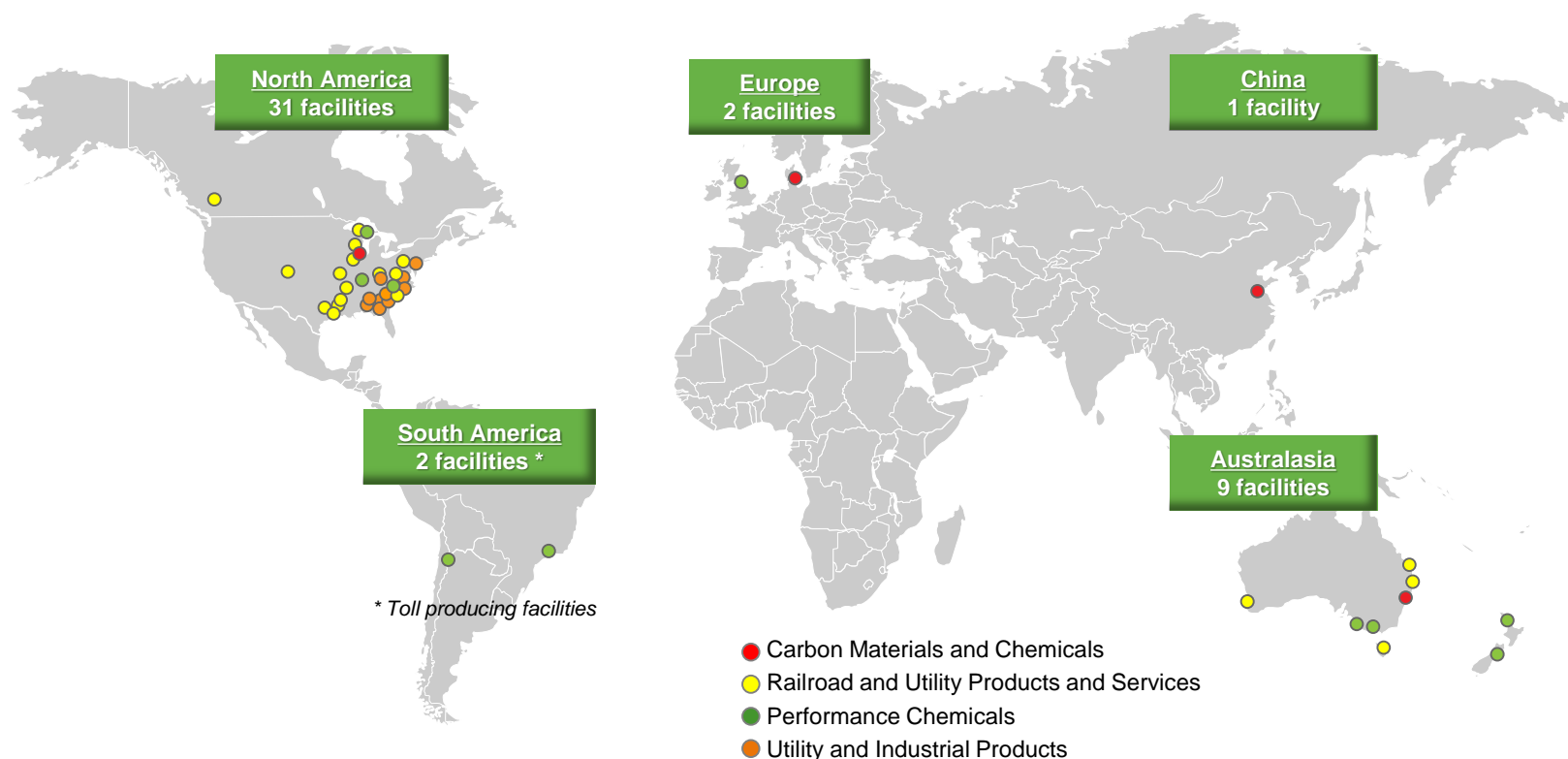
| Unique Product & Service Portfolio; Niche End Market Focus | | | |
|--|--|--|---|
| | Railroad and Utility Products and Services (RUPS) | Performance Chemicals (PC) | Carbon Materials and Chemicals (CMC) |
| Key Financials ^{1,2} LTM 6/30/20 | <ul style="list-style-type: none"> • Net Sales: \$768 Million • Adj. EBITDA: \$64 Million • Adj. EBITDA Margin: 8.3% | <ul style="list-style-type: none"> • Net Sales: \$477 Million • Adj. EBITDA: \$78 Million • Adj. EBITDA Margin: 16.4% | <ul style="list-style-type: none"> • Net Sales: \$462 Million • Adj. EBITDA: \$52 Million • Adj. EBITDA Margin: 11.4% |
| Highlights | <ul style="list-style-type: none"> • Largest Supplier of Crossties to Class I Railroads • #1 Provider of Utility Poles in Eastern U.S.; #2 in U.S. | <ul style="list-style-type: none"> • Global Leader in Developing, Manufacturing/Marketing Wood Preservation Chemicals and Technologies | <ul style="list-style-type: none"> • Key Supplier of Creosote to Railroad Industry in N.A. • Vertically Integrated with RUPS |
| Products & Services | <ul style="list-style-type: none"> • Railroad Crossties • Railroad Bridge Services • Rail Joint Bars • Utility Poles | <ul style="list-style-type: none"> • Wood Preservation Chemicals • Coatings • Water Repellants • Pigmented Stains • Fire Retardants | <ul style="list-style-type: none"> • Carbon Pitch • Creosote • Carbon Black Feedstock • Naphthalene • Phthalic Anhydride |
| Market Position Market Growth Key Market Drivers | <ul style="list-style-type: none"> • #1 or #2 • 1-3% • Crosstie and Utility Pole Replacement Cycles | <ul style="list-style-type: none"> • #1 • 2-4% • Repair & Remodel; Existing Home Sales | <ul style="list-style-type: none"> • #1 or #2 • 1-3% • Global Industrial Growth • Crosstie Replacement Cycle |

¹ Excludes corporate unallocated amounts

² Adjusted EBITDA margin defined as Adjusted EBITDA as a percentage of GAAP sales

Strategically Located Footprint

- Well positioned to capitalize on strong market presence; focusing on growth opportunities in wood preservation
- Significantly improved efficiency; consolidated coal tar distillation facilities from 11 to 4 (2014-2016)
- CMC processes coal tar into creosote consumed by RUPS for treatment of railroad crossties



Our Place in the 'Essential' Business Landscape



ESSENTIAL TO OUR WORLD



RAILROAD PRODUCTS & SERVICES

Rail Ties, Joints, Maintenance

Keep railroads safe and operational to deliver **ESSENTIAL** goods:



Retail products from fruits to toilet paper



Chemicals required for medical supplies



Chlorine-based disinfectants for treating water



UTILITY & INDUSTRIAL PRODUCTS

Utility Poles

Provide families and businesses with **ESSENTIAL** electricity and telecommunications needs:



Keeping lights on



Connecting to Internet/TV



Air-conditioning and heating



CARBON MATERIALS & CHEMICALS

Coal Tar Distillation;
Creosote Supplier (to RPS)

Produce carbon materials and chemicals **ESSENTIAL** for:



Creosote for treating railroad ties and utility poles



Aluminum and steel for infrastructure needs



Aluminum, plastics and rubber for medical uses and food packaging



PERFORMANCE CHEMICALS

Wood Treatment Chemicals

Produce chemicals **ESSENTIAL** for treating:



Utility poles for electricity and telecommunications



Pressure treated wood for essential home repairs



Agriculture and farming

Employee Health & Wellbeing



Applying Zero Harm Principles: Current Status



Employees Affected by COVID-19



- 28 employees tested positive for COVID-19, in total
 - Only 2 Koppers locations have cases that were result of spread
 - To date, no employees have been hospitalized
- Cumulatively, ~19% of employees self-identified as having symptoms
- ~2% of employees remain in self-quarantine

Staying Vigilant & Staying Healthy



- Requiring use of face coverings and social distancing in N.A. facilities
- Maintaining COVID-19 hygiene protocols and practices
 - Wash hands for 20 seconds
 - Wear proper PPE
 - Avoid close contact
 - Clean and disinfect surfaces

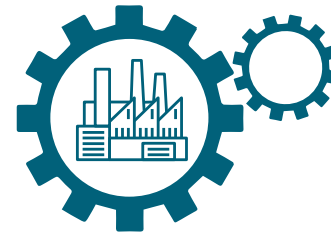


Ongoing Communications through Virtual Chats & Weekly Videos



- CEO Virtual Chats with plant employees
- CEO video updates to employees available on Koppers Facebook page (@koppersinc) and on www.koppers.com

Operations Continuity



Operations & Planning: *Current Status*



Operations



- Worldwide, Koppers manufacturing facilities remain operational, except:
 - KJCC - scheduled outage at customer's plant
 - Stickney - outage at tar and naphthalene units due to fire
 - Experienced brief shutdowns at 2 RUPS facilities for sanitizing and have since resumed operations
- No employees currently furloughed or laid off
- Effective June 7, employees permitted to travel if essential for business; still required to take appropriate health and hygiene precautions

Office Re-entry



- Strongly encouraging employees to continue working remotely
- Voluntary return-to-office plans temporarily halted
- Requiring use of face coverings and social distancing for employees that must come into office

Technology Capabilities



- Using multiple technology solutions to enable virtual facility visits; connect employees globally via *OneKoppers* channels
- Evaluating Microsoft HoloLens technology for use in virtual facility audits
- Evaluating multiple solutions for testing, temperature screenings and contact-tracing/alerting technology

