UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31 , 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ___________________ to ___________________

1-13948
(Commission file number)

MATIV HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**62-1612879**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
100 Kimball Pl, Suite 600 **Alpharetta, Georgia**	**30009**
(Address of principal executive offices)	(Zip Code)

1- 770 - 569-4229
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, $0.10 par value	MATV	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes x No o
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes o No x
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o
Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No o
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer x	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No x

The aggregate market value of the outstanding common stock, par value $0.10 per share (the "Common Stock"), of the registrant held by non-affiliates as of June 30, 2023 (the last business day of the registrant's most recently completed second fiscal quarter) was $ 815.6 million, based on the last sale price for the Common Stock of $15.12 per share as reported on the New York Stock Exchange on said date. For purposes of the foregoing sentence only, all directors and executive officers are assumed to be affiliates.

There were 54,300,112 shares of Common Stock issued and outstanding as of February 26, 2024.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement relating to its 2023 Annual Meeting of Stockholders scheduled to be held on April 24, 2024 (the "2024 Proxy Statement") and filed pursuant to Regulation 14A are incorporated by reference into Part III of this Annual Report on Form 10-K.

MATIV HOLDINGS, INC.

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PART I.

Item 1. *Business*

Disclosure Regarding Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Actual results, performance or achievements could differ materially from those projected in the forward-looking statements as a result of a number of risks, uncertainties, and other factors. For a discussion of important factors that could cause our results, performance, or achievements to differ materially from any future results, performance, or achievements expressed or implied by our forward-looking statements, refer to Part I, Item 1A “Risk Factors” and Part I, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” below. Unless the context indicates otherwise, references to “Mativ,” the “Company,” “we,” “us,” “our,” or similar terms include Mativ Holdings, Inc. and our consolidated subsidiaries.

GENERAL

Background

Mativ Holdings, Inc. is a global leader in manufacturing specialty materials, making impacts on the world every day through a wide range of critical components and engineered solutions that solve our customers’ most complex challenges. Mativ manufactures globally through our family of business-to-business and consumer product brands. Mativ targets premium applications across diversified and growing end-markets, from filtration to healthcare to sustainable packaging and more. Our broad portfolio of technologies combines polymers, fibers, and resins to optimize the performance of our customers’ products across multiple stages of the value chain.

Mativ was incorporated in Delaware in 1995 as a wholly-owned subsidiary of Kimberly-Clark Corporation ("Kimberly-Clark"). On November 30, 1995, Kimberly-Clark transferred its tobacco-related paper and other paper products businesses conducted in the United States, France and Canada to the Company and distributed all of the outstanding shares of common stock of the Company to its stockholders (the "spin-off"). As a result, the Company became an independent public company. Over time, the Company diversified its portfolio through innovation efforts and a number of acquisitions to broaden its exposure to adjacent categories, such as filtration, specialty films, tapes, and healthcare.

On July 6, 2022, Schweitzer-Mauduit International, Inc. ("SWM") completed the merger transaction involving Neenah, Inc. ("Neenah"). A wholly-owned subsidiary of SWM merged with and into Neenah (the "Merger"), with Neenah surviving the Merger as a direct and wholly-owned subsidiary of SWM. Effective as of the closing date of the Merger, SWM changed its name to Mativ Holdings, Inc..

On August 1, 2023, the Company entered into a final, binding and irrevocable offer letter (the “Offer Letter”) with Evergreen Hill Enterprise Pte. Ltd., an affiliate of PT Bukit Muria Jaya (“Evergreen Hill Enterprise”) pursuant to which Evergreen Hill Enterprise made a binding offer (the “Offer”) to acquire the Company’s Engineered Papers business ("EP business") for $620.0 million in cash, subject to customary closing date adjustments (the “EP Divestiture”). Pursuant to the terms of the Offer Letter, following the conclusion of the required employee consultation process with its French works councils (the "French Consultation Process"), the Company accepted Evergreen Hill Enterprise's Offer and countersigned the Purchase Agreement, dated as of August 1, 2023 (the "Purchase Agreement"), with respect to the EP Divestiture on October 4, 2023. On November 30, 2023, the Company completed the sale of its EP business. With the sale of the EP business, Mativ ceased participating in tobacco-based products markets.

Effective with the Offer, the EP business is presented as a discontinued operation for all periods presented. Current and non-current assets and liabilities of the EP business are classified as held for sale, and certain prior period amounts have been retrospectively revised to reflect these changes. The consolidated financial statements and the notes thereto, unless otherwise indicated, are on a continuing operations basis. Refer to Note 9. Discontinued Operations of the Notes to Consolidated Financial Statements for more information on the discontinued operation and transaction.

Mativ and its subsidiaries manufacture on three continents, conduct business in over 100 countries and operate 40 production locations worldwide, with offices and facilities in the United States, United Kingdom, China, Germany, France, Belgium, Poland, India, Canada, Spain, Italy, Mexico, Netherlands, Malaysia, and Luxembourg.

Our principal executive office is located at 100 Kimball Place, Suite 600, Alpharetta, Georgia 30009 and our telephone number is (770) 569-4229. Our stock is traded on the New York Stock Exchange ("NYSE") under the symbol "MATV."

Strategic Overview

Mativ is focused on becoming the global leader in specialty materials, driving growth by engineering unique, innovative solutions to solve complex customer challenges. The Company participates in a number of growing end-markets and has a strong reputation in the categories and geographies in which it competes, often occupying a leading position in those spaces. The common strengths that fuel the Company’s competitive advantage are centered on five key attributes: (1) customer collaboration—enduring track record of serving our industry-leading customers as a trusted partner around the world (2) design and material science know-how—uniquely combining inputs to develop and innovate valued solutions for demanding applications (3) product and technology portfolio—deep expertise to combine unique capabilities to deliver premium functionality and quality (4) global manufacturing and supply chain—highly responsive, agile, and flexible to reliably serve customers everywhere (5) people and values—a distinct and engaging environment with industry-leading experts and experienced leaders focused on driving long-term value.

Mativ participates in a number of key growing product categories, such as filtration, specialty tapes, release liners, specialty films, and premium packaging, with strong trends supporting the positive outlook of our business, such as the need for clean air and water, personal health and wellness, performance coating solutions, and sustainable alternatives. The Company’s growth ambition centers on leveraging its competitive advantages to capture growth in these categories while extending participation in attractive product segments, geographies, and value-chain positions to fuel customer success. We focus our resources and deploy our capital in a disciplined manner to enhance our competitive position, adding key technologies, broadening capabilities, and creating innovative products that help support our ability to win in the marketplace. Combined with a relentless pursuit of commercial excellence, deep-rooted bias for continuous improvement, on-going efforts to streamline costs, and an agile approach to execution, we feel we have a comprehensive strategy that will create long-term, sustainable value for our customers, employees, and shareholders.

AVAILABLE INFORMATION

Our filings with the Securities and Exchange Commission ("SEC"), which filings include this Annual Report on Form 10-K, Proxy Statements, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all related amendments, are available, free of charge, on the SEC's website at *www.sec.gov* and on the Investor Relations section of our website at *www.mativ.com*. Information from our website is not incorporated by reference into this Annual Report on Form 10-K. These reports are available soon after they are filed electronically with, or furnished to, the SEC. The website allows access to historical financial information, press releases and quarterly earnings conference calls, our Code of Conduct, by-laws, corporate governance guidelines, Board of Directors committee charters, as well as disclosure of any amendment to or waivers of our Code of Conduct granted to any of the principal executive officer, principal financial officer or principal accounting officer. The website provides additional background information about us including information on our history, products and locations. Requests for information, requests to contact our audit committee chairman, non-executive chair or the independent directors as a group, or requests to report concerns about accounting or other issues can be made in writing and sent to the Investor Relations Department at our principal executive office address listed above.

Our quarterly earnings conference calls are typically held the morning after our quarterly earnings releases and are available through our website via a webcast. The tentative dates for our quarterly earnings conference calls related to 2024 financial results are May 9, 2024, August 8, 2024, November 7, 2024, and February 20, 2025. These dates are subject to change. Instructions on how to listen to the webcasts and updated information on times and actual dates are available through our website at *www.mativ.com*.

DESCRIPTION OF BUSINESS

Segment Financial Information. Prior to the completion of the Merger and the EP Divestiture, we operated in two reportable segments: Advanced Materials & Structures and Engineered Papers. Effective with the Merger, the Company reassessed its reportable segments and concluded that it had two operating segments that are also the reportable segments for financial reporting purposes: Advanced Technical Materials ("ATM") and Fiber-Based Solutions ("FBS"). ATM was comprised of the legacy SWM Advanced Materials & Structures segment and certain legacy Neenah segments allocated to ATM. FBS was comprised of the legacy SWM Engineered Papers segment and the legacy Neenah Fine Paper and Packaging segment. As such, there were no changes to the historical results of these segments. For both ATM and FBS, the segments were allocated based on performance, market focus, technologies, and reporting structure. Effective July 1, 2023, and as a result of our ongoing integration efforts, we identified a change in our operating segments to align with our end markets due to changes in segment level management and the related internal review of operating results.

Following the change in operating segments, in July 2023, the ATM reportable segment remained an aggregation of the Company's Industrials, Protective solutions, Filtration, Healthcare, and Release liners operating segments. ATM's end markets provided solutions that filter and purify air and liquids, supported adhesive and protective applications, advanced healing and wellness, and solved some of material science's most demanding performance needs across a number of categories. The FBS reportable segment leveraged the Company's extensive natural fiber capabilities to provide specialty solutions for various end-uses, including sustainable packaging, imaging and communications, home and office, consumer goods, and other applications. As a result of the EP Divestiture, the EP business is presented as a discontinued operation and no longer reported in the FBS reportable segment. The FBS segment is now comprised of packaging and specialty papers end markets and prior year results have been recast to reflect such adjustments.

As part of a realignment, starting with the first fiscal quarter of 2024, we will reorganize into two new segments: (1) Filtration and Advanced Materials focused primarily on filtration and protective solutions end markets, and (2) Sustainable & Adhesive Solutions, focused primarily on release liner, industrials, healthcare, and packaging and specialty papers end markets. The presentation of the ATM and FBS segments in this report is purely as a reference for context in the discussion of the Company's results for the fiscal year ended December 31, 2023. Refer to Note 22. Subsequent Event, of the Notes to Consolidated Financial Statements for further detail on the Company's new segments for fiscal 2024.

Additional information regarding "Segment Performance" is included in Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations". Selected financial data for our segments is available in Note 21. Segment Information of the Notes to Consolidated Financial Statements and a discussion regarding the risks associated with foreign operations is available in Part I, Item 1A. "Risk Factors".

Financial information about foreign and domestic operations, contained under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 herein and in Notes 13, 14, 17 and 21 ("Restructuring and Other Impairment Activities," "Debt," "Income Taxes," and "Segment Information," respectively) of the Notes to Consolidated Financial Statements contained in "Financial Statements and Supplementary Data" in Part II, Item 8 herein, is incorporated by reference in this Item 1.

Advanced Technical Materials

Products. We manufacture and sell a variety of highly engineered polymer, resin and fiber-based substrates, nets, films, adhesive tapes, and other nonwovens. These performance materials are often used in growing applications serving the filtration, protective solutions, release liners, and healthcare end-markets. Our manufacturing process consists of taking basic inputs, such as fibers and chemicals, to create highly engineered media, such as nonwovens, films, specialty paper, and advanced netting. We then further process our media through coating, saturating, adhesive application, and advanced converting manufacturing processes to impart specific product attributes that are valued by our customers, enhancing Mativ's value proposition as a solutions provider. With the growth of our ATM segment, our technical expertise around the production, coating, and converting of polymer and resin-based materials is increasing. We believe we have industry-leading innovation capabilities and an expanding product portfolio which we expect to support growth through collaborative product development opportunities with our customers.

Applications and Categories. The following are more detailed descriptions of our key products and applications:

Filtration: We produce highly engineered media and components aiding in the separation and purification of air and liquids for a variety of applications. Our primary products include fiber and polymer based nonwoven media and extruded filter elements that are sold to filter manufacturers who, in turn, incorporate our media in the final filter assembly. Primary filtration applications for our media include:

- water – reverse osmosis and waste water treatment
- transportation – air intake, oil, fuel, and cabin air
- process – fluid purification for industrial manufacturing
- air – HVAC, air purification, and vapor permeation

Protective solutions: We manufacture our thermoplastic polyurethane films to have combinations of the following attributes: UV and scratch resistance, durability, and ultra-clarity. The ability to demonstrate these rare combinations make them ideally suited for demanding protective solutions, such as automotive paint protection films, which are typically installed in the after-market. Other key applications include ballistic-resistant and security reinforced glass used in various transportation modes (e.g., auto, aero, and train), electronics and specialty cameras (e.g., back-up cameras in vehicles), and other applications in the industrial (e.g., emerging "smartglass" products) and healthcare (e.g., diagnostic testing strips) end-markets.

Release liners: We manufacture protective substrates that aid in the separation of a product from an adhesive for a diverse set of end-use applications. Leveraging our advanced coating capabilities, these protective substrates are typically produced by applying a specialty silicone coating to various base medias (primarily paper), then sold to customers who integrate them into a final end-product solution. The key to these products is the ability to develop release characteristics that interface with a variety of adhesives, enabling separation ("peeling away") without damage to the main product. Primary categories include personal care and hygiene, labels, specialty tapes, graphic arts, industrial specialties, composites, and other uses.

Healthcare: We are a turn-key provider with a broad portfolio of capabilities to support medical device manufacturing and support for a variety of health and wellness solutions. Using our advanced films, adhesive coating, and converting operations, our products are used in such demanding applications as wound care (both advanced technologies used in hospital settings and consumer products found in retail), medical device fixation, and consumer wellness (e.g., topical skin care and health & beauty applications).

Industrials: We leverage a diverse array of production techniques (e.g., resin extrusion, precision coating, and saturation) to manufacture specialty products, such as extruded nets, apertured films, specialty papers, and adhesive media/tapes, which serve specialty segments of large, global categories. A majority of these products are highly customized for specific, demanding applications in areas such as construction, automotive, home improvement, sporting goods, and agriculture. Some examples of our diverse product catalog include consumer-oriented specialty tapes, tape and abrasive backings, performance labels, cable wraps, support structures, and netting products for construction and packaging.

Markets and Customers. The ATM segment supplies customers serving the filtration, protective solutions, release liners, healthcare, and industrials end-markets. Generally, the applications and customers the ATM segment serves are in growing end-markets, and as a percentage of total ATM segment net sales in 2023 were as follows: industrials – 33%, filtration – 25%, healthcare – 16%, protective solutions – 16%, and release liners – 10%. These products are highly engineered and often customized. In some cases, we are the sole supplier of certain products to our top customers, though no customer represents more than 10% of our consolidated net sales. Our products are generally used in markets that are directly affected by economic business cycles. Certain market segments, such as filtration, protective solutions, release liners, and healthcare are considered to be more resilient to economic downturns than more macro-correlated end-markets like those within industrials. Most products are performance-based and require extended qualification by customers; however, certain categories may also be subject to price competition and the substitution of lower cost substrates for some less demanding applications.

Sales and Distribution. ATM products are primarily sold by the marketing, sales and customer service organizations of our ATM operations as a component part directly to system integrators and downstream manufacturers, given the customized nature of many of our products. However, in some geographic regions, we use sales agents and distributors to assist us in the sales process. We typically deliver our products to customers by truck, rail and ocean-going vessels.

Competition. Our ATM products are typically leaders in their respective categories and compete against specialty products made by competitors such as Shaoxing Naite Plastics Co. Ltd., 3M Company, Covestro AG, ORAFOL Europe GmbH, Hollingsworth and Vose Company, Advanced Medical Solutions Group plc, Avery Dennison, Ahlstrom Holding 3 Oy, Mondi plc, Loparex LLC, Monadnock Paper Mills, Inc., and Potsdam Specialty Paper, Inc. We believe our ATM products compete primarily on product features, innovations and customer service across the end-markets we serve, particularly in healthcare, transportation, filtration, and release liners. Of the end-markets we serve, industrials is generally more price competitive due to a higher portion of products we sell in this end-market with generally lower technical requirements.

Fiber-Based Solutions

Overview. Our FBS segment primarily produces packaging and specialty paper products, using mainly natural and sustainable fibers. We produce a wide range of substrates at various thicknesses and with various attributes to meet the needs of our customers. Some examples of these value-added attributes include printability, color, texture, specialty finish, and recycled content. While certain categories within this segment are mature, our products are aligned with trends towards sustainable alternatives, and we continue to evolve our business through innovation to diversify end-markets and enhance growth. Our manufacturing capabilities are flexible and nimble to service very specialized products at various order quantities efficiently, and our products are sold globally, though most prevalent in North America.

Applications*:* We are a leading supplier of premium packaging, printing, and other high-end specialty papers, predominantly in North America. We participate in premium pockets of our categories with a wide portfolio of products and specialty manufacturing that is not easily replicated by commodity paper producers. Our premium packaging products are used for wine, spirits and beer labels, folding cartons, box wrap, bags, hang tags, and stored value cards servicing high-end retail, cosmetics, spirits, and electronics end-use markets. These papers are characterized by finishing, colors, textures and distinctive coating, which are valued by customers and incorporated into their branding and image. Our premium papers are primarily used in high-end commercial printing services, advertising collateral, stationery, corporate identity packages and brochures, direct mail, business cards, and a variety of other uses where colors, texture, coating, unique finishes, or heavier weight papers are desired. We also produce a variety of branded paper-based products for the consumer channel, such as bright papers, cardstock, stationery paper, envelopes, journals, and planners.

Markets and Customers. Our FBS segment is generally more mature given its exposures to commercial print which has historically demonstrated secular volume declines. FBS continues to reposition itself by leveraging its unique manufacturing capabilities and product innovation to diversify its end-markets and enhance growth, particularly by expanding in sustainable alternatives and premium packaging. Our packaging and specialty papers business serves a variety of end-use customers, primarily by selling to converters and printers who are producing products to meet the needs of designers, brand owners, and other end-users. We also sell direct to consumers through major retail channels.

Sales and Distribution. In packaging and specialty papers, we primarily use our internal sales, marketing, and customer service organization to sell our products in a variety of channels including authorized paper distributors, converters, major national retailers, specialty business converters, and direct to end-users. We typically deliver our products to customers by truck, rail and ocean-going vessels.

Competition. Our packaging and specialty papers is a leading supplier of premium printing and other high-end specialty papers and packaging applications in North America, competing primarily in North America with Mohawk Fine Papers, Inc. and Monadnock Paper Mills, Inc. in specialty papers and with a highly fragmented competitor group in packaging. We believe the primary basis of competition for premium fine papers are product quality, customer service, product availability, promotional support, color and texture variety, and brand recognition. The specialized nature of our papers requires extensive know-how, specialized manufacturing capabilities, high service and operational excellence, all of which limits the ability of more commodity-oriented producers from competing in our categories.

Seasonality. Generally, sales of our products are subject to seasonal fluctuations due to periodic machine downtime and typically lower order volumes in the fourth quarter. Quarterly sales fluctuations can also be influenced by inventory building and/or destocking by our customers.

Raw Materials and Energy

We use a variety of resins, polymers, and synthetic fibers in our ATM products. We source a variety of commodity-grade resins, including polypropylene and polyethylene, as well as more specialized materials such as thermoplastic polyurethane. Resin prices can fluctuate significantly and can impact profitability. Commodity grade resin prices can sometimes correlate with crude oil prices while specialty resin prices often do not. We also source synthetic fibers (distinct from the natural fibers used in our FBS segment), such as polyester, and specialty pulps, such as mercerized pulp.

We have multiple sources for most of our raw material needs. For more commoditized inputs, the loss of a single supplier would not likely have a material adverse effect on our ability to procure needed raw materials from other suppliers. However, some of our specialty inputs are supplied by fewer manufacturers and our results could be more materially affected by the loss or disruption of supply of certain specialty resins or synthetic fibers from those producers.

Wood pulp is the primary fiber used in our FBS segment. While FBS uses a variety of specialty chemicals used in paper making, we believe that purchased raw materials are generally available from multiple sources and would only create temporary disruptions as we secured supply from other sources.

Paper production uses significant amounts of energy, primarily electricity and natural gas. We believe that energy supply is generally reliable throughout our manufacturing footprint, although prices can fluctuate significantly based on demand. We enter into agreements to procure a portion of our energy requirements for future periods to reduce the uncertainty of future energy costs.

The majority of our energy requirements relate to natural gas and electricity in the U.S., and Europe. We consider these to be a relatively stable energy sources historically; however, the recent geopolitical events in various geographies in Europe and Asia have resulted in volatile energy prices in Europe as well as temporary concerns about supply of energy sources, in the region. Currently, while energy prices in Europe remain elevated versus historical levels, supplies appear to be stable.