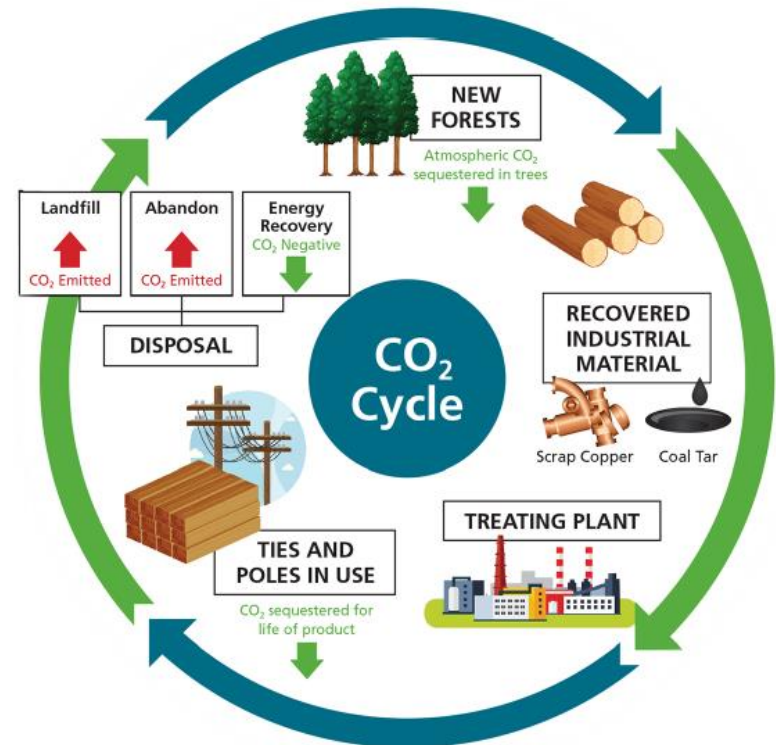
Commitment to Sustainability



Our Place in the Circular Economy



- ✓ Our products serve as foundational elements of global infrastructure
- ✓ Long history of sustainability in our operations
 - Reuse waste streams generated by other industries as key production inputs (coal tar, scrap copper)
 - Utilize renewable resources for raw material requirements
- ✓ Our products increase durability and extend life of wood products
 - Significantly aids in sequestering atmospheric carbon



Extending Our Sustainability Model

Responsible Supply Chain

- Ensure materials sourced in ethical and responsible manner
- Committed to implementing **Guiding Principles of Responsible Care** throughout supply chain
- Engage with suppliers to ensure safe manufacturing and transporting of products
- Recognized 3 of past 4 years by Association of American Railroads with **Non-Accident Release Grand Slam Award**
 - ✓ Awarded to companies that demonstrate exemplary performance in shipping hazardous materials

Innovation Focus

- Solve customers' most important challenges
- Ensure product quality and drive new product development
- **Koppers Global Technology Center** – applied research facility in Harmarville, PA
- **Koppers Research & Development Lab** in Griffin, GA
- **iShare** – virtual innovation lab where employees submit ideas

Lifecycle Management

- Pursuing **cradle-to-cradle solutions** and offering lifecycle management capabilities
- **Recover and repurpose railroad crossties** that reached end of useful service life
 - ✓ Collect 2M-3M used railroad crossties annually, nearly 1,000+ miles of railroad track
 - ✓ Convert used ties to biomass to sell as fuel, offsetting need for fossil fuels
- Provide environmentally-friendly, turnkey solutions for **disposal of poles and pallets**

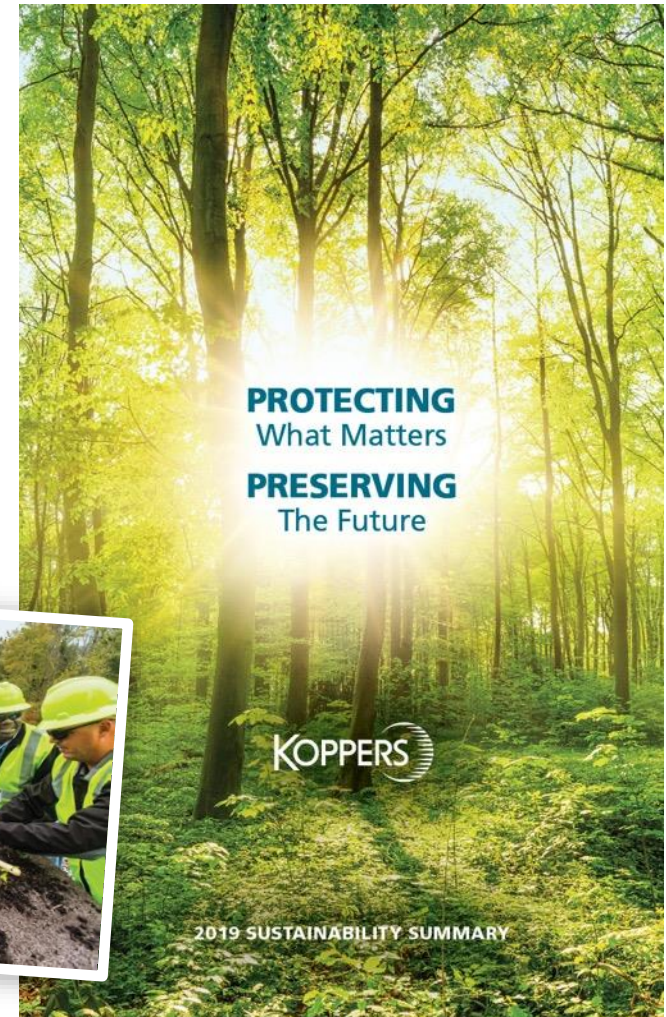
2019 Corporate Sustainability Report



Our guiding Purpose is to
**Protect What Matters and
Preserve The Future.**

- Our Sustainability strategy is about operating our business in a way that ensures we are taking care of our people and communities, fostering an inclusive and innovative workplace, being a good steward of the environment, and contributing beneficial products to society for generations to come.

[View 2019 CSR Online](#)



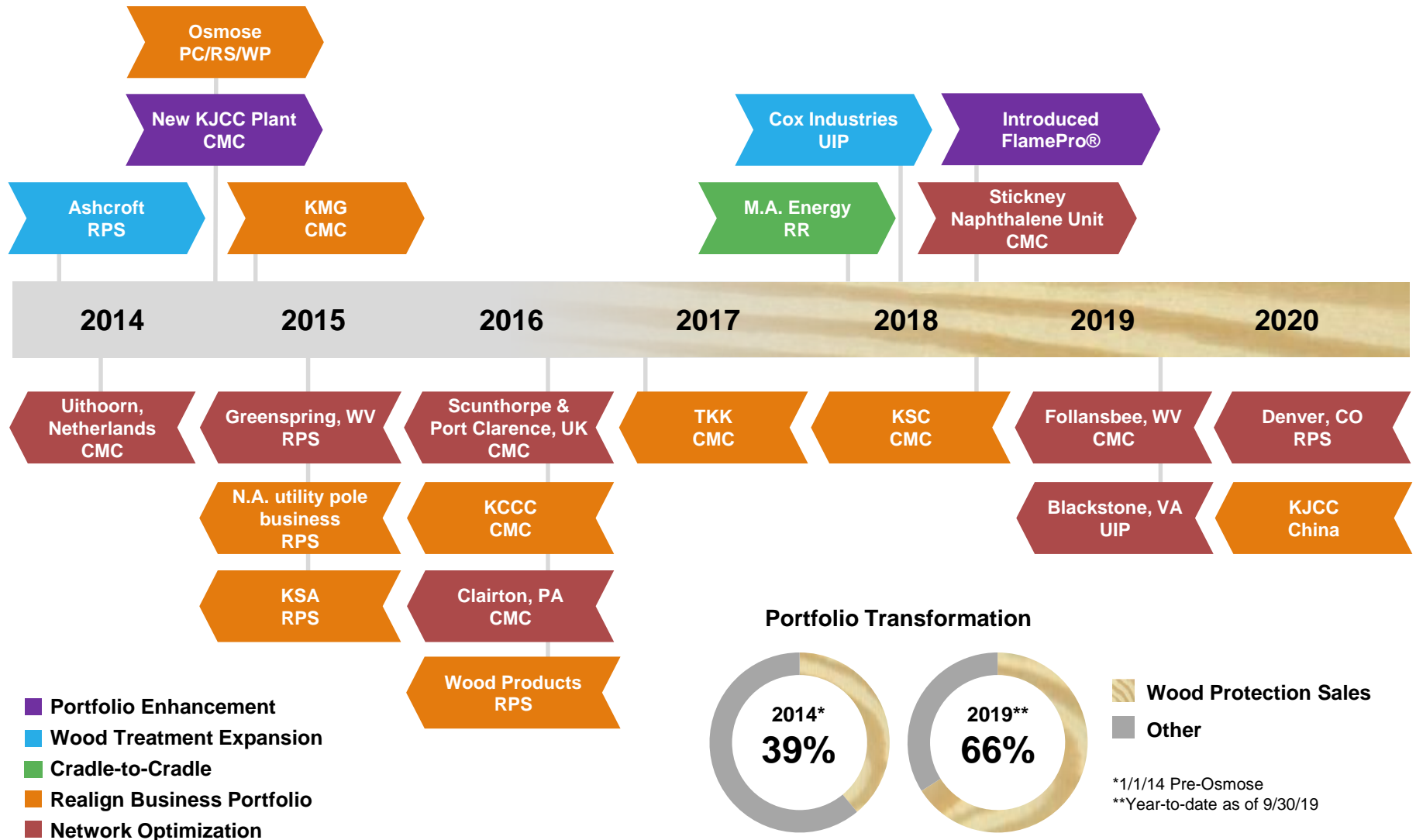
Enhanced Business Profile



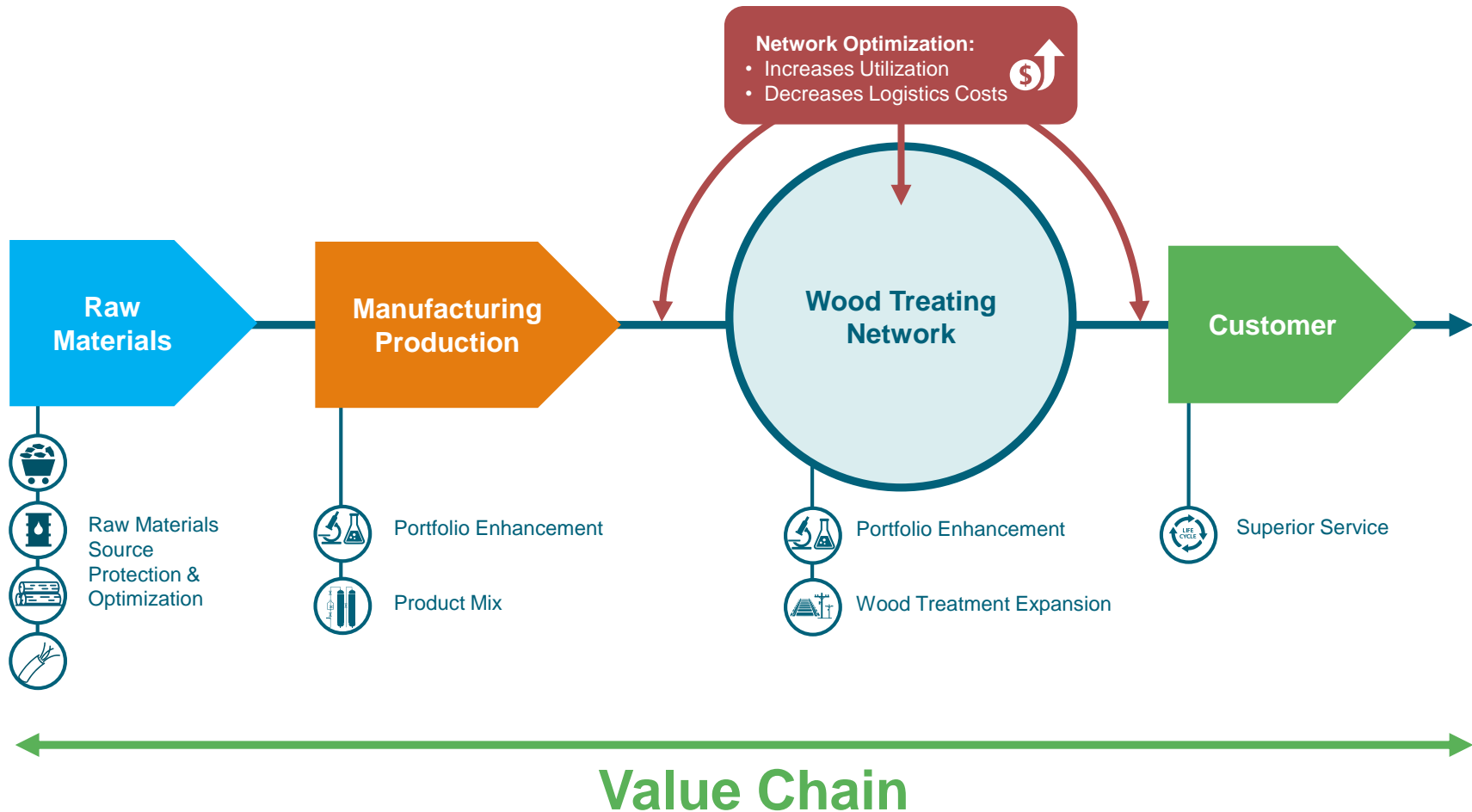
Our Value Creation Strategy: *Wood Preservation Focus*



Our Strategy In Action: Wood Preservation Focus



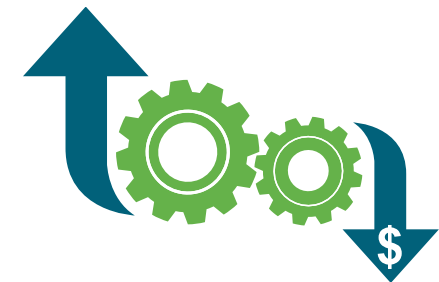
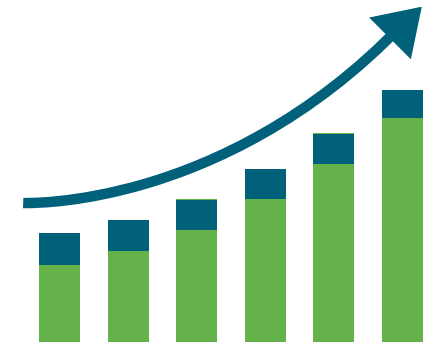
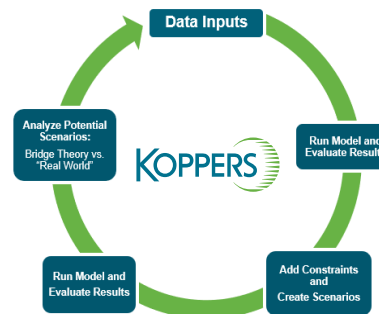
Network Optimization: Wood Treating Value Chain



Network Optimization: *Opportunities & Benefits*



- Provide opportunities to gain market share through optimized network
 - ✓ Competitive advantage
 - ✓ Operational expertise
 - ✓ More efficient supply chain
- Increase asset utilization
- Optimize logistics
- Lower cost structure
- Improve working capital efficiencies



Network Optimization:

Facility Closure @ Denver, Colorado



- Recently signed long-term contract amendment with Class I customer
- Extend market opportunities for treated wood crossties, switch ties, and other types of lumber
- Plan to cease production activities at facility in Denver; further consolidate treating network
 - ✓ Ramping down production over next 2 months; targeting August 2020 for discontinuing activities
- Anticipate future investments to upgrade and modernize parts of treating network
 - ✓ Additional treating capacity at a yet to be determined facility
 - ✓ Accommodate potential future market share gains



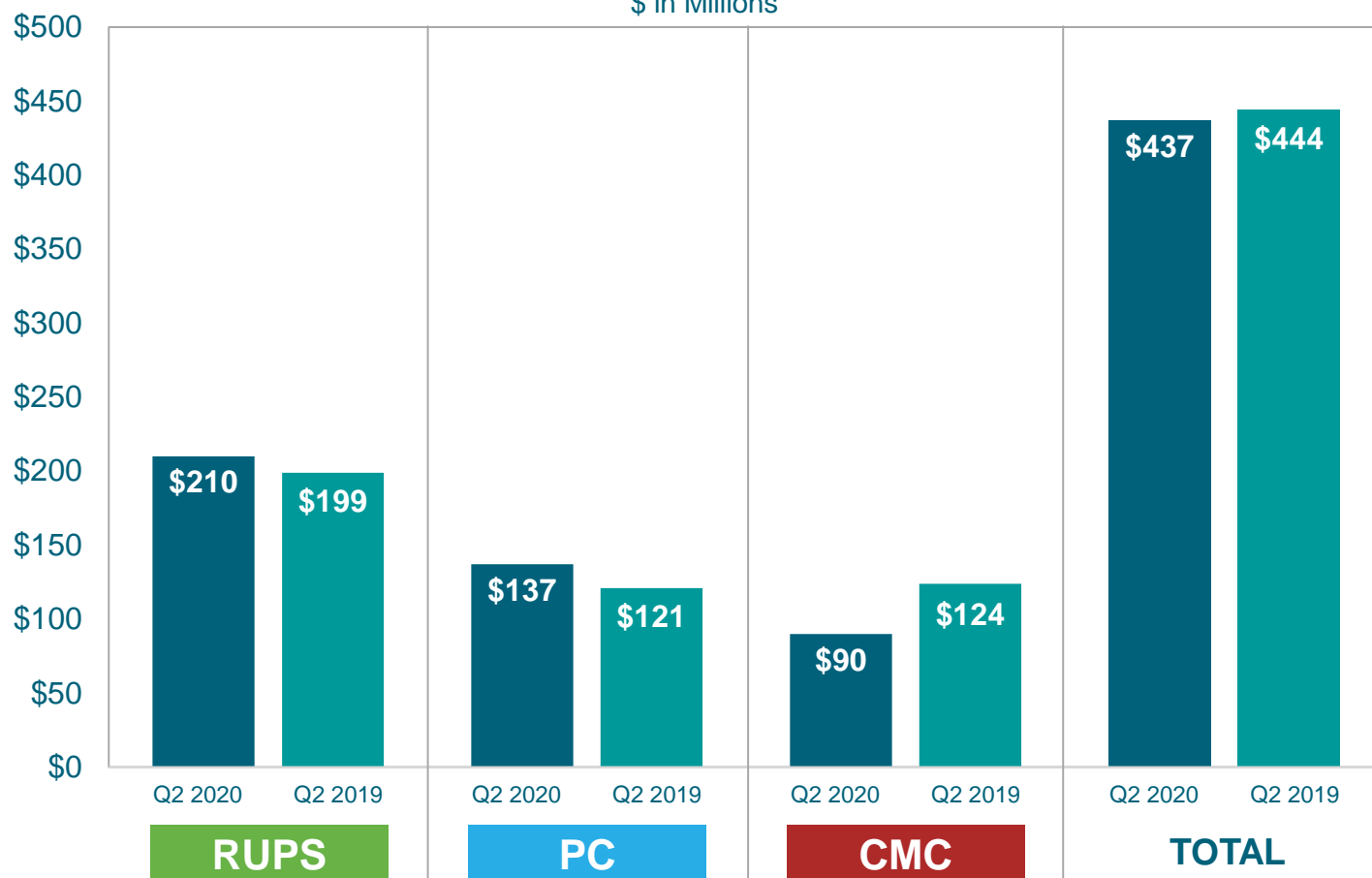
Q2 2020 Results



Sales by Segment (Unaudited)