Additional information regarding agreements for the supply of certain raw materials and energy is included in Note 20. Commitments and Contingencies, of the Notes to Consolidated Financial Statements.

Research and Development

As of December 31, 2023, we employ approximately 170 research and development employees in research and laboratory facilities in the United States, China, France, Germany, Mexico, the Netherlands, Spain and the United Kingdom. We are dedicated to developing product innovations and improvements to meet the needs of individual customers. We believe our research and product development capabilities have played an important role in establishing our reputation for high quality, superior products in both our ATM and FBS segments. Within ATM, we have a history of finding innovative design solutions, including developing products that improve the performance of customers' products and manufacturing operations. We believe our commitment to research and development, coupled with our investment in new technology and equipment, has positioned us to take advantage of growth opportunities in many places around the world. Within FBS, our research and development has enabled us to establish and sustain leading shares in premium specialty papers while accelerating growth in the packaging space.

Intellectual Property

Patents, trade secrets and trademarks are an important part of Mativ’s intellectual property. Mativ’s products are sold around the world under various trademarks. Many of the processes used to make Mativ's products are kept as trade secrets. Mativ owns, or holds licenses to use, numerous U.S. and foreign patents. Mativ’s research and development activities generate a steady stream of inventions that are covered by new patents or trade secrets. In general, no single patent or group of related patents is material to the conduct of Mativ’s business as a whole or to any of Mativ’s business segments. At December 31, 2023, Mativ owned about 755 patents and patent applications globally.

Human Capital

As of December 31, 2023, we had approximately 5,400 full-time employees, of whom approximately 3,150 employees were located in North America, 1,950 employees were located in Europe, and 300 employees were located in Asia Pacific.

The Company’s ambition is to be the global leader in specialty materials, solving complex challenges for our customers, creating value for our shareholders, and offering meaningful professional opportunities for our global employees.

Mativ’s talent strategy aligns closely with our core values – Prioritize Safety, Be Curious, Have a Voice, Win with Customers, Make It Happen – and focuses the organization on its goal of accelerating employee growth by fostering a culture of possibility and cultivating the right people in the right roles with the right skills at the right time. We are doing this by continually evolving how we attract, engage, grow, and reward our people.

Safety

The safety and well-being of our employees is very important to us. We strive to reflect this core value in everything we do and are committed to continuous improvement in all aspects of our safety programs. We continue to optimize our robust safety systems, enhance our operator training programs, and implement proactive risk identification and risk reduction strategies.

Each of our facilities maintains safety management systems designed to continuously review and improve employee safety and regulatory compliance. This includes periodic workplace safety audits, employee participation in safety meetings and training, and active safety committees. Additionally, employees are encouraged to identify and report workplace conditions that could lead to an injury.

Training and Development

Mativ launched MyPath, a platform that supports setting objectives, creating a culture of ongoing feedback, differentiating and rewarding individual performance, and creating global learning and development opportunities for our employees.

Diversity, Equity and Inclusion: We aim to be an employer of choice. To do that, we are committed to fostering diversity, equity and inclusion (DEI) within our corporate culture and functions. To us, DEI means that all employees have an opportunity to thrive at Mativ. We believe this is more than just a program or policy. We are focused on maintaining an environment of trust and belonging where employees can be their authentic selves. Our intent is that this journey will help employees understand that our differences make us stronger. Mativ is committed to building and fostering a culture where differences are honored, opportunities are available for all and employees can feel valued, empowered, and respected for who they are. As such, we have developed key areas of focus for our DEI efforts including Employee Lifecycle, Education and Internal Community and Allyship. Our goal is to ensure that DEI is weaved in all aspects of the employee lifecycle which includes Attract, Engage, Grow, Reward with on-going partnership with our leaders.

Mativ is an Equal Employment Opportunity employer committed to providing equal opportunity in all of our employment practices, including selection, hiring, assignment, reassignment, promotion, transfer, compensation, discipline, and termination. Mativ prohibits discrimination, harassment, and retaliation in employment based on race; color; religion; genetic information; national origin; sex; sexual orientation; gender identity; pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; service member status; or any other category protected by federal, state or local law.

Government Regulation

We are required to comply with numerous regulations that are normal and customary to businesses in the regions, industries, and markets in which we operate. These regulations include, but are not limited to, tax, employment, privacy, imports/exports, healthcare, environmental protection, antitrust, anti-corruption, marketing, fraud and abuse, product safety and efficacy, and other areas.

Our facilities are subject to significant federal, state, local and foreign environmental protection laws with respect to air, water and emissions, as well as the disposal of solid waste. We believe we are operating in compliance with these laws and regularly incur capital and operating expenditures to achieve future compliance. Although we are not aware of any environmental conditions at any of our facilities that could have a material adverse effect on our financial condition, results of operations and cash flows, we own facilities that have been operated over the course of many decades. Should the Company make material changes in the operations at a facility, it is possible such changes could generate environmental obligations that might require remediation or other action, the nature, extent and cost of which are not presently known. We may also face higher disposal and clean-up costs to replace equipment or facilities containing materials that were compliant when installed but are now considered contaminants. Additionally, as we sell closed or other facilities or materially alter operations at a facility, we may be required to perform additional environmental evaluations that could identify items that might require remediation or other action, the nature, extent and cost of which are not presently known. We may also incur environmental liabilities in connection with assets or businesses we may purchase in the future.

The Company is subject to laws concerning our business operations and marketing activities in foreign countries where we conduct business. For example, the Company is subject to the U.S. Foreign Corrupt Practices Act, U.S. export control and trade sanction laws, and similar anti-corruption and international trade laws in certain foreign countries, such as the U.K. Bribery Act. Aspects of the Company’s operations and businesses are also subject to privacy, data security, and data protection regulations, which impact the way we use and handle data and operate our products and services.

The Company is not aware of any regulatory compliance matters that are expected to have a material adverse effect on the Company's business, competitive position, financial position, results of operations, capital expenditures or cash flows.

Environmental, Social and Governance

Building long-term value for our customers, employees and stockholders includes a focus on ensuring the long-term sustainability of our business, good corporate citizenship, and contributing to our communities. Corporate responsibility has long been part of the Mativ corporate mission and is one of our core values.

Our manufacturing facilities and corporate office have a longstanding tradition of community engagement and reducing our impact on the environment. We maintain our Supplier Code of Conduct, Human Rights Policy, Transparency in Supply Chains Statements and our Sustainable Forestry Policy to further align with our sustainability goals. Additional information can be found in the Ethics section at *www.mativ.com*.

Some of our key environmental and community initiatives are highlighted below:

Environmental Initiatives

- Filtration Products that Benefit Society: Mativ produces a diverse portfolio of products that make water and air cleaner and safer. Our HVAC air filtration media can reach removal efficiencies as high as 99.9% while our ASD netting can provide up to a 20% decrease in pressure drop during Reverse Osmosis filtration, decreasing energy costs and allowing customers to provide energy efficient water filtration solutions.
- Partnership with Planet Water Foundation: Mativ partners with Planet Water Foundation to support global efforts to improve access to clean, safe water. In 2023, through our support, the Foundation installed two AquaTower water systems in India, in the state of Tamil Nadu and two AquaTower water systems in Querétaro state in Mexico. Hygiene education programs were also deployed at the AquaTower project schools, reaching 2,600 students. Mativ also deployed an emergency AquaBlock water filtration system in Turkey in Hatay Province after the Kahramanmaras earthquake in February 2023. The five filtration systems are providing clean, safe drinking water for up to 17,200 people each day. Since our partnership with Planet Water Foundation began, Mativ has enabled access to fresh drinking water for up to 33,000 people.
- FSC® Certification: All unprocessed pulp is sourced exclusively from suppliers maintaining FSC and/or PEFC Chain of Custody certification and/or has achieved FSC Mix, FSC Recycled, or FSC Controlled Wood certification. The packaging we use for our own business purposes (as opposed to the packaging we sell), and the wood pallets that we use, are not necessarily certified or derived from certified suppliers, as we often purchase from small suppliers for whom certification is cost-prohibitive.
- Environmental Certification and Energy Efficiency: 11 Mativ locations are certified to ISO 14001 for environmental management systems and four locations are certified to the ISO 50001 energy management standard.
- Recycling: Our facilities recycled more than 13,500 metric tons of waste in 2023. When possible, materials are reintroduced into the manufacturing process to produce new products.

Community Initiatives

- In addition to investing in communities where our facilities are located by providing jobs and sourcing products, we support efforts to make our communities stronger through financial donations and volunteer participation. Most of our philanthropic efforts are locally directed, empowering our employees to contribute their time and expertise to organizations that matter to them and serve the unique needs of their communities. We donate to nonprofit or community organizations that support the communities where our plants are located.

We continue to look for ways to enhance the sustainability of our business and make a positive impact on the communities in which we live and serve.

Governance

Mativ believes good corporate governance supports long-term value creation for our stockholders. The Governance section of the Investors section of our website at *www.mativ.com* includes our Code of Conduct, by-laws, corporate governance guidelines, Board of Directors committee charters, as well as disclosure of any amendment to or waivers of our Code of Conduct granted to any of the principal executive officer, principal financial officer or principal accounting officer. Information from our website is not incorporated by reference into this Annual Report on Form 10-K. Additional information about Mativ's governance can also be found in our proxy statement.

Working Capital

We normally maintain approximately 50 to 90 days of inventories to support our operations. Our sales terms average between 15 and 60 days for payment by our customers, dependent upon the products and market segment served. With respect to our accounts payable, we typically carry approximately 15 to 40 days outstanding, in accordance with our purchasing terms, which vary by business location. The accounts payable balance varies in relation to changes in our manufacturing operations, particularly due to changes in prices of wood pulp, resins and purchased energy and the level and timing of capital expenditures related to projects in progress.

Executive Officers of the Registrant

The names and ages of our executive officers as of February 29, 2024, together with certain biographical information, are as follows:

Name	Age	Position
Julie Schertell	55	President and Chief Executive Officer
Greg Weitzel	52	Chief Financial Officer
Mark Johnson	47	Chief Legal and Administrative Officer
Mike Rickheim	49	Chief Human Resources and Communications Officer
Ryan Elwart	50	Group President, Sustainable & Adhesive Solutions
Christoph Stenzel	54	Group President, Filtration and Advanced Materials
Andrew Downard	49	Chief Supply Chain Officer

There are no family relationships between any of the directors or any of our executive officers. None of our officers were selected pursuant to any arrangement or understanding between the officer and any person other than the Company. Our executive officers serve at the discretion of the Board of Directors and are elected annually by the Board.

Julie Schertell was appointed President and Chief Executive Officer effective the date of the Merger and also serves as a director. She served in the same role at Neenah since May 2020. Prior to becoming President and Chief Executive Officer of Neenah, Ms. Schertell served as Senior Vice President, Chief Operating Officer since January 2020. Ms. Schertell joined Neenah in 2008 and served as Vice President of Sales and Marketing for the Fine Paper division through December 2010, as Senior Vice President and President, Fine Paper and Packaging through September 2018, and as Senior Vice President and President, Technical Products through December 2019. Ms. Schertell was previously employed by Georgia-Pacific in the Consumer Products Retail division, where she served as Vice President of Sales Strategy from 2007 through 2008, and as Vice President of Customer Solutions from 2003 through 2007.

Greg Weitzel was appointed Chief Financial Officer effective April 2, 2023. Prior to becoming Chief Financial Officer Mr. Weitzel served as Vice President, Financial Planning and Analysis of the Company since the closing of the Merger on July 6, 2022. Mr. Weitzel had previously served in the same role with Neenah since 2018. Prior to joining Neenah, Mr. Weitzel served in prior leadership roles within Finance and Supply Chain for Georgia Pacific over a span of nearly 20 years.

Mark Johnson was appointed Chief Legal and Administrative Officer of the Company effective September 1, 2023. Prior to joining the Company, Mr. Johnson served as executive vice president, chief legal officer, and corporate secretary for Kimball International, Inc. Mr. Johnson also served as president of Kimball International's Hospitality business unit and led Kimball International’s environmental, social, and governance ("ESG") activities, which he now leads at the Company. He had prior leadership roles at Newell Brands and was a commercial litigation associate for McGuire Woods, LLP.

Mike Rickheim was appointed Chief Human Resources and Communications Officer effective the date of the Merger. Mr. Rickheim served in the same role at Neenah since April 2020. Prior to joining Neenah, Mr. Rickheim served as the Chief Human Resources Officer for Newell Brands, Inc., where he held various roles of increasing responsibility related to HR business partnership, talent acquisition, talent development, employee engagement, inclusion & diversity and communications.

Ryan Elwart was appointed Mativ's Group President of Sustainable and Adhesive Solutions Group in January 2024. Mr. Elwart joined Mativ from Georgia-Pacific, where he most recently served as the Chief Customer Officer for the GP Consumer Products Group from April 2020 to January 2024, and as SVP, Global Sales from September 2014 to April 2020. As Chief Customer Officer, he led a combined sales and commercial capability organization for the consumer business, including retail and B2B sales, eCommerce, training, customer planning, category management, and sales strategy for the company’s retail and commercial segments. Prior to Georgia Pacific, Mr. Elwart also held multiple sales positions at PepsiCo and Hormel Foods.

Christoph Stenzel was appointed Mativ’s Group President of Filtration and Advanced Materials in January 2024. Previously, Mr. Stenzel spent more than 20 years at Neenah serving in multiple directional and leadership roles. During his tenure, Mr. Stenzel has served in various global sales and marketing roles primarily with the Filtration business. He most recently served as Vice President of Global Filtration and General Manager for Neenah Gessner GmbH. Mr. Stenzel started his professional career at Henkel and Sihl before joining FiberMark-Gessner as an R&D manager for Masking Tape in 1998.

Andrew Downard was appointed Mativ's Chief Supply Chain Officer in January 2024. Mr. Downard has successfully led Mativ’s global supply chain team since September 2022. Prior to joining Mativ, he served as the Senior Vice President of Supply Chain, Operations, and Analytics for Apex Tool Group from August 2017 to August 2022. Other past roles have focused on improving operational execution for well-known consumer, industrial, and service brands. Mr. Downard's experience includes being a supply chain research director with Gartner, as well as leadership positions with consumer products, food manufacturing, healthcare, medical services, chemical manufacturing, and aerospace manufacturing companies.

Item 1A. ***Risk Factors***

Factors That May Affect Future Results

Many risk factors both within and outside of our control could have an adverse impact on our business, financial condition, results of operations and cash flows and on the market price of our common stock. While not an exhaustive list, the following important risk factors could affect our future results, including our actual results for 2023 and thereafter and could also cause our actual results to differ materially from those expressed in any forward-looking statements we have made or may make.

Risk Factors Summary

Material risks that may affect our business, operating results and financial condition include, but are not necessarily limited to, those relating to:

- Our technological advantages are unlikely to continue indefinitely;
- Policing our intellectual property and patent rights is costly and may be unsuccessful;
- International geopolitical and other risks associated with our sales and operations outside of the United States, due to political unrest, terrorist acts, and national and international disputes, including Russia's invasion of Ukraine and the conflict between Israel and Hamas;
- Failure to comply with the U.S. Foreign Corrupt Practices Act ("FCPA") and other anti-corruption laws or trade control laws, as well as other laws governing our operations;
- The effect of foreign currency exchange rates;
- We could be subject to changes in our tax rates, the adoption of new U.S., or foreign tax legislation or exposure to additional tax liabilities;
- Competition from several established competitors and limited market transparency;
- The availability of credit and changes in interest rates;
- Our failure to comply with the covenants contained in our credit agreements and other debt instruments could result in an event of default that could cause acceleration of our indebtedness;
- Future dividends on our common stock may be restricted or eliminated;
- Risks related to our internal and external expansion plans and asset dispositions;
- The substantial costs related to the integration of Neenah;
- Our failure to realize some or all of the anticipated benefits of the Merger;
- Our failure to recognize the strategic benefits of the EP Divestiture;
- A loss of customers, distributors, suppliers, vendors, landlords, joint venture partners and other business partners as a result of the Merger;
- Our future results may suffer if we do not effectively manage our expanded operations;
- We may not successfully integrate acquisitions into Mativ's operations;
- Our restructuring activities are time-consuming and expensive;
- The cost and availability of raw materials and energy;
- A failure of, or a security breach in, a key information technology system could compromise our information and expose us to liability;
- We rely on a limited number of key employees;
- We face various risks related to public health emergencies and similar health-related outbreaks such as the COVID-19 pandemic;
- Our business is subject to various environmental laws, regulations and related litigation that could impose substantial costs or other liabilities on us;
- Environmental, social and governance ("ESG") issues may have an adverse effect on our business, financial condition and results of operations, the desirability of our stock, and may damage our reputation;
- Increases in costs of pension benefits may reduce our profitability;
- We are subject to various legal actions and other claims;
- Any loss or interruption of the operations of our facilities;
- Fluctuations in construction and infrastructure spending; and

- We have historically experienced significant cost savings and productivity benefits relating to our ongoing operational excellence program which we may not be able to achieve in the future.

Our technological advantages are unlikely to continue indefinitely.

We consider our intellectual property and patents to be a material asset. We have been at the forefront of developing new products and technology within our industries and have patented many of our innovations. This has enhanced our ability to sell products and to provide added functionality and other value to the products we sell allowing them to command higher margins. This advantage has also enabled us to license certain of our patents and know-how to, and earn royalty income from, third parties. Ultimately, our various patents will expire and some may be held invalid in certain jurisdictions before their expiration dates. In addition to protecting certain of our technological advantages through patenting, we also protect a significant amount of our technological advantages as trade secrets, especially with regard to our ATM segment. As we expand our operations to more locations and countries, the risk of the loss of proprietary trade secrets will increase, and any significant loss would result in the loss of the competitive advantages provided by such trade secrets. While we cannot predict the impact or the timing of these trends and eventualities, they likely will reduce our sales and margins from the levels that we otherwise would have achieved.

Effectively policing our domestic and international intellectual property and patent rights is costly and may not be successful.

Our portfolio of granted patents varies by country, which could have an impact on any competitive advantage provided by patents in individual countries. We cannot guarantee that any U.S. or foreign patent, issued or pending, will provide us with any continued competitive advantage.

We rely on patent, trademark, and other intellectual property laws of the U.S. and other countries to protect our intellectual property rights. However, we cannot guarantee that one or more of our patents will not be challenged by third parties and/or ultimately held invalid by courts or patent agencies of competent jurisdiction.

Further, there can be no assurances that we will be able, or that it will be economic for us, to prevent third parties from using our intellectual property or infringing our patents without our authorization, which may reduce any competitive advantage we have developed. In the event that we need to enforce certain of our patents against infringement through judicial or administrative actions, the litigation to protect these rights is often costly and time consuming and diverts management resources; moreover, there can be no assurance that our efforts to protect our intellectual property will be successful, or that a defendant will not assert counterclaims against us or challenges to other intellectual property we may own.

Some of our patents have been the subject of opposition hearings. Like the actions we undertake to enforce our IP rights, oppositions filed against us in respect of our intellectual property are expensive and divert management time and resources.

Even when the Company is initially successful, there can be no assurance that the counterparty will not appeal, or that the appeal will not be successful. Even when successful at the appeal level, there can be no assurance that a patent will not be later successfully challenged in individual national court jurisdictions.

We do not believe that any of our products infringe the valid intellectual property rights of third parties. However, we may be unaware of intellectual property rights of others that may cover some of our products or services or a court or other governmental body may come to a different conclusion from ours. In that event, we may be subject to significant claims for damages or disruptions to our operations.

Because of the geographic diversity of our business, we are subject to a range of international risks.

Our operations are located in many countries around the world and operate, to a degree, in a decentralized manner. There are inherent control and fraud risks in such a structure. Moreover, we have manufacturing facilities in twelve countries and sell products in over 100 countries, many of which are emerging and undeveloped markets.

As a result, our manufacturing operations, sales and results, depending on their location, are subject to various international business risks, including, but not limited to, the following:

- Foreign countries can impose significant import, export, excise and income tax and other regulatory restrictions on our business, including limitations on repatriation of profits and proceeds of liquidated assets. While we attempt to manage our operations and international movements of cash from and amongst our foreign subsidiaries in a tax-efficient manner, unanticipated international movement of funds due to unexpected changes in our business or changes in tax and associated regulatory schemes could materially affect our financial position, results of operations and cash flows.
- We are exposed to global as well as regional macroeconomic and microeconomic factors, which can affect demand and pricing for our products, including unsettled political and economic conditions; expropriation; import and export tariffs; regulatory controls and restrictions; and inflationary and deflationary economies. Events occurring in countries having a large share of the global economy (such as China, Japan, or the EU) can have an impact on economies that are interdependent and thereby affect those in which the Company primarily operates. These factors together with risks inherent in international operations, including risks associated with any non-compliance with anti-corruption and anti-bribery laws, could adversely affect our financial condition, results of operations and cash flows.
- We have one manufacturing facility in China. Operations in China entail a number of risks including international and domestic political risks, the need to obtain operating and other permits from the government, adverse changes in the policies or in our relations with government-owned or run customers and the uncertainty inherent in operating within an evolving legal and economic system.
- Changes or increases in international trade sanctions or quotas may restrict or prohibit us from transacting business with established customers or securing new ones, including as to Russia and Ukraine, as to which the applicable sanctions have changed unexpectedly on a number of occasions since 2014.