Q2 2020 vs Prior Year

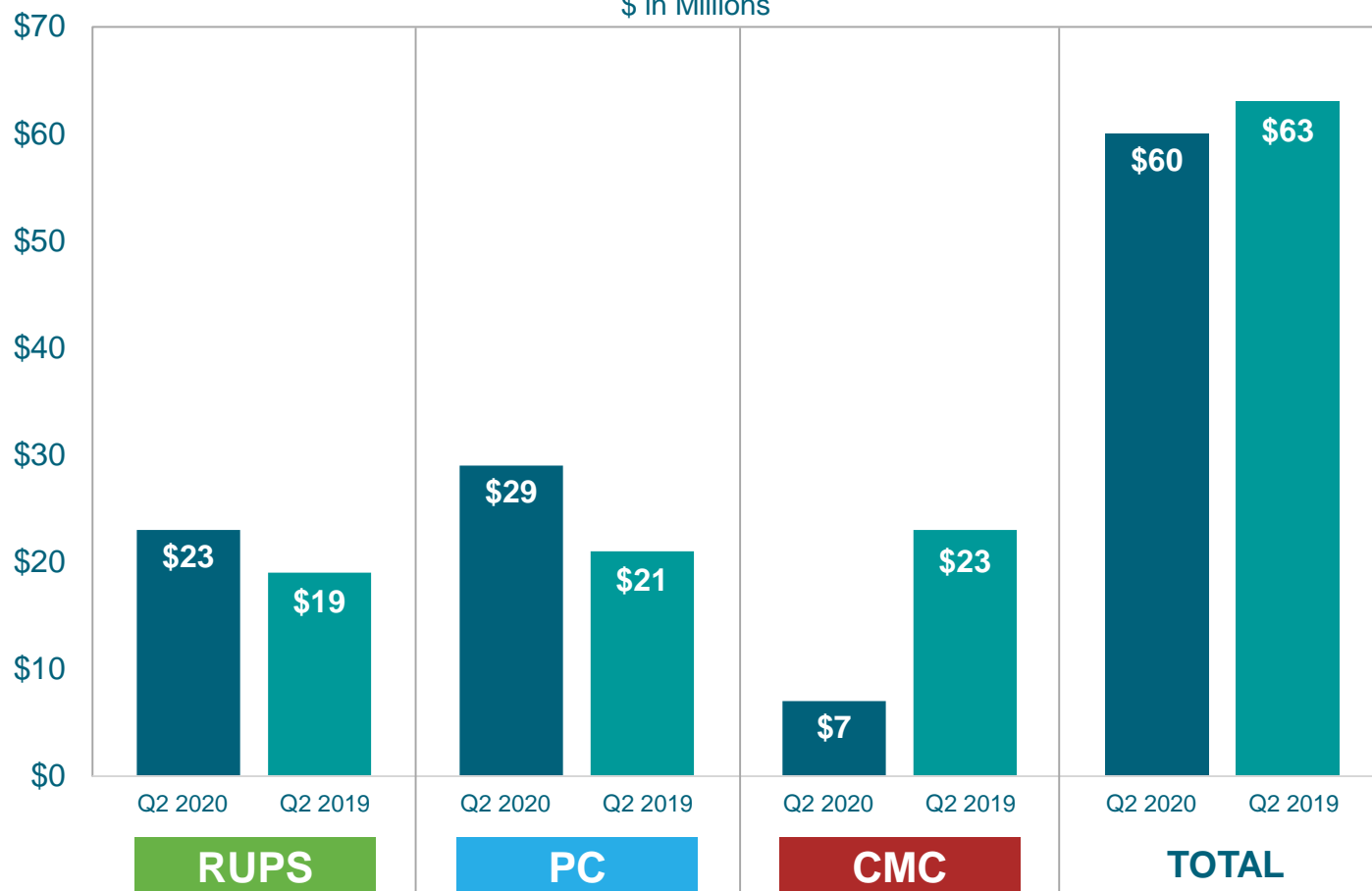
\$ in Millions



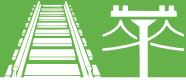
EBITDA by Segment (Unaudited)

Q2 2020 vs Prior Year

\$ in Millions



RUPS Business Overview



RAILROAD AND UTILITY PRODUCTS & SERVICES

Key Products

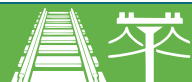
- Railroad Crossties
- Utility Poles
- Crosstie and Pole Recovery & Disposal
- Rail Joint Bars
- Railroad Bridge Services

Serving railroad customers in N.A., utility pole markets in U.S. and Australia

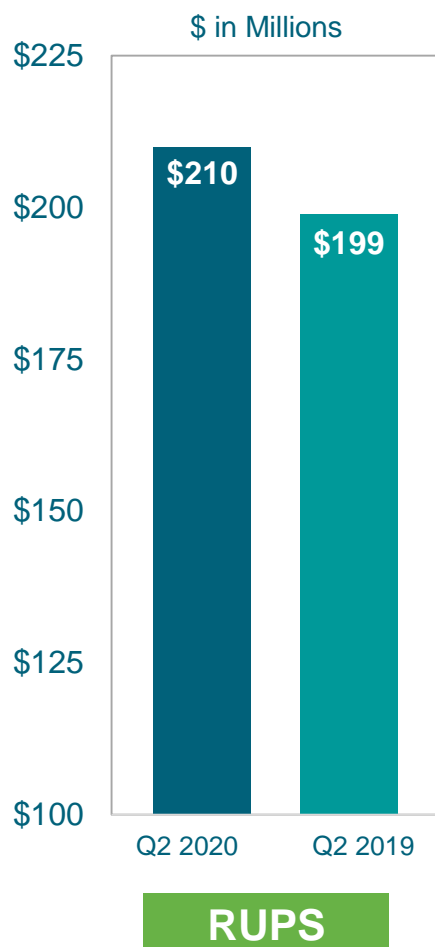
Competitive Advantages

- Vertically integrated; secured supply of wood-treatment solutions
 - ✓ Creosote for treating railroad crossties from CMC
 - ✓ Preservatives for utility pole treating from PC
- Offering full life-cycle solutions for crossties

RUPS Sales (Unaudited)



RAILROAD AND UTILITY PRODUCTS & SERVICES



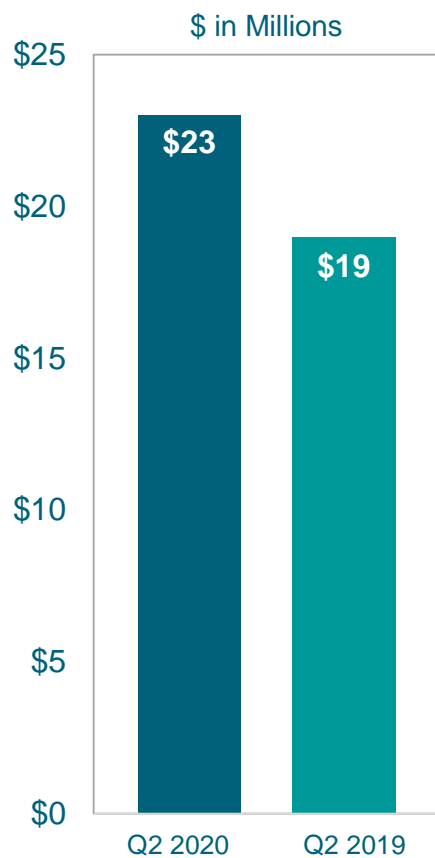
Q2 Highlights

- Established new YOY quarterly sales record for 9th consecutive quarter
- Crosstie Procurement up 16% YTD
- Crosstie Treatment up 7% YTD
- Higher crosstie volumes to Class I customers, along with favorable pricing in commercial crosstie market
- Record sales quarter for U.S. utility poles and improved demand in Australia
- Maintenance-of-Way projects resuming, but lower year-over-year

RUPS EBITDA (Unaudited)



RAILROAD AND UTILITY PRODUCTS & SERVICES



RUPS

Q2 Highlights

- Record second-quarter EBITDA, driven by:
 - ✓ Record quarterly EBITDA in domestic utility pole business
 - ✓ Record quarterly EBITDA from maintenance-of-way business
 - ✓ Increased crosstie production
 - ✓ Lower selling, general and administrative costs

PC Business Overview



PERFORMANCE CHEMICALS

Key Products

- Wood Preservation Chemicals
- Fire Retardants
- Coatings
- Water Repellants
- Pigmented Stains

*Primary applications
in decking, fencing,
poles and pilings,
construction lumber,
outdoor structures*

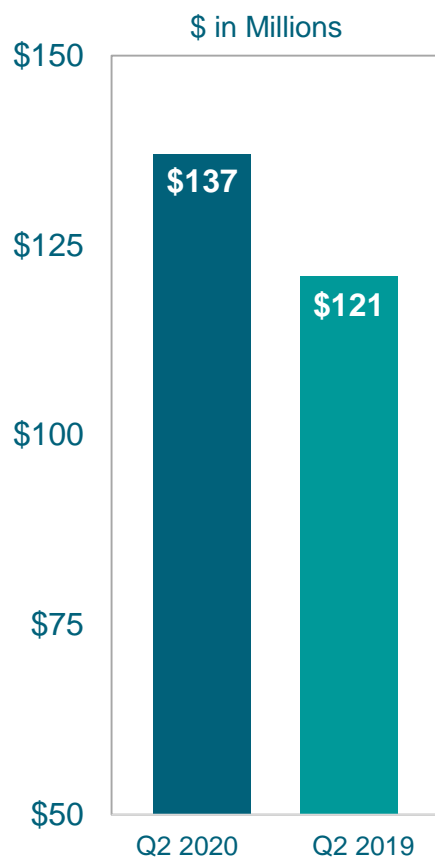
Competitive Advantages

- Strong intellectual property driven by industry leading R&D
- Integrated in-house production of copper intermediaries
- Vertically integrated supplier to UIP (utility poles)

PC Sales (Unaudited)



PERFORMANCE CHEMICALS



PC

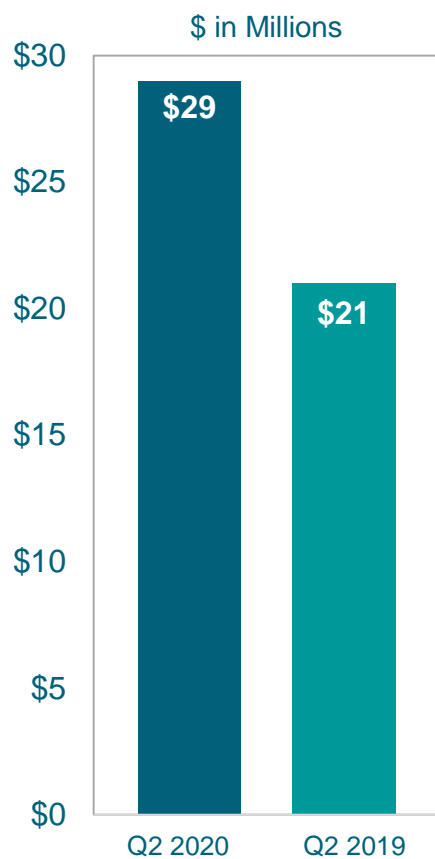
Q2 Highlights

- Record sales/volumes in June quarter, driven by sales to top 10 customers
 - ✓ Established new YOY quarterly sales record for 7th consecutive quarter
- Strong demand for copper-based preservatives in North America
- Consumers continued with home improvement projects during pandemic
- Demand lower in all international markets (15% lower YOY)

PC EBITDA (Unaudited)



PERFORMANCE CHEMICALS



PC

Q2 Highlights

- Record quarterly EBITDA, driven by:
 - ✓ Higher sales volumes
 - ✓ Higher absorption on higher production volumes
 - ✓ Lower year-over-year raw material prices
 - ✓ Lower selling, general and administrative costs
 - ✓ Partially offset by lower contributions from PC international; second-lowest quarterly EBITDA (Q1/2020 lowest)

CMC Business Overview



CARBON MATERIALS & CHEMICALS

Key Products

- Creosote – wood-treatment preservative primarily for railroad crossties
- Carbon Black – tires and other rubber goods
- Carbon Pitch – aluminum and steel production
- Naphthalene – feedstock for phthalic anhydride; surfactant in concrete
- Phthalic Anhydride – plasticizers, polyester resins

Diverse product portfolio serving infrastructure & transportation markets

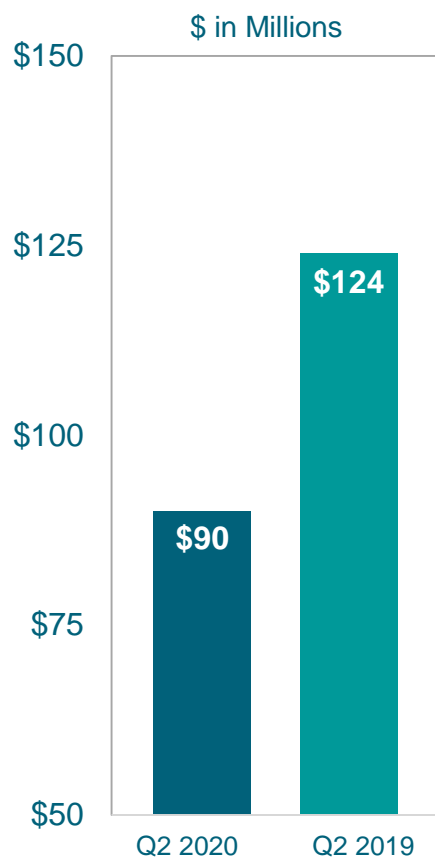
Competitive Advantages

- Vertically integrated supplier to RUPS; efficient use of assets
- Provide security of supply through global footprint

CMC Sales (Unaudited)



CARBON MATERIALS & CHEMICALS



CMC

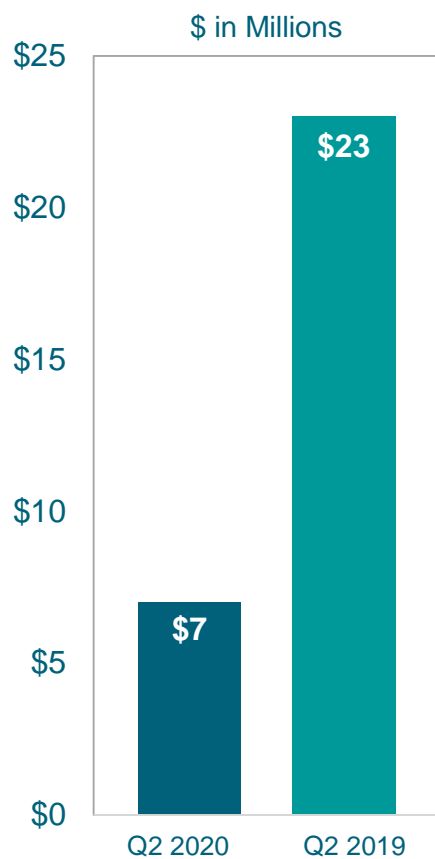
Q2 Highlights

- Each region lower than prior year, in line with expectations
- Lower average oil prices; slowdown of markets during the pandemic
- Lower volumes and prices for carbon pitch globally
- Reduced volumes and prices for phthalic anhydride in North America
- Reduced prices for carbon black feedstock in Europe and Australia

CMC EBITDA (Unaudited)



CARBON MATERIALS & CHEMICALS



CMC

Q2 Highlights

- Significant year-over-year decline in EBITDA
- Demand weakness and pricing pressures as a result of:
 - ✓ Sudden end market contraction
 - ✓ Lower oil prices
- EBITDA impact partially offset by lower selling, general and administrative costs

Debt & Liquidity



No Near-Term Debt Maturities; Cash Events Providing Liquidity Cushion



- **6/30/20 Status**

- ✓ In compliance with all debt covenants
- ✓ No current plans to amend credit facility, i.e. covenant relief
- ✓ \$874.1M net debt
- ✓ \$190.5M available liquidity

- **\$120M Debt Reduction in 2020 (Projected)**

- ✓ KJCC divestiture proceeds (\$65M)
- ✓ Working capital reduction (\$22M)
- ✓ Lower cash taxes and interest (\$16M)
- ✓ Lower capital expenditures (\$10M)
- ✓ Deferred payroll taxes (\$7M)

No Significant Debt Maturities Pre-2024

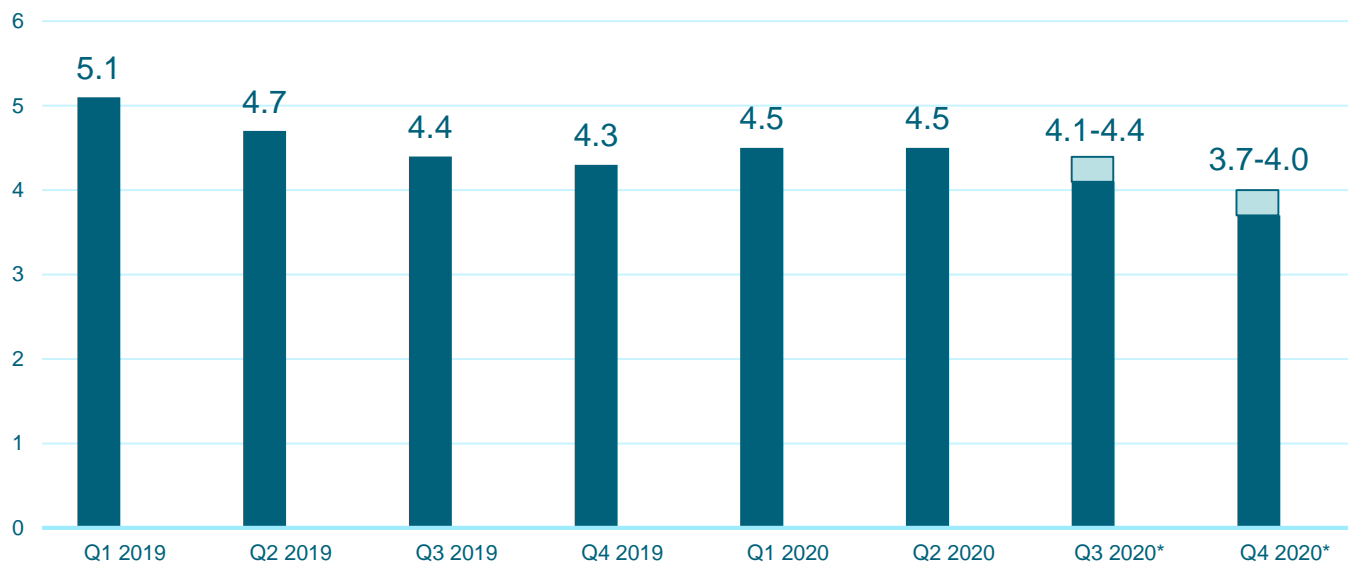
| | <i>\$ in Millions</i> |
|-------------------|-----------------------|
| 2020 | \$5.0 |
| 2021 | \$10.0 |
| 2022 | \$10.0 |
| 2023 | \$10.0 |
| 2024 | \$381.0 |
| Thereafter | \$500.0 |
| Total Debt | \$916.0 |