Changes in the laws and regulations described above, adverse interpretations or applications of such laws and regulations, and the outcome of various court and regulatory proceedings, including in Europe and Brazil, could adversely impact the Company's business in a variety of ways, including increasing expenses, increasing liabilities, decreasing sales, limiting its ability to repatriate funds and generally conduct business, all of which could adversely affect our financial condition, results of operations and cash flows.

We are subject to the U.S. Foreign Corrupt Practices Act and other anti-corruption laws or trade control laws, as well as other laws governing our operations. If we fail to comply with these laws, we could be subject to civil or criminal penalties, other remedial measures, and legal expenses, which could adversely affect our business, financial condition and results of operations.

We are subject to anti-corruption laws, including the FCPA, and other anti-corruption laws that apply in countries where we do business. The FCPA, the U.K. Bribery Act of 2010 and other similar laws generally prohibit us, our employees, consultants and agents from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We operate in a number of jurisdictions that pose a high risk of potential FCPA violations, and we participate in joint ventures and relationships with third parties whose actions could potentially subject us to liability under the FCPA or local anti-corruption laws. In addition, we cannot predict the nature, scope or effect of future regulatory requirements to which our international operations might be subject or the manner in which existing laws might be administered or interpreted.

We are also subject to other laws and regulations governing our international operations, including regulations administered by the U.S. Department of Commerce's Bureau of Industry and Security, the U.S. Department of Treasury's Office of Foreign Asset Control, and various non-U.S. government entities, including applicable export control regulations, economic sanctions on countries and persons, customs requirements, currency exchange regulations and transfer pricing regulations, or collectively, Trade Control laws. There is no assurance that we will be completely effective in ensuring our compliance with all applicable anti-corruption laws, including the FCPA or other legal requirements, including Trade Control laws. If we are not in compliance with such laws or requirements, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of the FCPA, other anti-corruption laws or Trade Control laws by U.S. or foreign authorities could also have an adverse impact on our reputation, business, financial condition and results of operations.

Fluctuations in foreign currency exchange rates could adversely impact our financial condition, results of operations and cash flows.

A significant portion of our revenues are generated from operations outside the U.S. In addition, we maintain significant operations and acquire or manufacture many of our products outside the U.S. The functional currency of our international subsidiaries is generally the local currency in which each subsidiary operates. In particular, a large portion of our commercial business is denominated in euros and British Pounds. Since our consolidated financial statements are presented in U.S. dollars, we must translate revenues, expenses, assets and liabilities from functional currencies into U.S. dollars. As a result, our future revenues, costs, results of operations and earnings could be significantly affected by changes in foreign currency exchange rates, especially the euro to U.S. dollar exchange rate and the British pounds to U.S. dollar exchange rate.

In addition, some of our sale and purchase transactions are denominated in a currency other than the local currency of our operations. As a result, changes in exchange rates between the currencies in which the transaction is denominated versus the local currency of our operations into which the transaction is being recorded can impact the amount of local currency recorded for such transaction. This can result in more or less local currency revenue or cost related to such transaction and thus have an effect on our operating profit. We also hold a significant amount of our cash balances in euros and British pounds, thus any weakening of these currencies versus the U.S. dollar would reduce the amount of U.S. dollars for which such balances could be exchanged.

Changes in foreign currency exchange rates also impact the amount reported in Other income (expense), net. For instance, when a non-local currency receivable or payable is not settled in the period in which it is incurred, we are required to record a gain or loss, as applicable, to reflect the impact of any change in the exchange rate as of the end of the period. We also have to reflect the translation rate impact on the carrying value of our foreign assets and liabilities as of the end of each period, which is recorded as unrealized translation adjustment in Other comprehensive income (loss).

We utilize a variety of practices to manage this risk, including operating and financing activities and, where considered appropriate, derivative instruments. All derivative instruments we use are either exchange traded or entered into with major financial institutions in order to reduce credit risk and risk of nonperformance by third parties. Counterparty risk cannot be eliminated and there can be no assurance that our efforts will be successful. We generally hedge foreign currency transaction risk through the use of derivative instruments, including forward and swap contracts and, to a lesser extent, option contracts. The use of derivative instruments is intended to mitigate or reduce transactional level volatility in the results of foreign operations but does not completely eliminate volatility. If our future revenues, costs and results of operations are significantly affected by economic conditions abroad and/or we are unable to effectively hedge these risks, they could materially adversely affect our financial condition, results of operations and cash flows.

The Company could be subject to changes in its tax rates, the adoption of new U.S., or foreign tax legislation or exposure to additional tax liabilities.

The Company is subject to taxes in the U.S. and in foreign jurisdictions where a number of the Company's subsidiaries are organized. The Company's future effective tax rate could be affected by changes in the mix of earnings in countries with differing statutory tax rates or future changes in tax laws or new interpretations of existing tax laws. Recent developments, such as the European Commission's investigations on illegal state aid, individual European countries implementation of Anti-Tax Avoidance Directives, continued regulatory development of the Tax Cuts and Jobs Act of 2017, and the Organization for Economic Cooperation and Development projects on base erosion and profit shifting may result in changes to long-standing tax principles or new challenges to our cross-border arrangements, which could materially affect our effective tax rate or could require potential restructuring of the foreign subsidiaries. If the Company's effective tax rates were to increase, or if any ultimate determination of the Company's taxes owed is for an amount in excess of amounts previously accrued, the Company's operating results, cash flows, and financial condition could be adversely affected.

In particular, the Organization for Economic Cooperation and Development ("OECD") has reached agreement on an approach to establish a minimum global tax, set at 15%, for large multi-national enterprises, such as the Company. The OECD has recommended that certain aspects of this approach, referred to as "Pillar Two", be made effective beginning in 2024, and many jurisdictions, including most European Member States, have already legislated Pillar Two into their statutory law and others are in the process of doing so. The Company expects that Pillar Two will introduce new challenges with respect to compliance with Pillar Two reporting requirements. Therefore, the Company continues to monitor for updates as countries within its global footprint announce Pillar Two legislation and related guidance.

If the Company's effective tax rates were to increase, or if any ultimate determination of the Company's taxes owed is for an amount in excess of amounts previously accrued, the Company's operating results, cash flows, and financial condition could be adversely affected.

We face competition from several established competitors and we have limited market transparency.

Our ATM segment products compete to some degree against specialty products made by competitors such as Shaoxing Naite Plastics Co. Ltd., 3M Company, Covestro AG, ORAFOL Europe GmbH, Hollingsworth and Vose Company, Advanced Medical Solutions Group plc, Avery Dennison, Ahlstrom Holding 3 Oy, Mondi plc, Loparex LLC, Monadnock Paper Mills, Inc., and Potsdam Specialty Paper, Inc. We believe our ATM products compete primarily on product features, innovations and customer service. Some of these competitors are larger than we are and have more resources, thus the actions of these competitors could have an impact on the results of our ATM segment operations.

We are starting to see increased competition for some of our ATM products from companies in China, which, we believe, may have lower operating costs than us, resulting in a potential price advantage for such companies. As a result of these competitive advantages, our competitors and potential competitors may be able to respond more quickly to market forces, take advantage of acquisitions or other opportunities more readily, undertake more extensive marketing campaigns for their brands, products and services, more successfully utilize developing technology, including data analytics, artificial intelligence, and machine learning, and make more attractive offers to our existing and potential customers.

We are dependent upon the availability of credit, and changes in interest rates can impact our business.

We supplement operating cash flow with bank borrowings under a secured credit agreement with a syndicate of banks. Borrowings under this agreement will mature in 2027 and 2028. To date, we have been able to access credit when needed and on commercially reasonable terms. However, deterioration of credit markets, including an economic crisis in the U.S. or elsewhere, whether or not caused by the U.S. or European debt ceiling, deficits and budget issues, could have an adverse impact on our ability to negotiate new credit facilities or access or renew our existing one. Constraints on the availability of credit, or the unavailability of credit at reasonable interest rates, would negatively impact our business, including potentially impairing our ability to declare dividends, conduct share buy-backs and make acquisitions.

Our secured credit facility contains certain financial covenants. In the event of material unforeseen events that impact our financial performance, particularly during a time when we have material amounts of debt, a situation could arise where we are unable to fully draw from our existing credit facility notwithstanding that there is otherwise available capacity.

Our credit facilities are secured by substantially all of the personal property of the Company and its domestic subsidiaries. In the event of a default on these agreements, substantially all of the assets of the Company could be subject to foreclosure or liquidation by the secured creditors.

We may utilize a combination of variable and fixed-rate debt consisting of short-term and long-term instruments. We selectively hedge our exposure to interest rate increases on our variable rate long-term debt when we believe that it is practical to do so. We have utilized various forms of interest rate hedge agreements, including interest rate swap agreements, forward rate agreements and cross currency swaps. There are inherent risks associated with interest rate hedges, including those associated with the movement of interest rates, counterparty risk and unexpected need to refinance debt, thus there can be no certainty that our hedging activities will be successful or fully protect us from interest rate exposure. As of December 31, 2023, the percentage of the Company’s fixed and floating interest rate debt was 31.0% and 69.0%, respectively. The Company has entered into a number of interest rate hedge transactions to convert floating rate debt to fixed. Including the impact of these transactions, as of December 31, 2023, the percentage of the Company’s debt subject to fixed and floating rates of interest was 77.0% and 23.0%, respectively.

Our use of interest rate hedge agreements to manage risk associated with interest rate volatility may expose us to additional risks, including the risk that a counterparty to a hedge agreement may fail to honor its obligations. Developing an effective interest rate risk strategy is complex and no strategy can completely insulate us from risks associated with interest rate fluctuations. There can be no assurance that our hedging activities will have the desired beneficial impact on our results of operations or financial condition. Termination of interest rate hedge agreements typically involves costs, such as transaction fees or breakage costs.

Our failure to comply with the covenants contained in our credit agreements and other debt instruments could result in an event of default that could cause acceleration of our indebtedness.

Our failure to comply with the covenants and other requirements contained in our credit agreements or our other debt instruments could cause an event of default under the relevant debt instrument. The occurrence of an event of default could trigger a default under our other debt instruments, prohibit us from accessing additional borrowings and permit the holders of the defaulted debt to declare amounts outstanding with respect to that debt to be immediately due and payable. Our assets or cash flows may not be sufficient to fully repay borrowings under our outstanding debt instruments, and we may be unable to refinance or restructure the payments on indebtedness on favorable terms, or at all.

Future dividends on our common stock may be restricted or eliminated.

Dividends are declared at the discretion of our Board of Directors, and future dividends will depend on our future earnings, cash flow, financial requirements and other factors. Our ability to pay cash dividends on our common stock may be limited under the terms of our credit agreements or other debt instruments. There can be no assurance that we will continue to pay dividends in the future.

Our internal and external expansion plans and asset dispositions entail different and additional risks relative to the rest of our business.

From time to time, we consider acquisitions in connection with our diversification initiatives. This acquisition activity could involve confidential negotiations that are not publicly announced unless and until those negotiations result in a definitive agreement. It is possible that an acquisition could adversely impact our results, credit ratings or the outlook of our business, due to, among other things, integration and employee retention challenges, contrasting company cultures and different information technology and reporting systems. Also, acquisition opportunities are limited and present risks of failing to achieve strategic objectives, smooth integrations or anticipated synergies or returns. There can be no assurance that we will be able to acquire attractive businesses on favorable terms and that we will realize the anticipated benefits or profits through acquisitions or that acquisitions will be accretive to our earnings. Changes in our portfolio of businesses, assets and products, whether through acquisition, disposition or internal growth, present additional risks, including causing us to incur unknown or new types of liabilities, subjecting us to new regulatory frameworks and new market risks, and acquiring operations in new geographic regions with challenging labor, regulatory and tax regimes.

Our ability to dispose of idled assets and the value that may be obtained relative to their book value can result in significant impairment charges. Building a new plant or other facility or relocating, rebuilding or otherwise modifying existing production machinery is a major undertaking and entails a number of risks, including the possibility that the contractors and sub-contractors who are expected to build the facility or rebuild the machine and supply the necessary equipment do not perform as expected, the possibility of cost overruns and delays, or that design defects or omissions cause the facility or machine to perform at less than projected efficiency or at less than projected capacity. In addition, commencement of production at a new site or at a rebuilt or relocated machine is time consuming and requires testing and acceptance by customers and potentially by regulators, of the facility and the products that are produced. Also, while we anticipate sufficient demand for the facility's or machine's output, there can be no assurances that the expected demand will materialize.

We also expect to continue to expend resources to diversify and expand our product portfolio. Research and development and product diversification have inherent risks, including technical success, market acceptance, new regulations and potential liabilities. We cannot guarantee that such efforts will succeed, that we will not incur new or different liabilities or that we will achieve a satisfactory return on such expenditures.

Divestitures or other dispositions could negatively impact our business, and contingent liabilities from businesses that we have sold or will sell could adversely affect our financial statements.

We continually assess the strategic fit of our existing businesses and may divest, spin-off, split-off or otherwise dispose of businesses that are deemed not to fit with our strategic plan or are not achieving the desired return on investment. For example, on November 30, 2023, the Company completed the EP Divestiture. Transactions such as the EP Divestiture pose risks and challenges that could negatively impact our business and financial statements. Furthermore, when we decide to sell assets or a business, we may encounter difficulty in finding buyers or alternative exit strategies on acceptable terms in a timely manner, which could delay the achievement of our strategic objectives. We may also dispose of a business at a price or on terms that are different than current balance sheet values, which could result in significant asset impairment charges, including those related to goodwill and other intangible assets that could have a material adverse effect on our financial condition and results of operations. In addition, we may experience greater dis-synergies than expected, the impact of the divestiture on our revenue may be larger than projected, and some divestitures may be dilutive to earnings. There can be no assurance whether the strategic benefits and expected financial impact of any divestiture, including the EP Divestiture, will be achieved. We cannot assure you that we will be successful in managing these or any other significant risks that we encounter in divesting a business or product line, and any divestiture we undertake could materially and adversely affect our business, financial condition, results of operations and cash flows.

Mativ will likely continue to incur substantial costs related to the Merger integration.

Mativ will likely continue to incur substantial integration costs in connection with the Merger. There are a large number of processes, policies, procedures, operations, technologies and systems that must be integrated in connection with the Merger and the integration of the two companies' businesses, including purchasing, accounting and finance, sales, payroll, pricing and benefits.

While Mativ has assumed that certain expenses would be incurred in connection with the Merger and the integration of the businesses, there are many factors beyond Mativ's control that could affect the total amount or the timing of the integration expenses. Moreover, many of the costs that will be incurred are, by their nature, difficult to estimate accurately. Although Mativ expects that the elimination of duplicative costs and the realization of other economies of scale-related efficiencies related to the integration of the businesses may offset incremental Merger-related and integration costs over time, any net benefit may not be achieved in the near term or at all. These integration costs may result in Mativ taking significant charges against earnings, and the amount and timing of such charges are uncertain at present.

Combining SWM and Neenah may be more difficult, costly or time consuming than expected, and Mativ may fail to realize some or all of the anticipated benefits of the Merger.

The success of the Merger will depend, in part, on the ability to realize the anticipated cost savings, operational synergies and other perceived benefits from combining the businesses of SWM and Neenah. To realize the cost savings, operational synergies and other perceived benefits from the Merger, Mativ must successfully integrate and combine the two businesses in a manner that permits those benefits to be realized. If Mativ is not able to achieve these objectives, the anticipated benefits of the Merger may not be realized fully or at all, or may take longer to realize than expected. For example, the actual cost savings, operational synergies and other perceived benefits of the Merger could be less than anticipated or take longer to realize than anticipated for a variety of reasons, including those set forth in these Risk Factors.

It is possible that the integration process could result in the loss of key employees, the disruption of each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the companies' ability to maintain relationships with employees, customers, suppliers or other business associates and constituencies or to achieve the anticipated benefits and cost savings of the Merger. Integration efforts between the two companies may also divert management attention and resources. These integration matters could have an adverse effect on Mativ during this transition period and for an undetermined period after completion of the Merger on the combined Company.

The Merger may result in a loss of customers, distributors, suppliers, vendors, landlords, joint venture partners and other business partners and may result in the termination of existing contracts.

Due to the Merger, some of the customers, distributors, suppliers, vendors, landlords, and other business partners of Mativ may terminate or scale back their current or prospective business relationships with Mativ. Some customers may not wish to source a larger percentage of their needs from a single company or may feel that Mativ is too closely allied with one of their competitors. If relationships with customers, distributors, suppliers, vendors, landlords, joint venture partners and other business partners are adversely affected by the Merger, Mativ's business and financial performance could suffer.

Mativ's future results may suffer if it does not effectively manage its expanded operations following the Merger.

Following the completion of the Merger, the size of our business increased significantly. Mativ's future success will depend, in part, upon its ability to manage this expanded business, which will pose substantial challenges for management, including challenges related to the management and monitoring of new operations and associated increased costs and complexity. There can be no assurances that Mativ will be successful or that it will realize the expected operating efficiencies, cost savings, revenue enhancements or other benefits currently anticipated from the Merger.

We may not successfully integrate acquisitions into Mativ's operations and we may be unable to achieve anticipated cost savings or other synergies.

The integration of the operations of acquired companies involves a number of risks and presents financial, managerial, reporting, legal and operational challenges. We may have difficulty, and may incur unanticipated expenses related to, integrating information systems, financial reporting activities, employee retention and integrating and retaining management and personnel from acquired companies. Among these risks are potential loss of consumer awareness and demand for the acquired companies' products based on the rebranding of those products under the Company's legacy brand names. Additionally, we may not be able to achieve anticipated cost savings or commercial or growth synergies for a number of reasons, including contractual constraints and obligations or an inability to take advantage of expected commercial opportunities, inability to achieve increased operating efficiencies or commercial expansion of key technologies. Failure to successfully integrate acquired companies into Mativ's operations may have an adverse effect on our business, financial condition, results of operations, and cash flows.

Our restructuring activities are time-consuming and expensive and could significantly disrupt our business.

We have initiated significant restructuring activities in recent years that have become part of an overall effort to improve an imbalance between demand for our products and our production capacity as well as improve our profitability and the quality of our products. Restructuring of our existing operations, or as a result of acquisitions, involves issues that are complex, time-consuming and expensive and could significantly disrupt our business as well as garner review from regulatory authorities which could result in financial impacts to the Company. The challenges involved in executing the actions that are part of our ongoing and, potentially future, restructuring plans include:

- demonstrating to customers that the restructuring activities will not result in adverse changes in service standards or business focus;
- consolidating administrative infrastructure and manufacturing operations while maintaining adequate controls throughout the execution of the restructuring;
- preserving distribution, sales and other important relationships and resolving potential conflicts that may arise;
- estimating, managing and minimizing the cost of the restructuring activities;
- minimizing the diversion of management attention from ongoing business activities;
- maintaining employee morale, retaining key employees, maintaining reasonable collective bargaining agreements and avoiding strikes, work stoppages or other forms of labor unrest while implementing restructuring programs that often include reductions in the workforce;
- securing government approval of such plans, where necessary, and managing the litigation and associated liabilities that often are associated with restructuring actions;
- incurring costs associated with delays in restructuring activities caused by labor negotiations and/or governmental approvals;
- coordinating and combining operations, which may be subject to additional constraints imposed by collective bargaining agreements and local laws and regulations; and
- achieving the anticipated levels of net cost savings and efficiency as a result of the restructuring activities.

Our financial performance can be significantly impacted by the cost and availability of raw materials and energy and we may have limited ability to pass through increases in costs to our customers.

Raw materials are a significant component of the cost of the products that we manufacture. The cost of wood pulp, which is the largest component of the raw materials that we use in our FBS segment, and some resins used by our

ATM segment are highly cyclical and can be more volatile than general consumer or producer inflationary changes in the general economy. Also, in that same time period, the cost of polypropylene has fluctuated significantly based on a number of factors, including changes in global oil markets. As we periodically enter into agreements with customers under which we agree to supply products at fixed prices, unanticipated increases in the costs of raw materials, or the lack of availability of such raw materials (due to force majeure or other reasons), can significantly impact our financial performance. Even where we do not have fixed-price agreements, we may be limited in our ability to pass through increases in raw material costs in a timely manner or may be unable to pass through increases to our customers in whole or in part. Further, some of the resins we use in our ATM segment are only available from a single supplier, or a limited number of suppliers. Consequently, such supplier(s) can control the availability and thus the cost of the resins we use, notwithstanding any changes in the cost of oil. It can be time consuming and costly, and occasionally impractical, to find replacement resins where such suppliers limit the availability or increase the cost of resins we use.