Debt Reduction Focus:

Debt Paydown \$82M in 2019; \$120M Expected in 2020



Net Leverage Ratio, excluding KJCC EBITDA



* Projected

Net Leverage

LT Goal: 2x-3x

- Proven track record of disciplined debt reduction
- Reduced debt by \$82M in 2019
- **Expect to reduce debt by minimum of \$120M in 2020***

* Pending successful completion of sale of KJCC

Business Sentiment: Customers & Suppliers



Customers & Suppliers



UTILITY & INDUSTRIAL PRODUCTS

Overall Business

- Strong first half 2020; utilities having issues with securing line hardware and transformers may push back some second half 2020 projects
- Seeing increased interest from utilities for using CCA and creosote as treatment alternatives to penta preservative
- Even if there's a slowdown, UIP remains on track for best year since acquired by Koppers; long-term fundamentals remain solid

Utilities

- Utilities in northern states indicating steady demand as restrictions lessen; utilities in southern states showing slight pullback in activities

Piling

- Increased quoting activity as restrictions lifted for construction projects

Recovery

- Larger customers expressing increased interest and requesting proposals

Supply Chain

- Availability remains strong even with high lumber demand; seeing consistent wood flow

Customers & Suppliers



RAILROAD PRODUCTS & SERVICES

Overall Business

- Crosstie business remains solid; pricing favorable in first half 2020 in commercial market but currently seeing less bidding activity and lower pricing
- Strong first half 2020 should continue through Q3, with Q4 more uncertain
- Closure of Denver facility in August will contribute to offsetting any pullback in Q4

Crossties

- For June 30, 2020 YTD vs. prior year period, U.S. carload traffic declined 15.9%; intermodal units was 10.6% lower; total combined U.S. traffic decreased 13.2% (*American Association of Railroads*)
- In general, railroad industry managing to offset lower volumes with increased productivity; certain railroads taking advantage of fewer track time to increase maintenance on their infrastructure (*Railway Tie Association*)

Maintenance-of-Way

- Higher demand and improved profitability in Rail Structures and Recovery Resources
- Expect continued growth in second half 2020 for MOW businesses

Supply Chain

- Reducing crosstie purchases as inventories stabilizing; third party supply of dry ties for certain customers

Customers & Suppliers



PERFORMANCE CHEMICALS

Overall Business

- Despite pandemic, anticipate continuing strong demand in North America for 2020
- Treating market currently short on chemical and expected to continue through Q3
- International markets remain challenging but expected to improve in second half 2020

North America

- Record-level demand in U.S. for residential treated wood; big-box retailers report strong demand for home improvement projects
- Improving lumber availability although lumber prices rising to record levels; not seeing demand slowdown currently but wood-treaters may moderate treating activities to avoid higher-cost inventory
- Market forecasts vary widely:
 - ✓ Leading Indicator of Remodeling Activity expects continued weakness and projects 0.4% decline in renovation and repair spending by mid-2021
 - ✓ Houzz Barometer tracking residential renovation markets showing businesses have more positive outlook for 2020 vs. beginning of COVID-19 pandemic
 - ✓ Principia Consulting forecasting 4.2% growth rate for decking demand through 2022
- Benefiting from homeowners focusing on importance of home and work/life environment during pandemic as well as historically low interest rates

Customers & Suppliers



PERFORMANCE CHEMICALS

International

- Expect demand in Nordic Region, Germany, Ireland and U.K. to improve from Q2 lows
- Steady demand in Australia; new housing stimulus package aimed at supporting construction market in early stages and seems to have positive impact
- New Zealand business returning as lockdown lifted in early June, earlier than planned
- Brazil and Chile beginning to see higher volumes

Supply Chain

- Copper hedges for 2021-2022 at lower average costs than 2020; no additional benefit in 2020 related to lower copper prices due to being fully hedged
- Strong U.S. demand outstripping internal production capacity; purchasing some intermediate materials from external sources, resulting in higher input costs

Customers & Suppliers



CARBON MATERIALS & CHEMICALS

Overall Business

- First half 2020 impacted by significant declines in auto manufacturing capacity as well as other industrial production markets; resulting in lower demand for our products
- Product pricing under pressure due to lower oil prices; market slowdown from pandemic
- Expect sequential improvement in second half 2020, compared with first half

North America

- Reduced plant throughput; however, higher raw material costs due to more imports
- Lower volumes and pricing across the board with limited exceptions

Europe

- Reduced tar production; lower volumes/prices for carbon pitch and carbon black feedstock; demand soft for naphthalene, exporting to China

Australia

- Lower sales prices for carbon pitch and carbon black feedstock
- Volume remains at similar levels; carbon pitch pricing likely to be lower as Asian benchmark prices continue to decline

Supply Chain

- Coal tar costs dropping in line with end markets but lagging by approximately a quarter
- Pullback in steel production leading to lower domestic coal tar availability; increase in raw material imports to N.A. at higher prices; Europe/Australia remain steady

Actions Taken & Additional Opportunities



Actions Taken: *Mitigating Impact of COVID-19*



SG&A Cost Savings (excl. Special):

- Identified \$15M to \$20M of SG&A savings; using 2019 SG&A expenses as baseline
- \$8M savings realized June YTD

Cost Reduction Summary June YTD

| | <u>\$ Millions</u> |
|---------------------------|--------------------|
| • Compensation & Benefits | \$2.4 |
| • Travel & Entertainment | \$2.5 |
| • Legal & Consulting | \$1.6 |
| • Office-related | <u>\$1.3</u> |
| • Total | <u>\$7.8</u> |

Initiatives & Opportunities: *Emerge Stronger after Pandemic*



Initiatives In Progress:

- Market Share Gains
 - ✓ RPS ✓ PC
 - ✓ UIP ✓ KRR
- New Products
- New Processes
- New Markets
- Network Optimization

Other Cash Opportunities:

- Sale of other non-core businesses
- Sale of closed properties and associated assets
- Nearing completion of major site closing costs

Appendix

Non-GAAP Measures and Guidance

This presentation includes unaudited “non-GAAP financial measures” as defined in Regulation G under the Securities Exchange Act of 1934, including adjusted EBITDA and net leverage ratio. Koppers believes that the presentation of non-GAAP financial measures such as adjusted EBITDA and net leverage ratio provide information useful to investors in understanding the underlying operational performance of the company, its business and performance trends and facilitates comparisons between periods and with other corporations in similar industries. The exclusion of certain items permits evaluation and a comparison of results for ongoing business operations, and it is on this basis that Koppers management internally assesses the company's performance. In addition, the Board of Directors and executive management team use adjusted EBITDA as performance measures under the company's annual incentive plans.

Although Koppers believes that these non-GAAP financial measures enhance investors' understanding of its business and performance, these non-GAAP financial measures should not be considered an alternative to GAAP basis financial measures and should be read in conjunction with the relevant GAAP financial measure. Other companies in a similar industry may define or calculate these measures differently than the company, limiting their usefulness as comparative measures. Because of these limitations, these non-GAAP financial measures should not be considered in isolation from, or as substitutes for performance measures calculated in accordance with GAAP.

Koppers does not provide reconciliations of guidance for adjusted EBITDA and adjusted EPS to comparable GAAP measures, in reliance on the unreasonable efforts exception. Koppers is unable, without unreasonable efforts, to forecast certain items required to develop meaningful comparable GAAP financial measures. These items include restructuring, impairment, non-cash LIFO charges, acquisition-related costs, and non-cash mark-to-market commodity hedging that are difficult to predict in advance in order to include in a GAAP estimate and may be significant.

References to historical EBITDA herein means adjusted EBITDA, for which the company has provided calculations and reconciliations in the Appendix.