Our manufacturing operations, in particular paper manufacturing, is energy-intensive. In the U.K., the European Union, China and the U.S., availability of energy generally is reliable, although prices can fluctuate significantly based on supply and demand. Western Europe has become significantly dependent on energy supplies from the Commonwealth of Independent States, which in the past has demonstrated a willingness to restrict or cut off supplies of energy to certain customers. The volume of oil or gas flowing through pipeline systems that ultimately connect to Western Europe also has been cut off or restricted in the past, and such actions can adversely impact the supply of energy to Western Europe and, consequently, the cost and availability of electricity to our European operations. Due to the competitive pricing of most of our products, we typically are unable to fully pass through higher energy costs to our customers. Periodically, when we believe it is advantageous to do so, we enter into agreements to procure a portion of our energy for future periods in order to reduce the uncertainty of future energy costs. However, in recent years this has only marginally slowed the increase in energy costs due to the volatile changes in energy prices we have experienced.

A failure of, or a security breach in, a key information technology system or process or other unusual events could compromise our information and expose us to liability, which could adversely affect our business; IT project delays and overruns are possible.

We rely extensively on information technology systems, some of which are managed by third-party service providers, to analyze, process and manage transactions and sensitive data, including intellectual property, our proprietary business information and that of our customers, suppliers and business partners, and personally identifiable information of our employees. The secure processing and maintenance of this information is critical to our operations and business strategy and we rely heavily on the integrity of this data in managing our business. Insider or employee cyber and security threats are increasingly a concern for all companies, including ours. In addition, social engineering and phishing are a particular concern. We are continuously working to install new, and to upgrade our existing, information technology systems and to provide employee awareness training around phishing, malware and other cyber risks to ensure that we are protected, to the greatest extent possible, against cyber risks and security breaches.

Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or be breached due to employee or third-party error, malfeasance or other disruptions. Any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims, proceedings, or regulatory penalties, including penalties under EU privacy laws, and could disrupt our operations. Although we are insured against cyber risks and security breaches up to an annual aggregate limit, our liability insurance may be inadequate and may not fully cover the costs of any claim or any damages we might be required to pay, and we may not be able to obtain adequate liability insurance in the future on commercially desirable or reasonable terms or at all. During the year ended December 31, 2022, the Company became aware of a cyber attack that had been made against certain systems within the Company's network environment. Refer to Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information.

The Company is subject to laws of various countries where it operates or does business related to solicitation, collection, processing, transferring, storing or use of consumer, customer, vendor or employee information or related data, including the GDPR which went into effect in May 2018, the CCPA, which went into effect on January 1, 2020, and various U.S. state level privacy regulations. The changes introduced by these regulations and laws increase the complexity of regulations enacted to protect business and personal data, subject the Company to additional costs and have required, and may in the future require, costly changes to the Company's security systems, policies, procedures and practices.

There are further risks associated with the information systems of companies we acquire, both in terms of systems compatibility, level of security and functionality. It may cost us significant money and resources to address these risks and we may fail to address them successfully, adversely impacting our financial condition, results of operations and cash flows.

From time to time, we undertake significant information technology systems projects, including enterprise resource planning updates, modifications and roll-outs. These projects are subject to cost overruns and delays. Not only could these cost overruns and delays impact our financial statements but a delay in the completion of a needed IT project could adversely impact our ability to run our business and make fully informed decisions.

We rely on a limited number of key employees and our failure to recruit and/or retain senior management and key employees globally could harm our business.

The loss of any of our key employees, including our CEO and her direct reports, could adversely affect our business and thus our financial condition, results of operations and cash flows. Hiring executives with needed skills or the replacement of one or more of our executive officers or other key employees would likely involve significant time and costs and may significantly delay or prevent the achievement of our business objectives. In addition, competition for qualified talent in our industry is intense, particularly in the last several years. The market to build, retain and replace talent has become even more highly competitive, and many of the companies with which we compete for personnel have greater financial and other resources than we do.

Any failure to recruit and/or retain senior management and key employees could harm our business, operating results and financial condition. Additionally, efforts to recruit such employees could be costly and negatively impact our operating expenses. We issue equity awards from employee equity plans as a key component of our overall compensation. We face pressure to limit the use of such equity-based compensation due to dilutive effects on stockholders. If we are unable to offer attractive compensation packages in the future, it could limit our ability to attract and retain key employees.

Public health emergencies or outbreaks of epidemics, pandemics, or contagious diseases such as the COVID-19 pandemic have adversely affected, and could in the future, adversely affect our business and the business of our customers and suppliers.

We are subject to public health emergencies, such as the COVID-19 pandemic, which has had and may continue to have an impact on our business and the business of our customers and suppliers. The response to the COVID-19 pandemic negatively affected the global economy, disrupted global supply chains, and created significant disruption in the markets in which we operate. Uncertainty caused by pandemics, epidemics, or similar public health emergencies or outbreaks could lead to prolonged economic downturns, and negatively impact our partners and the industry in which we operate, in which case our revenues could be significantly impacted. The extent to which COVID-19 or another similar public health crisis impacts our business, results of operations, and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, including a resurgence of COVID-19, new variants, the timing or effectiveness of vaccine roll-outs globally, the timing of easing of preventative or mitigation measures or mandates, the impact of any variants that emerge, or any impact of a global vaccine roll-out on the global economy.

Our business depends upon good relations with our employees. Work stoppages, slowdowns or legal action by our unionized employees may have a material adverse effect on our business, financial condition, results of operations and cash flows.

We employ approximately 5,400 employees, including certain manufacturing employees represented by unions. Although we believe that employee and union relations are generally positive, there is no assurance that this will continue in the future and problems or changes affecting employees in certain locations may affect relations with our employees at other locations. The risk of labor disputes, work stoppages or other disruptions in production could adversely affect us, especially in conjunction with potential restructuring activities. If we cannot successfully negotiate or renegotiate collective bargaining agreements, or if negotiations take an excessive amount of time, there may be a heightened risk of work stoppages and we may be unable to achieve planned operational efficiencies. Work stoppages may be caused by the inability of national unions and the governments of countries in which we operate from reaching agreement and are outside of our control. Any work stoppage or failure to reach agreements with our unions could have a material adverse effect on our customer relations, our productivity, the profitability of a manufacturing facility, our ability to develop new products and on our operations as a whole, resulting in an adverse impact on our business, financial condition, results of operations and cash flows.

Our business is subject to various environmental laws, regulations and related litigation that could impose substantial costs or other liabilities on us.

Our facilities are subject to significant federal, state, local and foreign environmental protection laws with respect to air, water and emissions as well as the disposal of solid waste. We believe that we are operating in substantial compliance with these laws and regularly incur capital and operating expenditures in order to achieve future compliance. However, these laws may change, which could require changes in our practices, additional capital expenditures or loss of carbon credits, and we may discover aspects of our business that are not in compliance. Violation of these laws can result in the imposition of significant fines and remediation costs.

Additionally, in recent years, assessments of the potential impacts of climate change have begun to influence governmental authorities, consumer behavior patterns and the general business environment of the European Union and the United States. The implementation of these policies may require us to invest additional capital in our properties or it may restrict the availability of land we are able to develop. For example, the State of California has adopted new climate change disclosure requirements which mandate public disclosure of certain greenhouse gas emissions data and climate-related financial risk reports. These changes, or other changes in other environmental laws or the interpretation thereof, new enforcement of laws, the identification of new facts or the failure of other parties to perform remediation at our current or former facilities could be costly and lead to new or greater liabilities that could materially adversely affect our business, results of operations, cash flows or financial condition.

Although we are not aware of any environmental conditions at any of our facilities that could have a material adverse effect on our financial condition, results of operations and cash flows, we own facilities that have been operated over the course of many decades. Should the Company make material changes in the operations at a facility it is possible such changes could generate environmental obligations that might require remediation or other action, the nature, extent and cost of which are not presently known. We may also face higher disposal and clean-up costs to replace equipment or facilities containing materials that were compliant when installed but are now considered contaminants. Additionally, as we sell closed or other facilities or materially alter operations at a facility, we may be required to perform additional environmental evaluations that could identify items that might require remediation or other action, the nature, extent and cost of which are not presently known. We may also incur environmental liabilities in connection with assets or businesses we may purchase in the future.

ESG issues may have an adverse effect on our business, financial condition and results of operations, the desirability of our stock, and may damage our reputation.

Companies across all industries are facing increasing scrutiny relating to their ESG policies. If we are unable to meet our ESG goals or evolving investor, industry, or stakeholder expectations and standards, or if we are perceived to have not responded appropriately to the growing concern for ESG issues, customers and consumers may choose to stop purchasing our products or purchase products from another company or a competitor, and our reputation, the desirability of our stock to investors, and our business or financial condition may be adversely affected. Increased focus and activism on ESG topics may hinder our access to capital, as investors may reconsider their capital investment as a result of their assessment of our ESG practices. In particular, these constituencies are increasingly focusing on environmental issues, including climate change, water use, deforestation, waste, and other sustainability concerns. These demands could cause us to incur additional costs or to make changes to our operations to comply with such demands. In addition to environmental issues, these constituencies are also focused on social and other governance issues, including matters such as, but not limited to, human capital and social issues. Any failure to achieve our ESG goals or a perception (whether or not valid) of our failure to act responsibly with respect to the environmental, human capital, or social issues, or to effectively respond to new, or changes in, legal or regulatory requirements concerning environmental or other ESG matters, or increased operating or manufacturing costs due to increased regulation or environmental causes could adversely affect our business and reputation and increase risk of litigation.

Increases in costs of pension benefits may reduce our profitability and could impact our cash reserves.

Our results of operations may be negatively affected by expenses we record for our defined benefit pension plans. Generally accepted accounting principles in the U.S., require that we calculate income or expense for the plans using actuarial valuations. These valuations reflect assumptions about financial markets, longevity of our current and former employees and other economic conditions, which may change based on changes in key economic indicators and mortality tables. We are required to make an annual measurement of plan assets and liabilities, which may result in increased funding obligations or negative changes in our stockholders' equity. At the end of 2023, the combined projected benefit obligation of our pension plans had a net underfunding of $11.8 million. The Company has both funded and unfunded pension plans and we make contributions to our pension trusts (where applicable) based on many factors, including regulatory guidelines, investment returns of the trusts, and availability of cash for pension contributions versus other priorities. For a discussion regarding our pension obligations, refer to Note 18. Postretirement and Other Benefits of the Notes to Consolidated Financial Statements in Part II, Item 8 and "Other Factors Affecting Liquidity and Capital Resources" in Part II, Item 7. Although expense and pension funding contributions are not directly related, key economic factors that affect expense would also likely affect the amount of cash we would contribute to pension plans as required under the Employee Retirement Income Security Act ("ERISA") for U.S. plans. Failure to achieve expected returns on plan assets driven by various factors, which could include a continued environment of low interest rates or sustained market volatility, could also result in an increase to the amount of cash we would be required to contribute to pension plans.

We are subject to various legal actions and other claims.

We regularly are involved in legal actions and other claims arising in the ordinary course of business and otherwise. We are also subject to many laws and regulations around the world. Despite our efforts, we cannot guarantee that we are in compliance with every such law or regulation. Although we do not believe that any of the currently pending actions or claims against us will have a material adverse impact on our financial condition, results of operations and cash flows, we cannot provide any assurances in this regard. Information concerning some of these actions that currently are pending is contained in Note 20. Commitments and Contingencies, of the Notes to Consolidated Financial Statements and in Part I, Item 3, “Legal Proceedings” of this report. We also cannot give any assurances as to any litigation that might be filed against us in the future.

Any loss or interruption of the operations of our facilities may harm our operating performance.

Our revenues depend on the effective operation of our manufacturing facilities. The operation of our facilities involves risks, including the breakdown, failure, or substandard performance of equipment, power outages, the improper installation or operation of equipment, explosions, fires, natural disasters, failure to achieve or maintain safety or quality standards, work stoppages, supply or logistical outages, and the need to comply with environmental and other directives of governmental agencies. Moreover, natural disasters, political crises, public health crises (such as the ongoing COVID-19 pandemic and the measures put in place to reduce its spread) or other unforeseen catastrophic events in any of the countries in which we operate may negatively impact our facilities, our supply chain or customers. If we experience supply disruptions, we may not be able to develop alternate sourcing quickly. Any disruption of our production schedule caused by an unexpected shortage of components, raw materials or parts even for a relatively short period of time could cause us to alter production schedules or suspend production entirely, which would adversely affect our business and results of operations. The occurrence of material operational problems, including, but not limited to, the above events, could cause the loss or interruption of operations for a significant length of time, which could have a material adverse effect on our financial condition, results of operations and cash flows.

In addition, many of our operations require a reliable and abundant supply of water. Production facilities for our segments rely on a local water body or water source for their water needs and, therefore, are particularly sensitive to drought conditions or other natural or man-made interruptions to water supplies. At various times and for differing periods, we have had to modify operations at certain of our mills due to water shortages, water clarity, or low flow conditions in its principal water supplies. Any interruption or curtailment of operations at any of our production facilities due to drought or low flow conditions at the principal water source or another cause could materially and adversely affect our operating results and financial condition.

Fluctuations in construction and infrastructure spending can impact demand for certain of our products.

Demand for certain of our products depends on spending in the construction industry, both residential and non-residential, as well as infrastructure sectors. Spending in those sectors is impacted by numerous circumstances beyond our control including, but not limited to, interest rates, availability of financing, housing inventory, capital spending, corporate investment, local, federal and state regulations, as well as availability and commitment of public funds for municipal spending, capacity utilization and general economic conditions. Decreased spending in any of these sectors could have an adverse impact on our financial condition, results of operations, and cash flows during the duration of their down cycle.

Historically, we have experienced significant cost savings and productivity benefits relating to our ongoing operational excellence program; however, these benefits may not continue indefinitely or at the same levels.

Historically, we have experienced significant cost savings and productivity benefits relating to our ongoing continuous improvement and operational excellence programs. We expect to continue to achieve significant savings and benefits from these efforts; however, we may be unable to continue in the future to obtain savings and benefits in line with historical achievements, and our profitability and financial results could be adversely affected.

Our foreign sales and operations may be adversely affected by supply chain disruptions due to political unrest, terrorist acts, and national and international dispute, including Russia's invasion of Ukraine and the conflict between Israel and Hamas.

We conduct a portion of our sales and manufacturing outside the United States. Our foreign sales and operations are subject to a number of risks, including political and economic instability, which could have a material adverse impact on our ability to increase or maintain our international sales and operations. National and international disputes such as war, border closures, civil disturbances and terrorist acts, including Russia's invasion of Ukraine, the conflict between Israel and Hamas and related disturbances in the Middle East may increase the likelihood of already strained supply interruptions and further hinder our ability to access the materials and energy we need to manufacture our products. Additional supply chain disruptions will make it harder for us to find favorable pricing and reliable sources for the materials and energy we need. As a result, such disruptions will put upward pressure on our costs and increase the risk that we may be unable to acquire the materials and energy we need to continue to make certain products, in particular at our manufacturing facilities in Europe.

Item 1B. ***Unresolved Staff Comments***

None.

Item 1C. ***Cybersecurity***

Risk management and strategy

We have developed processes for assessing, identifying and managing material risks from cybersecurity threats. Our enterprise risk management system incorporates risks from cybersecurity threats alongside other risks to the company. We employ a range of tools and services to inform our assessment, identification and management of material risks from cybersecurity threats, which include from time to time:

- monitoring emerging data protection laws and implementing responsive changes to our processes;
- undertaking periodic reviews of our policies with customers, partners, and suppliers and statements related to cybersecurity;
- conducting cybersecurity management and incident training for employees involved in our systems and processes that handle sensitive data;
- conducting phishing email simulations for employees and contractors with access to corporate email systems;
- requiring employees, as well as third-parties who provide services on our behalf, to treat information and data with care; and
- educating our teams on incident response, conducting tabletop exercises and using the findings to improve our processes and technologies.

We maintain a cybersecurity incident response plan designed to secure the enterprise, mitigate the impact of an incident, restore normal business operations, prevent similar future incidents and comply with applicable regulatory obligations arising from an incident. As part of the above process, we periodically engage with consultants and other third-parties, including annually having a third-party perform penetration testing and review our cybersecurity program to help identify areas for improvement and/or compliance. The Company's cybersecurity procedures have been developed based on the National Institute of Standards and Technology ("NIST") cybersecurity framework. We also engage with a third-party security operation center to assist in monitoring our cybersecurity risk environment. Our risk management processes also address cybersecurity threat risks associated with our use of third-party service providers.

For a discussion of whether and how any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, have materially affected or are reasonably likely to materially affect the Company, including our business strategy, results of operations, see "Part I, Item 1A. Risk Factors -- A failure of, or a security breach in a key information technology system or process or other unusual events could compromise our information and expose us to liability, which could adversely affect our business; IT project delays and overruns are possible" which is incorporated by reference into this Item 1C.

As previously disclosed, during the three-month period ending September 30, 2022, the Company became aware of a cyberattack that had been recently made against certain systems within the Company's network environment. The attack temporarily affected operations and caused delays in execution of sales transactions at some locations. In addition, the Company incurred financial costs to investigate and remediate the incident, some of which are expected to be mitigated by insurance. During the incident, the attackers accessed and exfiltrated Company data, including some personally identifying information of certain Company employees. The Company believes it has contained the incident, which only affected certain systems, and it has restored operations and notified affected individuals. The Company has put in place remediation measures designed to help prevent future similar attacks and has proactively undertaken to implement certain other enhancements to its security system.

Governance

Oversight of cybersecurity risk is a joint responsibility of the Board of Directors and the Audit Committee. The Company's Chief Information Officer (the "CIO") provides quarterly updates to the Audit Committee and the chair of the Audit Committee regularly updates the Board of Directors on cybersecurity matters potentially impacting the Company. Additionally, the CIO briefs the Board of Directors on information security matters at least annually.

In addition to oversight by the Audit Committee and the Board of Directors, our CIO chairs a Working Council that includes our Chief Financial Officer, Chief Human Resources and Communications Officer and our Chief Legal and

Administrative Officer. Our IT organization also includes a Chief Information Security Officer who is responsible for establishing processes as well as management of all cyber security risks and programs to mature our NIST posture. Our CIO has served in this role since 2023 and has more than 30 years of experience in the aggregate in various IT leadership roles. His educational background includes a master's in business administration in Information Systems from The State University of New York at Albany, and a bachelor's degree in electrical engineering from Harcourt Butler Technological Institute, Kanpur, India.

Item 2. ***Properties***

As of December 31, 2023, we conduct business in over 100 countries and operate 40 production locations worldwide, with offices and facilities in the United States, United Kingdom, China, Germany, France, Belgium, Poland, India, Canada, Spain, Italy, Mexico, Netherlands and Luxembourg.

Our principal production facilities as of December 31, 2023 are summarized below:

Geographic Region	ATM	FBS
U.S.[1]	17	7
Europe	11	1
Asia/Pacific	3	0
Americas (excluding U.S.)	1	0
Total[2]	32	8

[1] The manufacturing site in Quakertown, Pennsylvania serves both the ATM and FBS segments.
[2] Includes leased sites as follows: United States - 6, Europe - 2, Asia/Pacific - 3, Americas - 1.

We consider all of our operating facilities to be well-maintained, suitable for conducting our operations and business, and adequately insured.

Item 3. ***Legal Proceedings***

General

We are involved in various legal proceedings relating to contracts, commercial disputes, taxes, environmental issues, employment and workers' compensation claims, product liability and other matters. We periodically review the status of these proceedings with both inside and outside counsel. We believe that the ultimate disposition of these matters will not have a material effect on the results of operations in a given quarter or year, but no assurances can be given in this regard. Below is a summary of major outstanding litigation.