Unaudited Segment Information

| (Dollars in millions) | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|-----------------------------|----------|---------------------------|----------|
| | 2020 | 2019 | 2020 | 2019 |
| | (Preliminary) | | (Preliminary) | |
| Net sales: | | | | |
| Railroad and Utility Products and Services | \$ 209.9 | \$ 199.1 | \$ 399.9 | \$ 365.2 |
| Performance Chemicals | 137.1 | 120.8 | 248.5 | 219.8 |
| Carbon Materials and Chemicals | 89.6 | 123.9 | 190.1 | 235.7 |
| Total | \$ 436.6 | \$ 443.8 | \$ 838.5 | \$ 820.7 |
| Operating profit (loss): | | | | |
| Railroad and Utility Products and Services | \$ 16.2 | \$ 11.8 | \$ 25.4 | \$ 20.5 |
| Performance Chemicals | 32.6 | 14.0 | 36.7 | 26.8 |
| Carbon Materials and Chemicals | 1.5 | 13.0 | 2.2 | 16.2 |
| Corporate Unallocated | (0.6) | (0.7) | (1.0) | (1.1) |
| Total | \$ 49.7 | \$ 38.1 | \$ 63.3 | \$ 62.4 |
| Operating profit margin: | | | | |
| Railroad and Utility Products and Services | 7.7% | 5.9% | 6.4% | 5.6% |
| Performance Chemicals | 23.8% | 11.6% | 14.8% | 12.2% |
| Carbon Materials and Chemicals | 1.7% | 10.5% | 1.2% | 6.9% |
| Total | 11.4% | 8.6% | 7.5% | 7.6% |
| Depreciation and amortization: | | | | |
| Railroad and Utility Products and Services | \$ 5.0 | \$ 4.8 | \$ 9.9 | \$ 9.6 |
| Performance Chemicals | 4.4 | 4.6 | 8.9 | 9.5 |
| Carbon Materials and Chemicals | 3.9 | 3.1 | 8.0 | 7.0 |
| Total | \$ 13.3 | \$ 12.5 | \$ 26.8 | \$ 26.1 |
| Adjusted EBITDA⁽¹⁾: | | | | |
| Railroad and Utility Products and Services | \$ 23.2 | \$ 18.9 | \$ 36.6 | \$ 33.2 |
| Performance Chemicals | 29.2 | 21.0 | 46.2 | 36.4 |
| Carbon Materials and Chemicals | 7.1 | 23.7 | 14.1 | 35.2 |
| Corporate Unallocated | 0.1 | (0.4) | 0.3 | (0.7) |
| Total | \$ 59.6 | \$ 63.2 | \$ 97.2 | \$ 104.1 |
| Adjusted EBITDA margin⁽²⁾: | | | | |
| Railroad and Utility Products and Services | 11.1% | 9.5% | 9.2% | 9.1% |
| Performance Chemicals | 21.3% | 17.4% | 18.6% | 16.6% |
| Carbon Materials and Chemicals | 7.9% | 19.1% | 7.4% | 14.9% |
| Total | 13.7% | 14.2% | 11.6% | 12.7% |

(1) The tables below describe the adjustments to EBITDA for the three and six months ended June 30, 2020 and 2019, respectively.

(2) Adjusted EBITDA as a percentage of GAAP sales.

Unaudited Reconciliation of Operating Profit to EBITDA and Adjusted EBITDA



(In millions)

| | Three Months Ended June 30, 2020 | | | | | |
|--|----------------------------------|---------|--------|-----------------------|--------------|---------------|
| | RUPS | PC | CMC | Corporate Unallocated | Consolidated | (Preliminary) |
| Operating profit (loss) | \$ 16.2 | \$ 32.6 | \$ 1.5 | \$ (0.6) | \$ 49.7 | |
| Other income (loss) | (0.4) | 0.4 | 0.0 | 0.7 | 0.7 | |
| Depreciation and amortization | 5.0 | 4.4 | 3.9 | 0.0 | 13.3 | |
| Depreciation in impairment and restructuring charges | 0.7 | 0.0 | 0.0 | 0.0 | 0.7 | |
| EBITDA with noncontrolling interest | \$ 21.5 | \$ 37.4 | \$ 5.4 | \$ 0.1 | \$ 64.4 | |
| Unusual items impacting EBITDA: | | | | | | |
| CMC restructuring | 0.0 | 0.0 | 3.3 | 0.0 | 3.3 | |
| Non-cash LIFO benefit | (1.8) | 0.0 | (1.6) | 0.0 | (3.4) | |
| RUPS treating plant closures | 3.5 | 0.0 | 0.0 | 0.0 | 3.5 | |
| Mark-to-market commodity hedging | 0.0 | (8.2) | 0.0 | 0.0 | (8.2) | |
| Adjusted EBITDA | \$ 23.2 | \$ 29.2 | \$ 7.1 | \$ 0.1 | \$ 59.6 | |

(In millions)

| | Three Months Ended June 30, 2019 | | | | | |
|--|----------------------------------|---------|---------|-----------------------|--------------|--|
| | RUPS | PC | CMC | Corporate Unallocated | Consolidated | |
| Operating profit (loss) | \$ 11.8 | \$ 14.0 | \$ 13.0 | \$ (0.7) | \$ 38.1 | |
| Other income (loss) | (0.3) | 0.5 | (0.5) | 0.3 | 0.0 | |
| Depreciation and amortization | 4.8 | 4.6 | 3.1 | 0.0 | 12.5 | |
| Depreciation in impairment and restructuring charges | 0.0 | 0.0 | 0.9 | 0.0 | 0.9 | |
| EBITDA with noncontrolling interest | \$ 16.3 | \$ 19.1 | \$ 16.5 | \$ (0.4) | \$ 51.5 | |
| Unusual items impacting EBITDA: | | | | | | |
| CMC restructuring | 0.0 | 0.0 | 6.9 | 0.0 | 6.9 | |
| Non-cash LIFO expense | 2.4 | 0.0 | 0.3 | 0.0 | 2.7 | |
| RUPS treating plant closures | 0.2 | 0.0 | 0.0 | 0.0 | 0.2 | |
| Mark-to-market commodity hedging | 0.0 | 1.9 | 0.0 | 0.0 | 1.9 | |
| Adjusted EBITDA | \$ 18.9 | \$ 21.0 | \$ 23.7 | \$ (0.4) | \$ 63.2 | |

Unaudited Reconciliation of Operating Profit to EBITDA And Adjusted EBITDA



(In millions)

| | Six Months Ended June 30, 2020 | | | | | |
|--|--------------------------------|---------|---------|-----------------------|--------------|---------------|
| | RUPS | PC | CMC | Corporate Unallocated | Consolidated | (Preliminary) |
| Operating profit (loss) | \$ 25.4 | \$ 36.7 | \$ 2.2 | \$ (1.0) | \$ 63.3 | |
| Other income (loss) | (0.7) | 0.9 | (0.4) | 1.3 | 1.1 | |
| Depreciation and amortization | 9.9 | 8.9 | 8.0 | 0.0 | 26.8 | |
| Depreciation in impairment and restructuring charges | 0.7 | 0.0 | 0.0 | 0.0 | 0.7 | |
| EBITDA with noncontrolling interest | \$ 35.3 | \$ 46.5 | \$ 9.8 | \$ 0.3 | \$ 91.9 | |
| Unusual items impacting EBITDA: | | | | | | |
| CMC restructuring | 0.0 | 0.0 | 6.0 | 0.0 | 6.0 | |
| Non-cash LIFO benefit | (2.3) | 0.0 | (1.7) | 0.0 | (4.0) | |
| RUPS treating plant closures | 3.6 | 0.0 | 0.0 | 0.0 | 3.6 | |
| Mark-to-market commodity hedging | 0.0 | (0.3) | 0.0 | 0.0 | (0.3) | |
| Adjusted EBITDA | \$ 36.6 | \$ 46.2 | \$ 14.1 | \$ 0.3 | \$ 97.2 | |

(In millions)

| | Six Months Ended June 30, 2019 | | | | | |
|--|--------------------------------|---------|---------|-----------------------|--------------|--|
| | RUPS | PC | CMC | Corporate Unallocated | Consolidated | |
| Operating profit (loss) | \$ 20.5 | \$ 26.8 | \$ 16.2 | \$ (1.1) | \$ 62.4 | |
| Other income (loss) | (0.5) | 1.3 | (0.8) | 0.4 | 0.4 | |
| Depreciation and amortization | 9.6 | 9.5 | 7.0 | 0.0 | 26.1 | |
| Depreciation in impairment and restructuring charges | 0.0 | 0.0 | 1.2 | 0.0 | 1.2 | |
| EBITDA with noncontrolling interest | \$ 29.6 | \$ 37.6 | \$ 23.6 | \$ (0.7) | \$ 90.1 | |
| Unusual items impacting EBITDA: | | | | | | |
| CMC restructuring | 0.0 | 0.0 | 11.3 | 0.0 | 11.3 | |
| Non-cash LIFO expense | 3.4 | 0.0 | 0.3 | 0.0 | 3.7 | |
| RUPS treating plant closures | 0.2 | 0.0 | 0.0 | 0.0 | 0.2 | |
| Mark-to-market commodity hedging | 0.0 | (1.2) | 0.0 | 0.0 | (1.2) | |
| Adjusted EBITDA | \$ 33.2 | \$ 36.4 | \$ 35.2 | \$ (0.7) | \$ 104.1 | |

Unaudited Reconciliation of Net Income to EBITDA And Adjusted EBITDA



| | (In millions) | | | |
|--|-----------------------------|---------|---------------------------|----------|
| | Three Months Ended June 30, | | Six Months Ended June 30, | |
| | 2020 (Preliminary) | 2019 | 2020 (Preliminary) | 2019 |
| Net income | \$ 29.4 | \$ 14.4 | \$ 26.9 | \$ 26.8 |
| Interest expense | 12.8 | 15.7 | 26.8 | 32.0 |
| Depreciation and amortization | 13.3 | 12.5 | 26.8 | 26.1 |
| Depreciation in impairment and restructuring charges | 0.7 | 0.9 | 0.7 | 1.2 |
| Income taxes | 8.0 | 8.0 | 6.2 | 6.8 |
| Income (loss) from discontinued operations | 0.0 | (0.1) | 4.4 | (2.8) |
| EBITDA with noncontrolling interests | 64.2 | 51.4 | 91.8 | 90.1 |
| Unusual items impacting EBITDA | | | | |
| Impairment, restructuring and plant closure costs | 7.0 | 7.1 | 9.7 | 11.5 |
| Non-cash LIFO (benefit) expense | (3.4) | 2.7 | (4.0) | 3.7 |
| Mark-to-market commodity hedging | (8.2) | 2.0 | (0.3) | (1.2) |
| Total adjustments | (4.6) | 11.8 | 5.4 | 14.0 |
| Adjusted EBITDA | \$ 59.6 | \$ 63.2 | \$ 97.2 | \$ 104.1 |