Litigation

Germany

In January 2015, the Company initiated patent infringement proceedings in Germany against Glatz under multiple low ignition propensity ("LIP") related patents. In December 2017, the Dusseldorf Appeal Court affirmed the German District Court judgment on infringement of EP1482815 against Glatz. The Company filed an action against Glatz in the German District Court to set the amount of damages for the infringement and Glatz filed a counterclaim. Glatz filed an action in the German Patent Court to invalidate the German part of EP1482815. The German Patent Court held that some of the patent claims at issue were invalid and also that another claim at issue was valid. The Company appealed the portion of the decision with respect to the claims held to be invalid. The German Supreme Court held that the claims of German counterpart of EP1482815 relevant to the Glatz infringement action were invalid. This ruling has the effect of nullifying the infringement decision and injunction against Glatz and the Company’s claim for damages against Glatz. Glatz’s counterclaim against the Company was settled in June 2023. The Company recognized a $4.9 million loss during the three months ended June 30, 2023, which was included in Other income (expense), net in the Consolidated Statements of Income (Loss). The settlement was paid in the three months ended September 30, 2023.

Environmental Matters

The Company's operations are subject to various nations' federal, state and local laws, regulations and ordinances relating to environmental matters. The nature of the Company's operations exposes it to the risk of claims with respect to various environmental matters, and there can be no assurance that material costs or liabilities will not be incurred in connection with such claims. While the Company has incurred in the past several years, and will continue to incur, capital and operating expenditures to comply with environmental laws and regulations, it believes that its future cost of compliance with environmental laws, regulations and ordinances, and its exposure to liability for environmental claims and its obligation to participate in the remediation and monitoring of certain hazardous waste disposal sites, will not have a material effect on its financial condition or results of operations. However, future events, such as changes in existing laws and regulations, or unknown contamination or costs of remediation of sites owned, operated or used for waste disposal by the Company (including contamination caused by prior owners and operators of such sites or other waste generators) may give rise to additional costs which could have a material effect on its financial condition or results of operations.

Indemnification Matters

In connection with our spin-off from Kimberly-Clark in 1995, we undertook to indemnify and hold Kimberly-Clark harmless from claims and liabilities related to the businesses transferred to us that were not identified as excluded liabilities in the related agreements. As of December 31, 2023, there were no material claims pending under this indemnification.

In connection with the EP Divestiture, we undertook to indemnify and hold Evergreen Hill Enterprise harmless from claims and liabilities related to the EP business that were identified as excluded or specified liabilities in the related agreements up to an amount not to exceed $10 million. As of December 31, 2023, there were no material claims pending under this indemnification.

Item 4. *Mine Safety Disclosures*

Not applicable.

PART II.

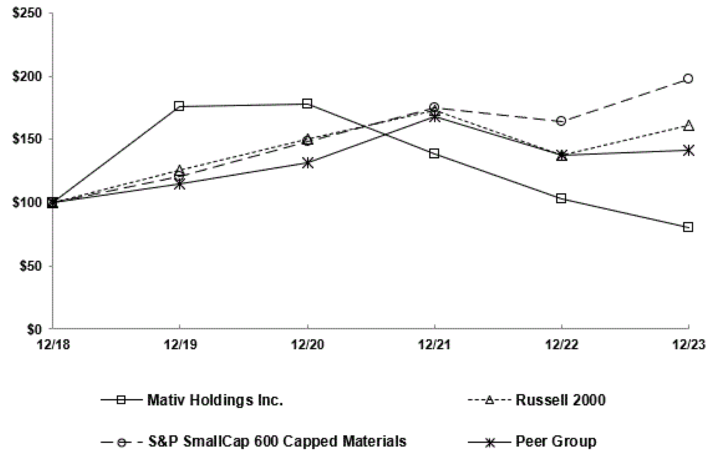
Item 5. *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*

Market Information. Our common stock, $0.10 par value per share ("Common Stock") is trading on the New York Stock Exchange (NYSE") under the symbol "MATV." Prior to the Merger, our Common Stock was listed on the NYSE, trading under the symbol "SWM" since November 30, 1995. On February 26, 2024, our stock closed at $16.30 per share.

Performance Graph. The following graph compares the total cumulative stockholder return on our Common Stock during the period from December 31, 2018 through December 31, 2023 with the comparable cumulative total returns of the Russell 2000, S&P SmallCap 600 Capped Materials Index and self-constructed peer group, both of which we consider to be reflective of the performance of the industries in which we operate. The peer group portfolio includes ten U.S. based materials companies including Berry Global Group Inc, Clearwater Paper Corp., Glatfelter Corp., Graphic Packing Holding Corp, Greif Inc., Deluxe Corp., Rayonier Advanced Materials Inc., Sealed Air Corp, Essentra Plc, and Eastman Chemical Co. In 2021, the peer group included Neenah Inc. and Intertape Polymer Group Inc., which were acquired during 2022 and are no longer peer group public entities. They were replaced with Deluxe Corp. and Eastman Chemical Co.

The graph assumes that the value of the investments in the Common Stock and each index were $100 on December 31, 2018, and that all dividends were reinvested. The stock price performance shown on the graph below is not necessarily indicative of future price performance.

Comparison of Cumulative Five-Year Return



Holders. As of February 26, 2024, there were 1902 stockholders of record.

Dividends. We have declared and paid cash dividends on our Common Stock every fiscal quarter since the second quarter of 1996. In 2023, 2022 and 2021, we declared and paid cash dividends totaling $1.00, $1.68, and $1.76 per share, respectively. On February 21, 2024, we announced a cash dividend of $0.10 per share payable on March 22, 2024 to stockholders of record as of the close of business on March 8, 2024. Our credit agreement covenants require that we maintain certain financial ratios, as disclosed in Note 14. Debt of the Notes to Consolidated Financial Statements, none of which under normal business conditions materially limit our ability to pay such dividends. We will continue to assess our dividend policy in light of our overall strategy, cash generation, debt levels and ongoing requirements for cash to fund operations and to pursue possible strategic opportunities.

Recent Sales of Unregistered Securities. We had no unregistered sales of equity securities during the fiscal year ended December 31, 2023.

Repurchases of Equity Securities. The following table indicates the cost of and number of shares of our Common Stock we have repurchased during 2023 and the remaining amount of share repurchases currently authorized by our Board of Directors as of December 31, 2023:

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs		Approximate Dollar Value of Shares that May Yet be Purchased Under the Programs
			(# shares)	(in millions)	
January 1 - March 31, 2023	54,435	$ 24.37	—	$ —	$ —
April 1 - June 30, 2023	64,344	20.37	—	—	—
July 1-September 30, 2023	281,920	15.83	280,939	4.4	—
October 1-October 31, 2023	258,447	13.70	258,447	3.6	25.6
November 1-November 30, 2023	—	—	—	—	22.0
December 1-December 31, 2023	—	—	—	—	22.0
Total 2023	659,146	$ 16.14	539,386	$ 8.0	$ 22.0

Transactions represent the purchase of vested restricted shares from employees to satisfy minimum tax withholding requirements upon vesting of stock-based awards and shares purchased as part of our repurchase program approved in July 2023 and announced on August 2, 2023.

In August 2023, the Board of Directors authorized the repurchase of shares of Mativ Common Stock in an amount not to exceed $30.0 million. Under the current $30.0 million authorization for the share repurchases, the Company purchased 539, 386 shares for $8.0 million as of February 26, 2024.

From time to time, the Company uses corporate 10b5-1 plans to allow for share repurchases to be made at predetermined stock price levels, without restricting such repurchases to specific windows of time. Any future common stock repurchases will be dependent upon various factors, including the stock price of our Common Stock, strategic opportunities, strategic outlook and cash availability. From time-to-time, certain of our officers and directors may sell shares pursuant to personal 10b5-1 plans.

Item 6. ***Selected Financial Data***

Due to the significance of the EP Divestiture, which is accounted for as discontinued operations, and the Merger and the resulting change in our reportable segments, management concluded the historical selected information is not informative; therefore, it is intentionally omitted. Refer to the unaudited pro forma condensed consolidated balance sheet as of September 30, 2023, and the unaudited pro forma condensed Consolidated Statements of Income (Loss) for the nine months ended September 30, 2023, and Consolidated Statements of Income (Loss) for the years ended December 31, 2022, 2021, and 2020 in the Company's Current Report on Form 8-K/A filed with the SEC on December 6, 2023, and the supplemental combined legacy financial information in the Company's Current Report on Form 8-K filed with the SEC on December 22, 2022.

Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following is a discussion of our financial condition and results of operations. This discussion should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K. The discussion of our financial condition and results of operations includes various forward-looking statements about our markets, the demand for our products and our future prospects. These statements are based on certain assumptions that we consider reasonable. For information about risks and exposures relating to us and our business, you should read the sections entitled "Factors That May Affect Future Results," in Part I, Item 1A of this Annual Report on Form 10-K and "Forward Looking Statements" at the end of this Item 7. Unless the context indicates otherwise, references to "Mativ," the "Company," "we," "us," "our," or similar terms include Mativ Holdings, Inc. and our consolidated subsidiaries.

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is designed to provide a reader of our financial statements with an understanding of our recent performance, our financial condition and our prospects.

As discussed in Note 9. Discontinued Operations of the Notes to Consolidated Financial Statements, the results from continuing operations exclude the results of our EP Business for all periods presented. All information presented within this MD&A is on a continuing operations basis.

EP Divestiture

On August 1, 2023, the Company entered into the Offer Letter with Evergreen Hill Enterprise pursuant to which Evergreen Hill Enterprise made the Offer to acquire the Company’s EP Business for $620.0 million in cash, subject to customary closing date adjustments. Pursuant to the terms of the Offer Letter, following the conclusion of the French Consultation Process, the Company accepted Evergreen Hill Enterprise's Offer and countersigned the Purchase Agreement, with respect to the EP divestiture on October 4, 2023. On November 30, 2023 the Company completed the sale of the EP Business. With the sale of the EP business, Mativ ceased participating in tobacco-based products markets.

Effective with the Offer, the EP business is presented as a discontinued operation for all periods presented. Current and non-current assets and liabilities of the EP business are classified as held for sale, and certain prior period amounts have been retrospectively revised to reflect these changes. The consolidated financial statements and the notes thereto, unless otherwise indicated, are on a continuing operations basis. Refer to Note 9. Discontinued Operations of the Notes to Consolidated Financial Statements for more information on the discontinued operation and transaction.

Merger

On July 6, 2022, the Company completed its previously announced Merger with Neenah, pursuant to which a wholly-owned subsidiary merged with and into Neenah, with Neenah surviving as a direct and wholly-owned subsidiary of the Company. Refer to Note 5. Business Acquisition of the Notes to the Consolidated Financial Statements for further information related to the Merger. Refer to Note 21. Segment Information of the Notes to the Consolidated Financial Statements for information on our segments after the Merger.

CRITICAL ACCOUNTING ESTIMATES

We disclose those accounting estimates that we consider to be significant in determining the amounts to be utilized for communicating our consolidated financial position, results of operations and cash flows in the first note to our consolidated financial statements included elsewhere herein. Our discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements. Our consolidated financial statements are prepared in conformity with accounting principles generally accepted in the U.S., which require management to make estimates that affect the amounts of revenues, expenses, assets and liabilities reported and disclosure of contingencies. Changes in these estimates could have a material impact on our financial position, results of operations, and cash flows. We discussed with the Audit Committee of the Board of Directors the estimates and judgments made for each of the following items and our accounting for and presentation of these items in the accompanying consolidated financial statements:

Income Taxes

Our income tax expense (benefit), deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management's best estimate of current and future taxes to be paid. We are subject to income taxes in the U.S. and numerous foreign jurisdictions. The complexity of our global structure requires technical expertise in determining the allocation of income to each of these jurisdictions and consolidated income tax expense (benefit).

Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, which will result in taxable or deductible amounts in the future. In evaluating our ability to recover our deferred tax assets in the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies, and results of recent operations. In projecting future taxable income, we begin with historical results adjusted for the results of discontinued operations and incorporate assumptions about the amount of future state, federal, and foreign pretax operating income adjusted for items that do not have tax consequences. The assumptions about future taxable income require the use of significant judgment and are consistent with the plans and estimates we are using to manage the underlying businesses. In evaluating the objective evidence that historical results provide, we consider three years of cumulative operating income (loss).

The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations in a multitude of jurisdictions across our global operations. Accounting Standards Codification Topic No. 740, Income Taxes ("ASC 740"), states that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, on the basis of the technical merits. We record unrecognized tax benefits as liabilities in accordance with ASC 740 and adjust these liabilities when our judgment changes as a result of the evaluation of new information not previously available. Because of the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the unrecognized tax benefit liabilities. These differences will be reflected as increases or decreases to income tax expense in the period in which new information is available.

Contingencies

We accrue an estimated loss by taking a charge to income when the likelihood that a future event, such as a legal proceeding, will result in a loss or the occurrence of a liability is probable, and the amount of loss can be reasonably estimated. We disclose material contingencies if there is at least a reasonable possibility that a loss has been incurred. In determining whether a loss should be accrued, we evaluate, among other factors, the degree of probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of loss. Changes in these factors could materially impact our financial condition, results of operations, and our cash flows.

For further information, refer to "Litigation" in Part I, Item 3, "Legal Proceedings" and Note 20. Commitments and Contingencies of the Notes to Consolidated Financial Statements.

Property, Plant and Equipment Valuation

Certain of our manufacturing processes are capital intensive; as a result, we make substantial investments in property, plant and equipment which are recorded at cost. Net property, plant and equipment comprised 25% of our total assets as of December 31, 2023. Property, plant and equipment is depreciated on the straight-line method over the estimated useful lives of the assets. Production machines and related equipment are not subject to substantial technological changes rendering them obsolete and are generally depreciated over estimated useful lives of 5 to 20 years. When indications of impairment exist, we assess the likelihood of recovering the cost of long-lived assets based on our expectation of future profitability and undiscounted cash flow of the related asset group. These factors, along with management's plans with respect to the operations, are considered in assessing the recoverability of property, plant and equipment. Changes in management's estimates and plans could significantly impact our financial condition, results of operations and cash flows.

In recent years, we have restructured our operations to improve our competitiveness, drive efficiencies, and enhance profitability, which, in certain circumstances, resulted in charges related to accelerated depreciation, asset impairments, and employee severances. Management continues to evaluate ways to drive efficiencies, and further restructuring efforts may be possible that could result in additional charges of similar nature.

Business Combinations

Accounting for business combinations requires us to recognize, separately from goodwill, the assets acquired and the liabilities assumed ("net assets") at their acquisition date fair values. Goodwill is measured as the excess of consideration transferred over the net assets acquired at their respective fair values as of the acquisition date. The estimated fair values are based upon quoted market prices and widely accepted valuation techniques, which require significant estimates and assumptions including, but not limited to, estimating future cash flows and developing appropriate growth and discount rates. In particular, the estimated fair value of intangible assets acquired may consider available historical information along with expectations and assumptions about future performance. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date, our estimates are inherently uncertain and subject to refinement. Changes in these assumptions may have a significant impact on the fair value of assets acquired and liabilities assumed. During the measurement period, which may be up to one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed with the corresponding adjustment to goodwill, based on new information obtained about the facts and circumstances that existed as of the acquisition date. Upon the conclusion of the measurement period or final determination of the values of net assets acquired, whichever comes first, any subsequent adjustments are recorded to our Consolidated Statements of Income (Loss). Refer to Note 5. Business Acquisition, of the Notes to Consolidated Financial Statements for additional information.

Goodwill and Unamortized Intangible Assets

Goodwill is not subject to amortization and is tested for impairment annually, during the fourth quarter, or more frequently if events or changes in circumstances indicate that the asset may be impaired. We first evaluate qualitative factors, such as macroeconomic conditions and our overall financial performance by reporting unit to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. Goodwill is measured as the excess of consideration transferred over the net assets acquired at their respective fair values as of the acquisition date. Goodwill is tested for impairment at the reporting unit level. We then evaluate how significant each of the identified factors could be to the fair value or carrying amount of a reporting unit and weigh these factors in totality in forming a conclusion of whether or not it is more likely than not that the fair value of a reporting unit is less than its carrying amount (the “Step 0 Test”). Goodwill is not impaired if we determine that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount. Otherwise, we would proceed to the goodwill impairment test. In the goodwill impairment test, fair value of a reporting unit is typically based upon estimated future cash flows discounted at a rate commensurate with the risk involved or market-based comparables. If the carrying amount of the reporting unit’s net assets exceeds its fair value, then an analysis will be performed to compare the implied fair value of goodwill with the carrying amount of goodwill. An impairment loss will be recognized in an amount equal to the excess of the carrying amount over its implied fair value. After an impairment loss is recognized, the adjusted carrying amount of goodwill is its new accounting basis. During the year ended December 31, 2023, we performed an interim quantitative goodwill impairment test, which resulted in a non-cash impairment charge of $401.0 million in the third quarter of 2023. Refer to Note 10. Goodwill, of the Notes to Consolidated Financial Statements for additional information. The annual impairment test performed on October 1, 2023 and 2022 did not indicate any further impairment of goodwill.

Intangible assets with finite lives are amortized over their estimated useful lives and are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss would be indicated when estimated undiscounted future cash flows from the use of the asset are less than its carrying amount. An impairment loss would be measured as the difference between the fair value (based on discounted future cash flows) and the carrying amount of the asset. Estimated useful lives range from 12 to 23 years for customer relationships and 4 to 20 years for developed technology, patents and other intangible assets. Certain trade names are estimated to have indefinite useful lives and as such are not amortized. Intangible assets with indefinite lives are reviewed for impairment following a method similar to the impairment testing for Goodwill. Testing of these assets is performed annually and whenever events and circumstances indicate that impairment may have occurred. The annual impairment tests performed on October 1, 2023 and 2022 did not indicate any impairment of intangible assets.

The fair value estimates used in the assessment of impairment for both goodwill and intangible assets consider historical trends in addition to significant assumptions including projections of future performance. Changes in these assumptions can have a significant impact on the assessment of fair value.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

For a discussion regarding recently adopted accounting pronouncements, refer to Recently adopted Accounting Pronouncements included in Note 2. Summary of Significant Accounting Policies of the Notes to Consolidated Financial Statements.

SUMMARY

In 2023, Mativ reported a net loss of $507.7 million on total net sales of $2,026.0 million. Compared to the prior year, net sales increased $389.1 million, or 23.8%. Sales reflected the full-year impact of the Merger with Neenah, as well as lower volume, partially offset by higher selling prices and favorable foreign currency translation. ATM and FBS segment net sales increased $213.8 million, or 15.3% and $175.3 million, or 72.8%, respectively, compared to prior year primarily driven by the full-year impact of the Merger with Neenah.

The increase in net loss in 2023 compared to 2022 was primarily due to the goodwill impairment recorded of $401.0 million. For more information on the goodwill impairment, refer to Note 10. Goodwill of the Notes to Consolidated Financial Statements. The Company incurred significant integration and divestiture expenses that impacted net income of $43.2 million and $72.7 million, in 2023 and 2022, respectively, related to the Merger and associated integration, and divestiture costs related costs related to the sale of the EP Business. The Company also incurred restructuring and other impairment charges of $22.6 million and $19.1 million, in 2023 and 2022, respectively, primarily related to exiting certain end markets and site closures.

RESULTS OF OPERATIONS

	Years Ended December 31,		
	2023	2022 [1]	2021 [2]
	(in millions, except per share amounts)		
Net sales	$ 2,026.0	$ 1,636.9	$ 930.7
Cost of products sold	1,670.2	1,330.9	747.5
Gross profit	355.8	306.0	183.2
Selling expense	78.9	59.8	32.5
Research and development expense	21.2	18.8	11.8
General expense	246.0	248.5	153.2
Total nonmanufacturing expenses	346.1	327.1	197.5
Goodwill impairment expense	401.0	—	—
Restructuring and other impairment expense	22.6	19.1	1.9
Operating loss	(413.9)	(40.2)	(16.2)
Interest expense	62.2	57.3	40.4
Other income (expense), net	(4.8)	1.0	30.1
Loss from continuing operations before income taxes	(480.9)	(96.5)	(26.5)
Income tax (expense) benefit	(26.8)	27.6	28.2
Net income (loss) from continuing operations	(507.7)	(68.9)	1.7
Income from discontinued operations, net of tax	198.2	62.3	87.2
Net income (loss)	$ (309.5)	$ (6.6)	$ 88.9
Dividends to participating securities	(0.7)	(0.9)	(0.6)
Undistributed earnings available to participating securities	—	—	(0.5)
Net income (loss) attributable to common stockholders	$ (310.2)	$ (7.5)	$ 87.8
Net income (loss) per share from continuing operations			
Basic	$ (9.33)	$ (1.64)	$ 0.02
Diluted	$ (9.33)	$ (1.64)	$ 0.02

(1) Results during the year ended December 31, 2022 include Neenah from the July 6, 2022 acquisition date to December 31, 2022.
(2) Results during the year ended December 31, 2021 include Scapa from the April 15, 2021 acquisition date to December 31, 2021.

Comparison of the Years Ended December 31, 2023 and 2022

Net Sales

The following table presents net sales by segment (in millions):

	2023	2022	Change	Percent Change
Advanced Technical Materials	$ 1,610.0	$ 1,396.2	$ 213.8	15.3 %
Fiber-Based Solutions	416.0	240.7	175.3	72.8 %
Total	$ 2,026.0	$ 1,636.9	$ 389.1	23.8 %

Net sales of $2,026.0 million during the year ended December 31, 2023 increased $389.1 million, or 23.8% compared to the prior year-end. ATM segment net sales of $1,610.0 million during the year ended December 31, 2023 increased $213.8 million, or 15.3% compared to prior year-end. Sales reflected the full-year impact of the Merger with Neenah, and lower volumes partly offset by higher selling prices and favorable currency translation.

FBS segment net sales of $416.0 million during the year ended December 31, 2023 increased $175.3 million, or 72.8% compared to the prior year-end. Sales reflected the full-year impact of the Merger with Neenah, and lower volume partly offset by higher selling prices.

Gross Profit

The following table presents gross profit (in millions):

					Percent of Net Sales	
	2023	2022	Change	Percent Change	2023	2022
Net sales	$ 2,026.0	$ 1,636.9	$ 389.1	23.8 %	100.0 %	100.0 %
Cost of products sold	1,670.2	1,330.9	339.3	25.5 %	82.4 %	81.3 %
Gross profit	$ 355.8	$ 306.0	$ 49.8	16.3 %	17.6 %	18.7 %

Gross profit of $355.8 million during the year ended December 31, 2023 increased $49.8 million, or 16.3%, compared to the prior year-end. ATM gross profit increased $35.4 million, or 13.1% and FBS gross profit increased $14.4 million, or 40.9%, which reflected the full-year impact of the Merger with Neenah, as well as price increases and lower input costs.

Nonmanufacturing Expenses

The following table presents nonmanufacturing expenses (in millions):

					Percent of Net Sales	
	2023	2022	Change	Percent Change	2023	2022
Selling expense	$ 78.9	$ 59.8	$ 19.1	31.9 %	3.9 %	3.7 %
Research and development expense	21.2	18.8	2.4	12.8 %	1.0 %	1.1 %
General expense	246.0	248.5	(2.5)	(1.0) %	12.1 %	15.2 %
Nonmanufacturing expenses	$ 346.1	$ 327.1	$ 19.0	5.8 %	17.0 %	20.0 %

Nonmanufacturing expenses of $346.1 million during the year ended December 31, 2023 increased $19.0 million, or 5.8%, compared to the prior year-end primarily driven by the full-year impact of the Merger with Neenah including integration related costs.

Restructuring and Other Impairment Expense

The following table presents restructuring and other impairment expense by segment (in millions):

	2023	2022	Change	Percent of Net Sales 2023	Percent of Net Sales 2022
Advanced Technical Materials	$ 12.4	$ 17.2	$ (4.8)	0.8 %	1.2 %
Fiber-Based Solutions	9.9	1.1	8.8	2.4 %	0.5 %
Unallocated expenses	0.3	0.8	(0.5)		
Total	$ 22.6	$ 19.1	$ 3.5	1.1 %	1.2 %

The Company incurred total restructuring and other impairment expense of $22.6 million in the year ended December 31, 2023, compared to $19.1 million in the year ended December 31, 2022, an increase of $3.5 million, or 18.3%.

In the current year period, restructuring and other impairment expense in the ATM segment of $12.4 million was comprised of fixed asset and certain other asset impairments related to facilities where we have announced closures or have classified as held for sale. The facility actions are primarily a result of decisions to exit certain product end markets amid ongoing manufacturing optimization efforts. The facilities are expected to cease operations in 2024 and one facility is expected to be sold in Q1 of 2024. The Company recognized $17.2 million of restructuring and other impairment expense in the prior-year period in the ATM segment primarily due to a $12.9 million impairment of certain assets in conjunction with the divestiture of a portion of the ATM segment serving the industrials end market. The assets were sold during the third quarter of 2022 for net proceeds of $4.6 million and a loss of $0.4 million.

In the FBS segment, the Company incurred $9.9 million of restructuring and other impairment expense for the year ended December 31, 2023 related to long-lived assets at our Eerbeek, Netherlands facility. An impairment assessment was performed after significant changes in market conditions, including the entrance of new competitors and products caused management to revise our long-term view on pricing and volume recovery. The impairment reduced the carrying value of the assets to fair value, which was determined using management estimates for future cash flows. In the prior-year period, restructuring and other impairment expense in the FBS segment of $1.1 million was related to closed facilities.

Operating Profit (Loss)

The following table presents operating profit (loss) by segment (in millions):

	2023	2022	Change	Percent Change	Return on Net Sales 2023	Return on Net Sales 2022
Advanced Technical Materials	$ (281.5)	$ 98.8	$ (380.3)	N.M.	(17.5)%	7.1 %
Fiber-Based Solutions	4.6	15.0	(10.4)	(69.3)%	1.1 %	6.2 %
Unallocated expenses	(137.0)	(154.0)	17.0	11.0 %		
Total	$ (413.9)	$ (40.2)	$ (373.7)		(20.4)%	(2.5)%

Operating loss was $413.9 million in the year ended December 31, 2023, compared to $40.2 million in the year ended December 31, 2022, a decrease of $373.7 million.

In the ATM segment, operating loss in the year ended December 31, 2023 was $281.5 million compared to operating profit of $98.8 million in the year ended December 31, 2022, a decrease of $380.3 million. primarily attributed to a goodwill impairment recorded of $401.0 million. For more information on the goodwill impairment, refer to Note 10. Goodwill of the Notes to Consolidated Financial Statements. In the FBS segment, operating profit in the year ended December 31, 2023 was $4.6 million, a decrease of $10.4 million, or 69.3%, compared to the prior year-end.

Unallocated expenses in the year ended December 31, 2023 were $137.0 million, a decrease of $17.0 million, or 11.0%, compared to the prior year-end. The decrease compared to the prior year period is primarily due to the higher integration related costs incurred in the prior year period.

Interest Expense

Interest expense was $62.2 million in the year ended December 31, 2023, an increase of $4.9 million, or 8.6%, compared to the year ended December 31, 2022. Interest expense increased mainly due to the incremental expense of assuming Neenah's debt and higher average interest rates.

The weighted average effective interest rate on our debt facilities, including the impact of interest rate hedges, was approximately 5.98% and 5.11% for the years-ended December 31, 2023 and 2022, respectively.

Other Income (Expense), Net

Other income (expense), net was expense of $4.8 million in the year ended December 31, 2023 compared to income of $1.0 million for the year ended December 31, 2022, an increase in expense of $5.8 million. The increase in expense was driven by legal and tax settlement expenses.

Income Taxes

The $26.8 million expense and $27.6 million benefit for income taxes in the years-ended December 31, 2023 and 2022, respectively, resulted in an effective tax rate of (5.6)% compared with 28.6% in the prior year. The net change was primarily due to adjustments to valuation allowances, non-deductible goodwill impairment, and acquisition related nondeductible expenses due to the Merger.

Net Loss and Loss per Share

Net loss in the year ended December 31, 2023 was $507.7 million, or $9.33 per diluted share, compared to net loss of $68.9 million, or $1.64 per diluted share, during the prior year period.

For a comparison of the Company’s results of operations for the year ended December 31, 2022 to the year ended December 31, 2021, refer to Item 7. "Management’s Discussion and Analysis of Financial Condition and Results of Operations" in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the U.S. Securities and Exchange Commission on March 1, 2023.

Discontinued Operations

Net income from discontinued operations in the year ended December 31, 2023 was $198.2 million, or $3.64 per diluted share, compared to net income of $62.3 million, or $1.46 per diluted share, during the prior year period. The Company recorded a gain on sale of the EP business of $176.3 million ($170.0 million, net of income taxes) in discontinued operations in the year ended December 31, 2023. The gain and cash proceeds are subject to customary working capital adjustments during a specified period following the sale close date.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity & Debt Overview

As of December 31, 2023, the Company had $1,104.6 million of total debt, a decrease of $585.4 million year over year, $120.2 million of cash, and undrawn capacity on its $600.0 million revolving line of credit facility (the "Revolving Facility") of $333.6 million. Per the terms of the Company's amended Credit Agreement, net leverage was 3.93 at December 31, 2023, versus a current maximum covenant ratio of 4.50x. The Company's nearest debt maturity is our 6.875% senior unsecured notes which are due in 2026.

A major factor in our liquidity and capital resource planning is our generation of cash flow from operations, which is sensitive to changes in the mix of products sold, volume and pricing of our products, as well as changes in our production volumes, costs and working capital. Our liquidity is supplemented by funds available under our Revolving Facility with a syndicate of banks that is used as either operating conditions or strategic opportunities warrant.

Cash Requirements

As of December 31, 2023, $117.3 million of our $120.2 million of cash and cash equivalents was held by foreign subsidiaries. Cash paid for income taxes (net of refunds) was $37.5 million for the year ended December 31, 2023. We believe that our sources of liquidity and capital, including cash on-hand, cash generated from operations and our existing credit facilities, will be sufficient to finance our continued operations, our current and long-term growth plans, and dividend payments.

Cash Provided by Operations

Net cash provided by operations was $76.6 million in the year ended December 31, 2023, compared with $124.6 million in the prior year. The decrease was related to year-over-year movements in working capital related cash flows. The Company incurred significant costs for advisory fees, transaction expenses, and integration costs all related to the Merger and the EP business sale.

Working Capital

As of December 31, 2023, we had net operating working capital (excluding Current assets held for sale of discontinued operations and Current liabilities held for sale of discontinued operations) of $433.9 million including cash and cash equivalents of $120.2 million, compared with net operating working capital of $411.7 million including cash and cash equivalents of $101.1 million as of December 31, 2022. The increase is attributable primarily to an increase in cash.

In the year ended December 31, 2023, net changes in operating working capital decreased cash flow by $19.8 million primarily related to decreases in accounts payable and other current liabilities. In 2022, net changes in operating working capital increased cash flow by $63.1 million. The most significant prior year working capital related cash inflow was related to the decrease in accounts receivables as a result of the accounts receivable sales agreement entered into during the prior year. Refer to Note 6. Accounts Receivable, Net of the Notes to Consolidated Financial Statements for further information on our accounts receivable sales programs.

Cash Used in Investing

Cash used for investing activities in the year ended December 31, 2023 was $61.4 million compared to $469.3 million in the prior year. Cash used in investing activities for the current year was mainly attributable to capital spending, and reflected the addition of the Neenah operations. Cash used in investing activities in the prior year reflects Merger consideration of $518.5 million related to the repayment on Neenah's outstanding debt and acquisition related costs incurred by Neenah, partially offset by $55.9 million cash acquired. In addition, capital spending in the prior year was $45.6 million, partially offset by $35.8 million received from settlement of cross-currency swap contracts.

Cash Provided by Financing Activities

Cash used in financing activities in the year ended December 31, 2023 was $662.0 million compared to cash provided by financing activities of $332.5 million in the prior year. During the year ended December 31, 2023, financing activities primarily consisted of payments on our long-term debt of $834.6 million, $241.0 million of borrowings under the revolving credit facility and $55.3 million of dividends paid to the Company's stockholders.

During the year ended December 31, 2022, financing activities consisted primarily of $774.9 million of proceeds from borrowings under the Delayed Draw Term Loan Facility and Revolving Facility. The proceeds from the Delayed Draw Term Loan was used to repay Neenah's outstanding debt of $504.9 million upon consummation of the Merger. Refer to Note 5. Business Acquisition of the Notes to Consolidated Financial Statements for further discussion of the total Merger consideration. The proceeds were partially offset by $340.6 million of payments on our long-term debt, which includes a pay down of $227.0 million on our Revolving Facility, $72.2 million in cash paid for dividends declared to the Company's stockholders, and $22.1 million of payments for debt issuance costs associated with the amendment of our Credit Agreement and the Bridge Facility, as discussed in Note 14. Debt of the Notes to Consolidated Financial Statements.

Dividend Payments

We have declared and paid cash dividends on our common stock every fiscal quarter since the second quarter of 1996. On February 21, 2024, we announced a cash dividend of $0.10 per share payable on March 22, 2024, to stockholders of record as of the close of business on March 8, 2024. The covenants contained in our Indenture and amended Credit Agreement, each, as defined below in "Debt Instruments and Related Covenants," require that we maintain certain financial ratios, as disclosed in Note 14. Debt of the Notes to Consolidated Financial Statements, none of which under normal business conditions materially limit our ability to pay such dividends. We will continue to assess our dividend policy in light of our overall strategy, cash generation, debt levels and ongoing requirements for cash to fund operations and to pursue possible strategic opportunities.

Share Repurchases

In 2023 we repurchased 659,146 shares of our common stock at a cost of $10.7 million, of which $8.0 million were repurchased as part of the share buyback program authorized by the Board of Directors in August 2023. In 2022, we repurchased 273,027 shares of our common stock at a cost of $6.9 million. Shares that are not part of the buyback program are repurchased for the value of employees' stock-based compensation share awards surrendered to satisfy their personal statutory income tax withholding obligations.

Debt Instruments and Related Covenants

The following table presents activity related to our debt instruments for the years-ended (in millions):

	Years Ended December 31,	
	2023	**2022**
Proceeds from long-term debt	$ 241.0	$ 774.9
Payments on long-term debt	(834.6)	(340.6)
Net (payments) proceeds from borrowings	$ (593.6)	$ 434.3

Net repayments from borrowings were $593.6 million during the year ended December 31, 2023 compared to net proceeds from borrowings of $434.3 million during the prior year-end.

Credit Agreement

On September 25, 2018, the Company entered into a $700.0 million credit agreement (the “Credit Agreement”), which replaced the Company’s previous senior secured credit facilities and provided for a five-year $500.0 million revolving line of credit (the “Revolving Credit Facility”) and a seven-year $200.0 million bank term loan facility (the “Term Loan A Facility”). Subject to certain conditions, including the absence of a default or event of default under the Credit Agreement, the Company may request incremental loans to be extended under the Revolving Credit Facility or as additional Term Loan Facilities so long as the Company is in pro forma compliance with the financial covenants set forth in the Credit Agreement and the aggregate of such increases does not exceed $400.0 million. Refer to Note 14. Debt of the Notes to Consolidated Financial Statements, for more information.

On February 10, 2021, we amended our Credit Agreement to, among other things, add a new seven-year $350.0 million Term Loan B Facility (the “Term Loan B Facility”) and to decrease the incremental loans that may be extended at the Company’s request to $250.0 million. The Credit Agreement was further amended effective February 22, 2022 to adjust the step-down schedule for the maximum net debt to EBITDA ratio. Refer to Note 14. Debt of the Notes to Consolidated Financial Statements for additional information about the Term Loan B Facility. The balance under the Term Loan B Facility was $160.5 million as of December 31, 2023.

In connection with the Merger, we further amended our Credit Agreement on May 6, 2022 in order to extend the maturity of the Revolving Credit Facility and the Term Loan A Facility to May 6, 2027, and to increase the availability under the Revolving Credit Facility, subject to consummation of the Merger, to $600.0 million. Additionally, we added a $650.0 million delayed draw term loan facility (the "Delayed Draw Term Loan Facility") to be funded concurrent with the closing of the Merger.

On July 5, 2022, in connection with the consummation of the Merger, the Company borrowed $650.0 million under the Delayed Draw Term Loan Facility. The funds were used to repay all of Neenah's outstanding debt of $445.9 million under its term loan B facility and $59.0 million under its global secured revolving credit facility, as well as pay down $100.0 million of our Revolving Facility. In addition, we terminated the Bridge Facility. Refer to Note 14. Debt of the Notes to Consolidated Financial Statements, for further information related to the Delayed Draw Term Loan Facility. In addition, upon consummation of the Merger, we assumed Neenah's project financing agreement for the construction of a melt blown machine (the "German Loan Agreement"). The German Loan Agreement provided €10.0 million ($10.7 million as of May 30, 2022) of construction financing which is secured by the melt blown machine. Refer to Note 14. Debt of the Notes to Consolidated Financial Statements for further information related to the German Loan Agreement.

In December 2022, $127.0 million of cash from operations was used to repay our Revolving Facility.

Effective July 1, 2023, pursuant to the amended Credit Agreement on June 5, 2023, borrowings under the Term Loan B Facility in U.S. dollar will bear interest equal to a forward-looking term rate based on Term SOFR (subject to a minimum floor of 0.75%) plus 2.75%. Borrowings under the Term Loan B Facility in Euros will bear interest equal to EURIBOR (subject to a minimum floor of 0%) plus 3.75%.

On September 29, 2023, the Company further amended its Credit Agreement to permit the consummation of the sale of the Company's EP business. Under the terms of the Amended Credit Agreement, Mativ will continue to be required to maintain certain financial ratios and comply with certain financial covenants consistent with the Prior Agreement, including a requirement to maintain a maximum net debt to EBITDA ratio of (a) 4.75 to 1.00 for the consecutive trailing four fiscal quarter period ended September 30, 2023, (b) (i) solely if the Transaction has not been completed on or before December 31, 2023, 4.75 to 1.00, or (ii) otherwise, 4.50 to 1.00, for such period ended December 31, 2023, and (c) 4.50 to 1.00 for such period ended March 31, 2024 and thereafter.

In December 2023, $641.2 million of cash from proceeds from the sale of the Company's Engineered Papers business was used to repay a portion of our Revolving Credit Facility, Term Loan A Facility, Term Loan B Facility, and Delayed Draw Term Loan Facility.

Borrowings under the amended Term Loan A Facility ("Term Loan A Credit Facility") will bear interest, at a rate equal to either (1) a forward-looking term rate based on the Secured Overnight Financing Rate (“Term SOFR”), plus the applicable margin or (2) the highest of (a) the federal funds effective rate plus 0.5%, (b) the rate of interest as published by the Wall Street Journal as the “bank prime loan” rate, and (c) Term SOFR plus 1.0%, in each case plus the applicable margin. The applicable margin for borrowings under the Term Loan A Credit Facility is expected to range from 1.25% to 2.75% for SOFR loans and from 0.25% to 1.75% for base rate loans, in each case depending on the Company’s then current net debt to EBITDA ratio.

Borrowings under the amended Revolving Facility or the Delayed Draw Term Loan facility in U.S. dollars will bear interest, at the Company's option, at a rate equal to either (1) a forward-looking term rate based on Term SOFR, plus the applicable margin or (2) the highest of (a) the federal funds effective rate plus 0.5%, (b) the rate of interest as published by the Wall Street Journal as the "bank prime loan" rate, and (c) one-month Term SOFR plus 1.0%, in each case plus the applicable margin. Borrowings under the Revolving Facility in Euros will bear interest at a rate equal to the reserve-adjusted Euro interbank offered rate, or EURIBOR, plus the applicable margin. The applicable margin for borrowings under the revolving credit agreement is expected to range from 1.00% to 2.50% for SOFR loans and EURIBOR loans, and from 0.00% to 1.50% for base rate loans, in each case, depending on the Company's then current net debt to EBITDA ratio.

Borrowings under the Term Loan B Facility will bear interest, equal to a forward-looking term rate based on Term SOFR (subject to a minimum floor of 0.75%) plus 2.75%. Borrowings under the Term Loan B Facility in Euros will bear interest equal to EURIBOR (subject to a minimum floor of 0%) plus 3.75%.

Under the terms of the amended Credit Agreement, the Company is required to maintain certain financial ratios and comply with certain financial covenants, including maintaining a net debt to EBITDA ratio, as defined in the amended Credit Agreement, calculated on a trailing four fiscal quarter basis, not greater than 4.50x and an interest coverage ratio, also as defined in the amended Credit Agreement, of not less than 3.00x. The maximum allowable net debt to EBITDA ratio has decreased quarterly returning to 4.50x effective as of December 2023. In addition, borrowings and loans made under the amended Credit Agreement are secured by substantially all of the Company's and the guarantors' personal property, excluding certain customary items of collateral, and will be guaranteed by the Company's existing and future wholly-owned direct material domestic subsidiaries and by SWM Luxembourg.

The Company was in compliance with all of its covenants under the amended Credit Agreement at December 31, 2023. With the current level of borrowing and forecasted results, we expect to remain in compliance with our amended Credit Agreement financial covenants. The determination of the forecasted financial covenants requires management to make significant estimates and assumptions related to forecasts of future cash flows, future net debt, and future benefits from Merger synergies. Changes to the forecasted revenue growth, earnings before income taxes, depreciation and amortization ("EBITDA"), net debt, and benefits from Merger synergies may result in a significantly different estimate of our forecasted financial covenant ratios.

Our total debt to capital ratios, as calculated under the amended Credit Agreement, at December 31, 2023 and December 31, 2022 were 53.8% and 58.9%, respectively.