Unaudited Reconciliation of Net Income Attributable To Koppers & Adjusted Net Income



| | (In millions) | | | |
|--|-----------------------------|---------|---------------------------|---------|
| | Three Months Ended June 30, | | Six Months Ended June 30, | |
| | 2020 | 2019 | 2020 | 2019 |
| | (Preliminary) | | (Preliminary) | |
| Net income attributable to Koppers | \$ 29.2 | \$ 14.7 | \$ 27.8 | \$ 26.2 |
| Unusual items impacting net income | | | | |
| Impairment, restructuring and plant closure costs | 8.0 | 8.5 | 11.4 | 14.4 |
| Non-cash LIFO (benefit) expense | (3.4) | 2.6 | (4.1) | 3.7 |
| Mark-to-market commodity hedging | (8.3) | 1.9 | (0.3) | (1.3) |
| Total adjustments | (3.7) | 13.0 | 7.0 | 16.8 |
| Adjustments to income tax and noncontrolling interests | | | | |
| Income tax on adjustments to pre-tax income | 0.9 | (3.2) | (1.7) | (5.5) |
| Noncontrolling interest | 0.3 | (0.3) | (0.8) | 0.7 |
| Effect on adjusted net income | (2.5) | 9.5 | 4.5 | 12.0 |
| Adjusted net income including discontinued operations | 26.7 | 24.2 | 32.3 | 38.2 |
| Income (loss) from discontinued operations | 0.0 | (0.1) | 4.4 | (2.8) |
| Adjusted net income attributable to Koppers | \$ 26.7 | \$ 24.1 | \$ 36.7 | \$ 35.4 |

Unaudited Reconciliation of Diluted EPS and Adjusted EPS



(In millions except share amounts)

| | <i>Three Months Ended June 30,</i> | | <i>Six Months Ended June 30,</i> | |
|--|------------------------------------|-------------|----------------------------------|-------------|
| | <i>2020</i> | <i>2019</i> | <i>2020</i> | <i>2019</i> |
| | <i>(Preliminary)</i> | | <i>(Preliminary)</i> | |
| Net income attributable to Koppers | \$ 29.2 | \$ 14.7 | \$ 27.8 | \$ 26.2 |
| Adjusted net income attributable to Koppers | \$ 26.7 | \$ 24.1 | \$ 36.7 | \$ 35.4 |
| Denominator for diluted earnings per share (in thousands) | 21,068 | 21,044 | 21,084 | 20,949 |
| Earnings per share: | | | | |
| Diluted earnings per share | \$ 1.39 | \$ 0.70 | \$ 1.32 | \$ 1.25 |
| Adjusted earnings per share | \$ 1.27 | \$ 1.14 | \$ 1.74 | \$ 1.69 |

Unaudited Reconciliation of Total Debt to Net Debt and Net Leverage Ratio



| | (In millions) | | | | | |
|--------------------|-----------------------------------|-------------------|----------------------|-----------------------|---------------------|-------------------|
| | June 30, 2020 (Preliminary) | March 31, 2020 | December 31, 2019 | September 30, 2019 | Twelve months ended | |
| | | | | | June 30, 2019 | March 31, 2019 |
| Total Debt | \$ 907.1 | \$ 953.2 | \$ 901.2 | \$ 959.1 | \$ 1,001.0 | \$ 1,002.7 |
| Less: Cash | 33.0 | 54.2 | 32.3 | 30.8 | 38.1 | 32.7 |
| Net Debt | \$ 874.1 | \$ 899.0 | \$ 868.9 | \$ 928.3 | \$ 962.9 | \$ 970.0 |
| Adjusted EBITDA | \$ 194.2 | \$ 197.9 | \$ 201.1 | \$ 206.6 | \$ 203.4 | \$ 191.5 |
| Net Leverage Ratio | 4.5 | 4.5 | 4.3 | 4.5 | 4.7 | 5.1 |

Unaudited Reconciliation of Net Income to EBITDA and Adjusted EBITDA on LTM Basis



(In millions)

| | | | | | Twelve months ended | |
|---|-----------------------------------|-------------------|----------------------|-----------------------|---------------------|-------------------|
| | June 30, 2020 (Preliminary) | March 31, 2020 | December 31, 2019 | September 30, 2019 | June 30, 2019 | March 31, 2019 |
| Net income | \$ 67.4 | \$ 52.4 | \$ 67.4 | \$ 44.8 | \$ 31.4 | \$ 18.0 |
| Interest expense | 56.6 | 59.8 | 61.9 | 63.4 | 62.2 | 60.2 |
| Depreciation and amortization | 54.9 | 54.3 | 54.6 | 53.5 | 52.0 | 52.6 |
| Income tax provision | (0.6) | (0.6) | 0.0 | 11.9 | 17.7 | 15.5 |
| Discontinued operations, net of tax | 3.6 | 3.4 | (3.7) | (5.7) | (1.4) | (3.4) |
| EBITDA | 181.9 | 169.3 | 180.2 | 167.9 | 161.9 | 142.9 |
| Unusual items impacting net income: | | | | | | |
| Impairment, restructuring and plant closure | 18.5 | 18.8 | 20.4 | 26.1 | 27.2 | 23.5 |
| Non-cash LIFO (benefit) expense | (3.1) | 2.8 | 4.5 | 11.2 | 11.6 | 12.0 |
| Mark-to-market commodity hedging | (3.1) | 7.0 | (4.0) | 1.3 | 1.1 | 0.3 |
| Acquisition and exit activity related costs | 0.0 | 0.0 | 0.0 | 0.1 | 1.6 | 12.8 |
| Adjusted EBITDA with noncontrolling interests | \$ 194.2 | \$ 197.9 | \$ 201.1 | \$ 206.6 | \$ 203.4 | \$ 191.5 |

Unaudited Reconciliation of Net Income to EBITDA and Adjusted EBITDA on LTM Basis



| | Twelve months ended June 30, 2020 | | | | |
|---|-----------------------------------|----------|----------|-----------------------|--------------|
| | RUPS | PC | CMC | Corporate Unallocated | Consolidated |
| Net income | \$ 38.0 | \$ 47.7 | \$ 26.8 | \$ (45.1) | \$ 67.4 |
| Interest expense including refinancing | 0.0 | 0.0 | 0.1 | 56.5 | 56.6 |
| Depreciation and amortization | 19.8 | 17.6 | 16.4 | 1.1 | 54.9 |
| Income tax provision | 2.0 | 16.1 | (6.0) | (12.7) | (0.6) |
| (Income) loss from discontinued operations | - | - | 3.6 | - | 3.6 |
| EBITDA | 59.8 | 81.4 | 40.9 | (0.2) | 181.9 |
| Unusual items impacting net income: | | | | | |
| Impairment, restructuring and plant closure | 3.9 | - | 14.6 | - | 18.5 |
| Non-cash LIFO expense (benefit) | - | - | (3.1) | - | (3.1) |
| Mark-to-market commodity hedging | - | (3.1) | - | - | (3.1) |
| Acquisition and exit activity related costs | - | - | - | - | - |
| Adjusted EBITDA with noncontrolling interests | \$ 63.7 | \$ 78.3 | \$ 52.4 | \$ (0.2) | \$ 194.2 |
| Sales | \$ 768.2 | \$ 477.0 | \$ 461.4 | | \$ 1,706.6 |
| Adjusted EBITDA Margin | 8.3% | 16.4% | 11.4% | | 11.4% |



Koppers Holdings Inc.

436 Seventh Avenue
Pittsburgh, PA 15219-1800

Koppers is an integrated global provider of treated wood products, wood treatment chemicals and carbon compounds for the railroad, specialty chemical, utility, residential lumber, agriculture, aluminum, steel, rubber, and construction industries. Headquartered in Pittsburgh, Pennsylvania, we serve our customers through a comprehensive global manufacturing and distribution network, with facilities located in North America, South America, Australasia, China and Europe.

Stock Exchange Listing

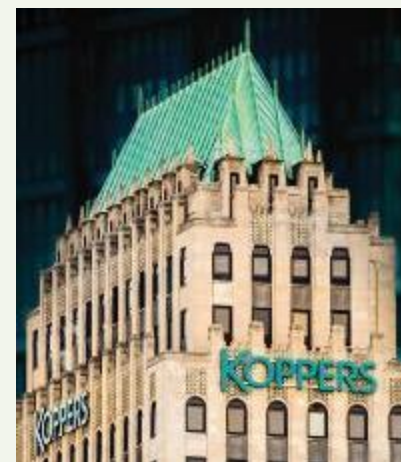
NYSE: KOP

Investor Relations and Media Information

Ms. Quynh McGuire
Vice President, Investor Relations
412 227 2049
McGuireQT@koppers.com



Koppers is a member of the
American Chemistry Council.



KOPPERS World Headquarters
Pittsburgh, Pennsylvania, USA



INNOVATION + TECHNOLOGY SUSTAINABILITY
GLOBAL INFRASTRUCTURE GROWTH-FOCUSED
RESEARCH EXPERTISE EMPLOYEE ENGAGEMENT
PRODUCT PORTFOLIO INCLUSION + DIVERSITY
VERTICAL INTEGRATION COMMUNITY IMPACT
PROFITABILITY ENVIRONMENTAL STEWARDSHIP