Debt Commitment Letter

Prior to the Merger, we obtained financing commitments for (i) a $648.0 million senior 364-day unsecured bridge facility (the "Bridge Facility") and (ii) a $500.0 million senior secured revolving credit facility pursuant to a commitment letter (the "Debt Commitment Letter") dated as of March 28, 2022. On May 6, 2022, in conjunction with further amendment of our Credit Agreement, the Debt Commitment Letter was amended, reducing the commitments under the Bridge Facility and senior secured revolving credit facility to $50.0 million and zero, respectively. Upon consummation of the Merger, we terminated our Bridge Facility.

Indenture for 6.875% Senior Unsecured Notes Due 2026

On September 25, 2018, the Company closed a private offering of $350.0 million of 6.875% senior unsecured notes due 2026 (the "Notes"). The Notes were sold in a private placement in reliance on Rule 144A and Regulation S under the Securities Act of 1933, as amended, pursuant to a purchase agreement between the Company, certain subsidiaries of the Company and a third-party financial institution as representative of the initial purchasers. The Notes are guaranteed on a senior unsecured basis by each of the Company's existing and future wholly owned subsidiaries that is a borrower under or that guarantees obligations under the amended Credit Agreement or that guarantees certain other indebtedness, subject to certain exceptions.

The Notes were issued pursuant to an Indenture, dated as of September 25, 2018 (the “Indenture”), by and among the Company, the guarantors listed therein and a third-party financial institution, as trustee. The Indenture provides that interest on the Notes will accrue from September 25, 2018, and is payable semi-annually in arrears on April 1 and October 1 of each year, beginning on April 1, 2019, and the Notes mature on October 1, 2026.

The Company may redeem some or all of the Notes at any time on or after October 1, 2021, at the redemption prices set forth in the Indenture, together with accrued and unpaid interest, if any, to, but excluding, the redemption date. If the Company sells certain assets or consummates certain change of control transactions, the Company will be required to make an offer to repurchase the Notes, subject to certain conditions.

The Indenture contains certain covenants that, among other things, limit the Company’s ability and the ability of its restricted subsidiaries to incur additional indebtedness, make certain dividends, repurchase Company stock or make other distributions, make certain investments, create liens, transfer or sell assets, merge or consolidate and enter into transactions with the Company’s affiliates. Such covenants are subject to a number of exceptions and qualifications set forth in the Indenture. The Indenture also contains certain customary events of default, including failure to make payments in respect of the principal amount of the Notes, failure to make payments of interest on the Notes when due and payable, failure to comply with certain covenants and agreements and certain events of bankruptcy or insolvency. The Company was in compliance with all of its covenants under the Indenture at December 31, 2023.

For a comparison of liquidity and capital resources and the Company’s cash flow activities for the fiscal year ended December 31, 2022 and 2021, refer to Item 7. "Management’s Discussion and Analysis of Financial Condition and Results of Operations" in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the U.S. Securities and Exchange Commission on March 1, 2023.

Notional Cash Pooling

On November 15, 2022, certain of the Company’s subsidiaries entered into a notional cash pooling arrangement with a third-party financial institution to manage global liquidity requirements. As part of the pooling agreement, the participating subsidiaries combine their cash balances in pooling accounts at a third-party financial institution with the ability to offset bank overdrafts of one participant against the positive cash account balances held by another participant. Under the terms of the notional pooling agreement, the financial institution has the right, ability, and intent to offset a positive balance in one account against an overdrawn amount in another account. Amounts in each of the accounts are unencumbered and unrestricted with respect to use. As such, the net cash balance related to this pooling arrangement is included in Cash and cash equivalents in the Consolidated Balance Sheets.

Other Factors affecting Liquidity and Capital Resources

Debt Interest Obligations. Debt interest obligations as of December 31, 2023 amount to $294.9 million over the next five years, Approximately $88.0 million, $87.9 million, and $82.2 million is due annually in 2024, 2025, and 2026, respectively, with the remainder being due in 2027 and 2028.

Other Obligations. We have certain purchase obligations as of December 31, 2023, under which we are required to make minimum payments for goods and services including raw materials, capital projects and energy. These obligations amount to approximately $79.2 million of which $69.4 million is obligated over the next year and the remainder is obligated over the next five years.

Tax Act Transaction Obligations. On December 22, 2017, the United States enacted the Tax Act into law, which requires a one-time transition tax on certain unrepatriated earnings of foreign subsidiaries. Companies may elect to pay the tax over eight years based on an installment schedule outlined in the Tax Act. We have made this election and our transition tax due as a contractual obligation.as of December 31, 2023 is $13.9 million of which $6.2 million is due in the next year and $7.7 million is due in 2025. We have no obligations due in the years 2026 through 2028 and thereafter.

OUTLOOK

As outlined in Note 22. Subsequent Event of the Notes to Consolidated Financial Statements, the Company plans to reorganize into two new segments starting in the first quarter of 2024: Filtration & Advanced Materials (FAM), focused primarily on filtration, industrial netting, and protective solutions end markets, and Sustainable & Adhesive Solutions (SAS), focused primarily on the tape, release liners, industrials, healthcare, and packaging and specialty papers end markets.

For both segments, we expect our growth outlook to be driven by macro factors affecting our served end-markets, as well as industry demand for many of our key applications.

For our FAM segment, we generally expect to deliver growth exceeding long-term broad economic growth in the U.S and Europe, and, to some extent China (as well as relative outperformance during periods of economic declines).

For the SAS segment, we generally expect to deliver growth relatively in line with long-term broad economic growth in the U.S. and to some extent Europe and China.

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act") that are subject to the safe harbor created by the Act and other legal protections. Forward-looking statements include, without limitation, those regarding the incurrence of additional debt and expected maturities of the Company’s debt obligations, the adequacy of our sources of liquidity and capital, acquisition integration and growth prospects (including international growth), the cost and timing of our restructuring actions, the impact of ongoing litigation matters and environmental claims, the amount of capital spending and/or common stock repurchases, future cash flows, purchase accounting impacts, impacts and timing of our ongoing operational excellence and other cost-reduction and cost-optimization initiatives, profitability, and cash flow, the expected benefits and accretion of the Neenah merger and Scapa acquisition and integration, whether the strategic benefits of the EP Divestiture can be achieved and other statements generally identified by words such as "believe," "expect," "intend," "guidance," "plan," "forecast," "potential," "anticipate," "confident," "project," "appear," "future," "should," "likely," "could," "may," "will," "typically" and similar words.

These forward-looking statements are prospective in nature and not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which the Company’s business shall operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. These statements are not guarantees of future performance and involve certain risks and uncertainties that may cause actual results to differ materially from our expectations as of the date of this report. These risks include, among other things, those set forth in Part I, Item 1A. Risk Factors of this report, as well as the following factors:

- Risks associated with the implementation of our strategic growth initiatives, including diversification, and the Company's understanding of, and entry into, new industries and technologies;
- Risks associated with acquisitions, dispositions, strategic transactions and global asset realignment initiatives of Mativ, including the recent EP Divestiture;
- The possibility the Company may be unable to achieve the strategic benefits of the EP Divestiture;
- Adverse changes in the filtration, release liners, protective solutions, industrials and healthcare sectors impacting key ATM segment customers;
- Changes in the source and intensity of competition in our commercial end-markets: filtration, protective solutions, release liners, healthcare, and industrials for ATM, and packaging and specialty papers for FBS;
- Adverse changes in sales or production volumes, pricing and/or manufacturing costs in our ATM or FBS operating segments;

- Seasonal or cyclical market and industry fluctuations which may result in reduced net sales and operating profits during certain periods;
- Risks associated with our technological advantages in our intellectual property and the likelihood that our current technological advantages are unable to continue indefinitely;
- Supply chain disruptions, including the failure of one or more material suppliers, including energy, resin, fiber, and chemical suppliers, to supply materials as needed to maintain our product plans and cost structure;
- Increases in operating costs due to inflation and continuing increases in the inflation rate or otherwise, such as labor expense, compensation and benefits costs;
- The possibility that Mativ may be unable to successfully integrate Neenah's operations with those of Mativ and achieve expected synergies and operating efficiencies within the expected time-frames or at all;
- Potential adverse reactions or changes to business relationships resulting from the Merger, including as it relates to the Company's ability to successfully renew existing client contracts on favorable terms or at all and obtain new clients;
- Our ability to attract and retain key personnel, including as a result of the Merger, labor shortages, labor strikes, stoppages or other disruptions;
- The substantial indebtedness Mativ has incurred and assumed in connection with the Merger and the need to generate sufficient cash flows to service and repay such debt;
- Changes in general economic, financial and credit conditions in the U.S., Europe, China and elsewhere, including the impact thereof on currency exchange rates (including any weakening of the Euro and Real) and on interest rates;
- A failure in our risk management and/or currency or interest rate swaps and hedging programs, including the failures of any insurance company or counterparty;
- Changes in the manner in which we finance our debt and future capital needs, including potential acquisitions;
- Changes in tax rates, the adoption of new U.S. or international tax legislation or exposure to additional tax liabilities;
- Uncertainty as to the long-term value of the common stock of Mativ, including the dilution caused by Mativ’s issuance of additional shares of its common stock in connection with the Merger;
- Changes in employment, wage and hour laws and regulations in the U.S., France and elsewhere, including the loi de Securisation de l'emploi in France, unionization rules and regulations by the National Labor Relations Board in the U.S., equal pay initiatives, additional anti-discrimination rules or tests and different interpretations of exemptions from overtime laws;
- The impact of tariffs, and the imposition of any future additional tariffs and other trade barriers, and the effects of retaliatory trade measures;
- Existing and future governmental regulation and the enforcement thereof that may materially restrict or adversely affect how we conduct business and our financial results;
- Weather conditions, including potential impacts, if any, from climate change, known and unknown, and natural disasters or unusual weather events;
- International conflicts and disputes, such as the ongoing conflict between Russia and Ukraine, the war between Israel and Hamas and the broader regional conflict in the Middle East, which restrict our ability to supply products into affected regions, due to the corresponding effects on demand, the application of international sanctions, or practical consequences on transportation, banking transactions, and other commercial activities in troubled regions;
- Compliance with the FCPA and other anti-corruption laws or trade control laws, as well as other laws governing our operations;
- Risks associated with pandemics and other public health emergencies, including the COVID-19 pandemic and its variant strains;
- The number, type, outcomes (by judgment or settlement) and costs of legal, tax, regulatory or administrative proceedings, litigation and/or amnesty programs;
- Increased scrutiny from stakeholders related to environmental, social and governance ("ESG") matters, as well as our ability to achieve our broader ESG goals and objectives;
- Costs and timing of implementation of any upgrades or changes to our information technology systems;
- Failure by us to comply with any privacy or data security laws or to protect against theft of customer, employee and corporate sensitive information;

- The impact of cybersecurity risks related to breaches of security pertaining to sensitive Company, customer, or vendor information, as well as breaches in the technology that manages operations and other business processes; and
- Other factors described elsewhere in this document and from time to time in documents that we file with the SEC.

All forward-looking statements made in this document are qualified by these cautionary statements. Forward-looking statements herein are made only as of the date of this document, and we do not undertake any obligation, other than as may be required by law, to update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, or changes in future operating results over time or otherwise.

Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance unless expressed as such and should only be viewed as historical data.

Item 7A. ***Quantitative and Qualitative Disclosures about Market Risk***

Foreign Currency Risk

Changes in foreign currency exchange rates may have an impact on our operating profit. Since we transact business in many countries, some of our sale and purchase transactions are denominated in a currency other than the local currency of our operations. As a result, changes in exchange rates between the currencies in which the transaction is denominated versus the local currency of our operation into which the transaction is being recorded can impact the amount of local currency recorded for such transaction. This can result in more or less local currency revenue or cost related to such transaction and thus have an effect on our operating profit. Our European operations are more fully exposed to currency transaction risk, especially as a result of U.S. dollar, euro, and British pound denominated sales in countries where these currencies are non-functional.

Additionally, changes in foreign currency exchange rates may have an impact on the amount reported in Other income (expense), net. Once the above-indicated receivables and payables from the sale and purchase transactions have been recorded, to the extent currency exchange rates change prior to settlement of the balance, a gain or loss on the non-local currency denominated asset or liability balance may be experienced, in which case such gain or loss is included in Other income (expense), net.

We utilize forward and swap contracts to selectively hedge our exposure to foreign currency transaction risk when it is practical and economical to do so. The use of these contracts minimizes transactional exposure to exchange rate changes because the gains or losses incurred on the derivative instrument will offset, in whole or in part, the loss or gain on the underlying foreign currency exposure. These instruments are entered into with money center banks, insurance companies or government agencies, collectively known as counterparties. As of December 31, 2023, a 10% unfavorable change in the exchange rate of our functional currencies and those of our subsidiaries against the prevailing market rates of non-local currencies involving our transactional exposures would have resulted in a net pre-tax loss of approximately $44.1 million. These hypothetical gains or losses on foreign currency transactional exposures are based on the December 31, 2023 rates and the assumed rates. While we believe the above loss resulting from the hypothetical unfavorable changes in foreign currency exchange rates could be material to our results of operations, we reduce this risk by selectively hedging our exposure when it is practical and economical to do so.

Interest Rate Risk

We may utilize a combination of variable-rate and fixed-rate debt consisting of short-term and long-term instruments. We selectively hedge our exposure to interest rate increases on our variable-rate, long-term debt when it is practical and economical to do so. We have utilized various forms of interest rate hedge agreements, including interest rate swap agreements and forward rate agreements. We utilize variable-to-fixed interest rate swap agreements, which serve to convert a portion of our outstanding variable rate debt to a fixed rate. Various outstanding interest-bearing instruments are sensitive to changes in interest rates. With respect to our variable-rate debt outstanding at December 31, 2023, a 100 basis point increase in interest rates would result in a $2.6 million decrease to our future annual pre-tax earnings, taking into account the effect of the interest rate hedge transactions the Company has entered into as of December 31, 2023. As of December 31, 2023, 31.0% and 69.0% of the Company's total debt was fixed and floating interest rate debt, respectively. The Company has entered into a number of interest rate hedge transactions to convert floating rate debt to fixed. Refer to Note 15. Derivatives of the Notes to Consolidated Financial Statements for additional information. Including the impact of these transactions, as of December 31, 2023, the percentage of the Company’s debt subject to fixed and floating rates of interest was 77.0% and 23.0%, respectively.

Commodity Price Risk

We are subject to commodity price risks from our purchases of raw materials, including resin and wood pulp. Resin is the largest single component of raw material cost in the ATM segment and wood pulp is our largest single component of raw material cost in our FBS segment. The per pound price of resin is volatile and may impact the future results of our ATM segment. Additionally, the per ton cost of wood pulp is cyclical in nature and more volatile than general inflation. During the period from January 2017 through December 2023, the U.S. list price of northern bleached softwood kraft pulp ("NBSK") a representative pulp grade that we use, ranged between $1,000 to $1,700 per ton. The average list price of NBSK for the year of 2023 was $1,500 per ton.

We normally maintain approximately 50 to 90 days of inventories to support our operations. As a result, there is a lag in the impact of changes in the per ton list price of resin and wood pulp on our cost of products sold.

In our ATM segment, we utilize a variety of commodity grade and specialty resins, including a selection of specialized high temperature engineering grade resins. Certain of these specialty resins are significantly more expensive than commodity grade resins. Resin prices fluctuate significantly and can impact profitability. As we periodically enter into agreements with customers under which we agree to supply products at fixed prices, unanticipated increases in the costs of raw materials, or the lack of availability of such raw materials (due to force majeure or other reasons), can significantly impact our financial performance. Even where we do not have fixed-price agreements, we may be limited in our ability to pass through increases in raw material costs in a timely manner or may be unable to pass through increases to our customers in whole or in part. Further, some of the resins we use in our ATM segment are only available from a single supplier, or a limited number of suppliers. Consequently, such supplier(s) can control the availability and thus the cost of the resins we use, notwithstanding any changes in the cost of oil. It can be time consuming and costly, and occasionally impractical, to find replacement resins where such suppliers limit the availability or increase the cost of resins we use. Commodity grade resin prices typically correlate with crude oil prices while specialty resin prices often do not. To date, we have not utilized derivative instruments to manage this risk. With respect to our commodity price risk, a hypothetical 10% change in per ton resin prices would impact our future annual pre-tax earnings by approximately $21.4 million, assuming no compensating change in our selling prices.

Selling prices of our paper products are influenced, in part, by the market price for wood pulp, which is determined by worldwide industry supply and demand. Generally, over time, we have been able to increase our selling prices in response to increases in per ton wood pulp costs and have generally reduced our selling prices when wood pulp costs have significantly declined. Increases in prices of wood pulp could adversely impact our earnings if selling prices are not increased or if such increases do not fully compensate for or trail the increases in wood pulp prices. We have not utilized derivative instruments to manage this risk. With respect to our commodity price risk, a hypothetical 10% change in per ton wood pulp prices would impact our future annual pre-tax earnings by approximately $12.8 million, assuming no compensating change in our selling prices.

Our ATM segment acquires certain specialized pulp from a limited number of global suppliers and certain critical specialty chemicals from a limited number of suppliers. In general, these supply arrangements are covered by formal contracts and represent multi-year business relationships that have historically been sufficient to meet our needs. We expect these relationships to continue to operate in a satisfactory manner in the future. In the event of an interruption of production at any one supplier, we believe that each of these suppliers individually would be able to satisfy our short-term requirements for specialized pulp or specialty chemicals. In addition, short-term disruptions in the global supply chain for our raw materials, as experienced in 2022 and 2021, could negatively impact our ability to produce certain products which could adversely impact the mix and volume of products we can provide to our customers. In the event of a long-term disruption in our supply of specialized pulp or specialty chemicals, we believe we would be able to substitute other pulp grades or other specialty chemicals that would allow us to meet required product performance characteristics and incur only a limited disruption in our production. As a result, we do not believe that the substitution of such alternative pulp or specialty chemicals would have a material effect on our operations in the long run.

We believe that, while our exposure to commodity price risk is material to our results of operations, our customers understand such risk and over time changes in the price of the commodities used in our manufacturing processes are typically reflected in selling prices.

Energy Supply and Cost Volatility

In Western Europe, Poland, China and in the U.S., availability of energy is generally reliable, although prices can fluctuate significantly based on variations in demand. the geopolitical events in Russia and Ukraine have resulted in volatile energy prices in Europe as well as temporary concerns about supply of energy sources, such as natural gas, in the region. Currently, while energy prices remain elevated versus historical levels, supplies appear to be stable.

Due to the competitive pricing in the markets for most of our products, we are typically unable to fully pass-through higher energy costs to our customers. With respect to our purchased energy price risk, a hypothetical 10% change in per unit prices would impact our future annual pre-tax earnings by approximately $6.0 million, assuming no compensating change in our selling prices.

Periodically, when we believe it is appropriate to do so, we enter into agreements to procure a portion of our energy for future periods in order to reduce the uncertainty of future energy costs. However, in recent years this has only marginally slowed the increase in energy costs due to the volatile changes in energy prices we have experienced.

Item 8. ***Financial Statements and Supplementary Data***

Index to Consolidated Financial Statements

Schedules have been omitted because they are either not required, not applicable or the required information is included in the consolidated financial statements or notes thereto.

MATIV HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (LOSS)
(in millions, except per share amounts)

	Years Ended December 31,		
	2023	**2022**	**2021**
Net sales	$ 2,026.0	$ 1,636.9	$ 930.7
Cost of products sold	1,670.2	1,330.9	747.5
Gross profit	355.8	306.0	183.2
Selling expense	78.9	59.8	32.5
Research and development expense	21.2	18.8	11.8
General expense	246.0	248.5	153.2
Total nonmanufacturing expenses	346.1	327.1	197.5
Goodwill impairment expense	401.0	—	—
Restructuring and other impairment expense	22.6	19.1	1.9
Operating loss	(413.9)	(40.2)	(16.2)
Interest expense	62.2	57.3	40.4
Other income (expense), net	(4.8)	1.0	30.1
Loss from continuing operations before income taxes	(480.9)	(96.5)	(26.5)
Income tax (expense) benefit	(26.8)	27.6	28.2
Net income (loss) from continuing operations	(507.7)	(68.9)	1.7
Income from discontinued operations, net of tax	198.2	62.3	87.2
Net income (loss)	(309.5)	(6.6)	88.9
Dividends to participating securities	(0.7)	(0.9)	(0.6)
Undistributed earnings available to participating securities	—	—	(0.5)
Net income (loss) attributable to common stockholders	$ (310.2)	$ (7.5)	$ 87.8
Net income (loss) per share - basic:			
Income (Loss) per share from continuing operations	$ (9.33)	$ (1.64)	$ 0.02
Income per share from discontinued operations	3.64	1.46	2.81
Basic	$ (5.69)	$ (0.18)	$ 2.83
Net income (loss) per share – diluted:			
Income (Loss) per share from continuing operations	$ (9.33)	$ (1.64)	$ 0.02
Income per share from discontinued operations	3.64	1.46	2.78
Diluted	$ (5.69)	$ (0.18)	$ 2.80
Weighted average shares outstanding:			
Basic	54,506,900	42,442,200	31,030,400
Diluted	54,506,900	42,442,200	31,400,300

The accompanying notes are an integral part of these consolidated financial statements.

MATIV HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in millions)

	Years Ended December 31,		
	2023	**2022**	**2021**
Net income (loss)	$ (309.5)	$ (6.6)	$ 88.9
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments	35.5	(26.2)	(24.4)
Less: Reclassification of foreign currency translation adjustment due to sale of a business, net of tax	124.9	—	—
Unrealized gain on derivative instruments	5.0	35.4	6.1
Less: Reclassification adjustment for (gain) loss on derivative instruments included in net income (loss)	(21.5)	10.9	5.1
Net gain (loss) from postretirement benefit plans	(9.9)	2.6	3.3
Less: Amortization of postretirement benefit plans' costs included in net periodic benefit cost	0.5	0.9	2.8
Other comprehensive income (loss)	$ 134.5	$ 23.6	$ (7.1)
Comprehensive income (loss)	$ (175.0)	$ 17.0	$ 81.8

The accompanying notes are an integral part of these consolidated financial statements.

MATIV HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in millions, except per share amounts)

	December 31, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	$ 120.2	$ 101.1
Accounts receivable, net	176.5	178.2
Inventories, net	352.9	414.6
Income taxes receivable	30.6	19.4
Other current assets	32.3	27.6
Current assets held for sale of discontinued operations	—	233.8
Total current assets	712.5	974.7
Property, plant and equipment, net	672.5	691.5
Finance lease right-of-use assets	18.2	17.3
Operating lease right-of-use assets	45.6	30.6
Deferred income tax benefits	6.4	34.4
Goodwill	474.1	844.2
Intangible assets, net	631.3	710.3
Other assets	81.8	110.1
Noncurrent assets held for sale of discontinued operations	—	256.1
Total assets	$ 2,642.4	$ 3,669.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current debt	$ 2.8	$ 33.6
Finance lease liabilities	1.4	0.9
Operating lease liabilities	9.9	8.5
Accounts payable	139.3	180.6
Income taxes payable	14.3	10.2
Accrued expenses and other current liabilities	113.7	129.0
Current liabilities held for sale of discontinued operations	—	103.4
Total current liabilities	281.4	466.2
Long-term debt	1,101.8	1,656.4
Finance lease liabilities, noncurrent	18.2	17.6
Operating lease liabilities, noncurrent	35.3	25.0
Long-term income tax payable	7.7	13.9
Pension and other postretirement benefits	62.2	60.3
Deferred income tax liabilities	142.3	152.1
Other liabilities	44.4	31.5
Noncurrent liabilities held for sale of discontinued operations	—	66.9
Total liabilities	1,693.3	2,489.9

MATIV HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in millions, except per share amounts)

	December 31, 2023	December 31, 2022
Stockholders' equity:		
Preferred stock, $ 0.10 par value per share; 10,000,000 shares authorized; no ne issued or outstanding	—	—
Common stock, $ 0.10 par value per share; 100,000,000 shares authorized; 54,211,124 and 54,929,973 shares issued and outstanding at December 31, 2023 and 2022, respectively	5.4	5.5
Additional paid-in-capital	669.6	658.5
Retained earnings	235.0	610.7
Accumulated other comprehensive income (loss), net of tax	39.1	(95.4)
Total stockholders' equity	949.1	1,179.3
Total liabilities and stockholders' equity	$ 2,642.4	$ 3,669.2

The accompanying notes are an integral part of these consolidated financial statements.

MATIV HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(in millions, except per share amounts)

	Common Stock Issued		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount				
Balance, December 31, 2020	**31,324,745**	**$ 3.1**	**$ 92.2**	**$ 666.2**	**$ (111.9)**	**$ 649.6**
Net income	—	—	—	88.9	—	88.9
Other comprehensive loss, net of tax	—	—	—	—	(7.1)	(7.1)
Dividends paid ($ 1.76 per share)	—	—	—	(55.3)	—	(55.3)
Restricted stock issuances, net	201,261	—	—	—	—	—
Stock-based employee compensation expense	—	—	8.4	—	—	8.4
Stock issued to directors as compensation	2,347	—	1.1	—	—	1.1
Purchases and retirement of common stock	(78,790)	—	—	(3.4)	—	(3.4)
Balance, December 31, 2021	**31,449,563**	**$ 3.1**	**$ 101.7**	**$ 696.4**	**$ (119.0)**	**$ 682.2**
Net loss	—	—	—	(6.6)	—	(6.6)
Other comprehensive income, net of tax	—	—	—	—	23.6	23.6
Dividends paid ($ 1.68 per share)	—	—	—	(72.2)	—	(72.2)
Restricted stock issuances, net	867,897	0.1	(0.1)	—	—	—
Stock-based employee compensation expense	—	—	20.2	—	—	20.2
Stock issued to directors as compensation	10,079	—	1.1	—	—	1.1
Deferred compensation directors stock trust	60,899	—	—	—	—	—
Purchases and retirement of common stock	(273,027)	—	—	(6.9)	—	(6.9)
Issuance of shares related to Merger	22,814,562	2.3	535.6	—	—	537.9
Balance, December 31, 2022	**54,929,973**	**$ 5.5**	**$ 658.5**	**$ 610.7**	**$ (95.4)**	**$ 1,179.3**
Net loss	—	—	—	(309.5)	—	(309.5)
Other comprehensive income, net of tax	—	—	—	—	134.5	134.5
Dividends paid ($ 1.00 per share)	—	—	—	(55.7)	—	(55.7)
Restricted stock issuances, net	(76,947)	—	—	—	—	—
Stock options exercised	813	—	—	—	—	—
Stock-based employee compensation expense	—	—	10.2	—	—	10.2
Stock issued to directors as compensation	16,431	—	1.0	—	—	1.0
Purchases and retirement of common stock	(659,146)	(0.1)	(0.1)	(10.5)	—	(10.7)
Balance, December 31, 2023	**54,211,124**	**$ 5.4**	**$ 669.6**	**$ 235.0**	**$ 39.1**	**$ 949.1**

The accompanying notes are an integral part of these consolidated financial statements.

MATIV HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Years Ended December 31,		
	2023	**2022**	**2021**
Operating			
Net income (loss)	$ (309.5)	$ (6.6)	$ 88.9
Less: Income from discontinued operations	198.2	62.3	87.2
Income (loss) from continuing operations	(507.7)	(68.9)	1.7
Non-cash items included in net income (loss):			
Depreciation and amortization	147.8	109.9	67.1
Amortization of deferred issuance costs	7.6	6.4	4.0
Goodwill Impairment	401.0	—	—
Other impairments	18.2	13.8	1.6
Deferred income tax	23.8	(28.9)	(29.0)
Pension and other postretirement benefits	(8.3)	(6.5)	(1.1)
Stock-based compensation	10.5	20.4	8.5
Gain on sale of assets	—	(2.9)	(35.2)
(Gain) loss on foreign currency transactions	4.8	(7.5)	(3.5)
Other non-cash items	(12.7)	2.1	(7.1)
Cash received from settlement of interest swap agreements	16.4	23.6	—
Other operating	(5.0)	—	—
Changes in operating working capital, net of assets acquired:			
Accounts receivable	2.0	157.1	2.7
Inventories	52.2	(62.9)	(15.9)
Prepaid expenses	(0.2)	(0.2)	0.9
Accounts payable and other current liabilities	(64.4)	(15.3)	(3.3)
Accrued income taxes	(9.4)	(15.6)	1.1
Net changes in operating working capital	(19.8)	63.1	(14.5)
Net cash provided by (used in) operating activities of:			
Continuing operations	76.6	124.6	(7.5)
Discontinued operations	30.0	77.6	65.5
Net cash provided by operations	106.6	202.2	58.0
Investing			
Capital spending	(66.0)	(45.6)	(19.4)
Capitalized software costs	(0.4)	(2.6)	(2.8)
Acquisitions, net of cash acquired	—	(462.5)	(630.5)
Proceeds from sale of assets	—	7.5	35.2
Cash received from settlement of cross-currency swap contracts	—	35.8	—
Other investing	5.0	(1.9)	(0.8)
Net cash provided by (used in) investing of:			
Continuing operations	(61.4)	(469.3)	(618.3)
Discontinued operations	608.6	(12.0)	(18.1)
Net cash provided by (used in) investing	547.2	(481.3)	(636.4)

MATIV HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Years Ended December 31,		
	2023	**2022**	**2021**
Financing			
Cash dividends paid	(55.3)	(72.2)	(55.3)
Proceeds from long-term debt	241.0	774.9	743.5
Payments on long-term debt	(834.6)	(340.6)	(54.3)
Payments for debt issuance costs	(1.5)	(22.1)	(14.6)
Payments on financing lease obligations	(1.0)	(0.6)	(15.3)
Purchases of common stock	(10.6)	(6.9)	(3.4)
Net cash provided by (used in) financing of:			
Continuing operations	(662.0)	332.5	600.6
Discontinued operations	(0.9)	(1.0)	(0.7)
Net cash provided by (used in) financing	(662.9)	331.5	599.9
Effect of exchange rate changes on cash and cash equivalents	4.9	(2.7)	(1.5)
Increase (decrease) in cash and cash equivalents	(4.2)	49.7	20.0
Cash and cash equivalents at beginning of period	124.4	74.7	54.7
Cash and cash equivalents at end of period	$ 120.2	$ 124.4	$ 74.7
Balances included in the Consolidated Balance Sheets:			
Cash and cash equivalents	$ 120.2	$ 101.1	$ 71.2
Cash and cash equivalents included in current assets held for sale of discontinued operations	—	23.3	3.5
Cash and cash equivalents at end of period	$ 120.2	$ 124.4	$ 74.7
Supplemental Cash Flow Disclosures			
Cash paid for interest, net	$ 121.4	$ 84.6	$ 47.4
Cash paid for taxes, net	$ 37.5	$ 26.0	$ 22.4
Capital spending in accounts payable and accrued liabilities	$ 10.1	$ 14.6	$ 6.3
Merger non-cash consideration	$ —	$ 537.9	$ —

The accompanying notes are an integral part of these consolidated financial statements.

Note 1. General

Nature of Business

Mativ Holdings, Inc. is a global leader in manufacturing specialty materials, making material impacts on the world every day through a wide range of critical components and engineered solutions that solve our customers' most complex challenges. Mativ manufactures globally through our family of business-to-business and consumer product brands. Mativ targets premium applications across diversified and growing end-markets, from filtration to healthcare to sustainable packaging and more. Our broad portfolio of technologies combines polymers, fibers, and resins to optimize the performance of our customers' products across multiple stages of the value chain.

On July 6, 2022, Schweitzer-Mauduit International, Inc. ("SWM") completed its previously announced merger transaction involving Neenah, Inc. ("Neenah"). A wholly-owned subsidiary of SWM merged with and into Neenah (the "Merger"), with Neenah surviving the Merger as a direct and wholly-owned subsidiary of SWM. Effective as of the closing date of the Merger, SWM changed its name to Mativ Holdings, Inc. ("Mativ," "we," "our," or the "Company"). Effective with the Merger, the Company changed the name of its two reportable segments to: Advanced Technical Materials ("ATM") and Fiber-Based Solutions ("FBS"). There was no change to the historical reportable segments or historical results for the segments. Refer to Note 21. Segment Information for additional information on our segments.

On August 1, 2023, the Company entered into a final, binding and irrevocable offer letter (the "Offer Letter") with Evergreen Hill Enterprise Pte. Ltd., an affiliate of PT Bukit Muria Jaya ("Evergreen Hill Enterprise") pursuant to which Evergreen Hill Enterprise made a binding offer (the "Offer") to acquire the Company's Engineered Papers business ("EP business") for $620.0 million in cash, subject to customary closing date adjustments (the "EP Divestiture"). Pursuant to the terms of the Offer Letter, following the conclusion of the required employee consultation process with its French works councils (the "French Consultation Process"), the Company accepted Evergreen Hill Enterprise's Offer and countersigned the Purchase Agreement, dated as of August 1, 2023 (the "Purchase Agreement"), with respect to the EP Divestiture on October 4, 2023. Effective with the Offer, the EP business is presented as a discontinued operation for all periods presented. Current and non-current assets and liabilities of the EP business are classified as held for sale, and certain prior period amounts have been retrospectively revised to reflect these changes. The consolidated financial statements and the notes thereto, unless otherwise indicated, are on a continuing operations basis. On November 30, 2023 the Company completed the sale of EP business. With the sale of the EP business, Mativ ceased participating in the tobacco-related products market. Upon closing of the transaction, the Company recorded a gain on sale of $176.3 million ($170.0 million, net of income taxes) and released certain material deferred tax valuation allowances. The gain and cash proceeds are subject to customary working capital adjustments during a specified period following the sale close date. Refer to Note 9. Discontinued Operations for more information on the discontinued operations and transaction.

Basis of Presentation

The accompanying consolidated financial statements and the notes thereto have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of financial statements in conformity with GAAP requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting periods. The Company believes the estimates and assumptions used in the preparation of these consolidated financial statements are reasonable, based upon currently available facts and known circumstances. Actual results may differ from those estimates and assumptions as a result of a number of factors, including those discussed elsewhere in this report and in its other public filings from time to time.

Reclassifications

Certain prior year amounts on the Consolidated Statements of Cash Flows have been reclassified to conform to the current year presentation for comparative purposes. Prior year's classification of certain end-markets in the legacy SWM Advanced Materials & Structures segment have been reclassified to conform to the current year presentation of ATM's end-markets for comparative purposes.

Certain prior year amounts in the reconciliation of income taxes computed at the U.S. Federal statutory income tax rate to the expense for income taxes have been reclassified to conform to the current year presentation for comparative purposes. Certain prior year amounts in the Net deferred income tax assets (liabilities) have been reclassified to conform to the current year presentation for comparative purposes.

Certain current and prior year amounts on the Consolidated Statements of Income (Loss), Consolidated Balance Sheets, Consolidated Statements of Cash Flows, and Notes to Consolidated Financial Statements have been reclassified to conform to the current year presentation as continuing and discontinued operations and for comparative purposes.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and wholly-owned, majority-owned and controlled subsidiaries.

Effective with the Offer, the EP business is presented as a discontinued operation for all periods presented. Current and non-current assets and liabilities of the EP business are classified as held for sale, and certain prior period amounts have been retrospectively revised to reflect these changes. The consolidated financial statements and the notes thereto, unless otherwise indicated, are on a continuing operations basis. Refer to Note 9. Discontinued Operations for more information on the discontinued operation and transaction.

The financial statements and information set forth herein is as of and for the year ended December 31, 2023 and represent the merged company operations of SWM and Neenah and their respective subsidiaries on a consolidated basis effective as of July 6, 2022 as a result of the Merger. Because SWM was deemed the accounting acquirer under GAAP, the historical financial statements of SWM are presented as the historical financial statements of the consolidated company prior to the Merger. Accordingly, references to "Mativ," "the Company," "we," or "our" means SWM and its subsidiaries when referring to periods prior to the Merger, and means Mativ Holdings, Inc. when referring to the periods after the Merger.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the revenues and expenses during the reporting period. Actual results could differ significantly from these estimates. The significant estimates underlying our consolidated financial statements include, but are not limited to, inventory valuation, goodwill valuation, useful lives of tangible and intangible assets, business acquisitions, equity-based compensation, derivatives, receivables valuation, pension, postretirement and other benefits, taxes and contingencies.

Note 2. Summary of Significant Accounting Policies

Revenue Recognition

The Company recognizes revenues when control of a product is transferred to the customer. Control is transferred when the products are shipped from one of the Company’s manufacturing facilities to the customer. Any freight costs billed to and paid by a customer are included in net sales. Refer to Note 3. Revenue Recognition for additional information.

Freight Costs

The cost the Company pays to deliver finished goods to our customers is recorded as a component of cost of products sold. These costs include the amounts paid to a third party to deliver the finished goods.

Royalty Income

Royalties from third-party patent licenses are recognized when earned, including monies received at an agreement's initiation attributable to past sales. The Company recognizes up-front payments upon receipt when it has no future performance requirement or ongoing obligation arising from its agreements and the payment is for a separate earnings process. Minimum annual royalties received in advance are deferred and are recognized in the period earned. The Company recognized $ 4.4 million, $ 6.9 million, and $ 6.1 million of royalty income during the years ended December 31, 2023, 2022 and 2021 respectively, which was included in Net sales in the Consolidated Statements of Income (Loss).

Foreign Currency Translation

The income statements of foreign entities are translated into U.S. dollars at average exchange rates prevailing during the periods presented. The balance sheets of these entities are translated at period-end exchange rates, and the differences from historical exchange rates are reflected in a separate component of Accumulated other comprehensive income (loss), net of tax ("AOCI") in the Consolidated Balance Sheets as unrealized foreign currency translation adjustments.

Foreign currency risks arise from transactions and balances denominated in non-local currencies. Gains and losses resulting from remeasurement and settlement of such transactions and balances, net of currency hedge impacts, included in Other income (expense), net, in the Consolidated Statements of Income (Loss) were losses of $ 1.7 million, $ 1.8 million, and $ 6.9 million during the years ended December 31, 2023, 2022 and 2021, respectively.

Derivative Instruments

The Company is exposed to changes in foreign currency exchange rates, interest rates and commodity prices. The Company utilizes a variety of practices to manage these market risks, including where considered appropriate, derivative instruments. The Company uses derivative instruments only for risk management purposes and not for trading or speculation. All derivative instruments the Company uses are either exchange traded or are entered into with major financial institutions in order to reduce credit risk and risk of nonperformance by third parties. The Company believes the credit risks with respect to the counterparties, and the foreign currency risks that would not be hedged if the counterparties fail to fulfill their obligations under the contracts, are not material in view of its understanding of the financial strength of the counterparties.

Gains and losses on instruments that hedge firm commitments are deferred and included in the basis of the underlying hedged items. All other hedging gains and losses are included in period income or expense based on the period-end market price of the instrument and are included in the Company's operating cash flows. Refer to Note 15. Derivatives for additional information.

Cash and Cash Equivalents

The Company considers all highly liquid, unrestricted investments with remaining maturities of three months or less to be cash equivalents, including money market funds with no restrictions on withdrawals. Contractually restricted cash included in Cash and cash equivalents in the Consolidated Balance Sheets was $ 0.6 million at December 31, 2023 and 2022.

Business Combinations

The Company uses the acquisition method of accounting for business combinations. At the acquisition date, the Company records assets acquired and liabilities assumed at their respective fair market values. The Company estimates fair value using the exit price approach which is the price that would be received to sell an asset or paid to transfer a liability in an orderly market. An exit price is determined from a market participant's viewpoint in the principal or most advantageous market and may result in the Company valuing assets or liabilities at a fair value that is not reflective of the Company's intended use of the assets or liabilities. Any excess consideration above the estimated fair values of the net assets acquired is recognized as Goodwill in the Company's Consolidated Balance Sheets. The operating results of acquired businesses are included in the Company's results of operations beginning as of their effective acquisition dates. Acquisition costs are expensed as incurred and were $45.5 million, and $8.7 million during the years ended December 31, 2022, and 2021, respectively. There were no acquisition costs during the year ended December 31, 2023. Refer to Note 5. Business Acquisition for additional information.

Impairment of Long-Lived Assets, Goodwill, and Intangible Assets

The Company evaluates the carrying value of long-lived assets, including property and equipment, goodwill, and intangible assets when events and circumstances warrant a review. Goodwill is also tested for impairment annually during the fourth quarter. We first evaluate qualitative factors, such as macroeconomic conditions and our overall financial performance by reporting unit to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. We then evaluate how significant each of the identified factors could be to the fair value or carrying amount of a reporting unit and weigh these factors in totality in forming a conclusion of whether or not it is more likely than not that the fair value of a reporting unit is less than its carrying amount (the “Step 0 Test”). Goodwill is not impaired if we determine that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount. Otherwise, we would proceed to the goodwill impairment test.

Alternatively, we may also bypass the Step 0 Test and proceed directly to the goodwill impairment test, where the fair value of the reporting unit is compared to the carrying value. The difference between the total fair value of the reporting unit and the carrying value is recognized as an impairment to the reporting unit's goodwill. Refer to Note 10. Goodwill for further discussion of the Company's annual impairment test results. During the year ended December 31, 2023, we performed an interim quantitative goodwill impairment test, which resulted in a non-cash impairment charge of $401.0 million in the third quarter of 2023. We performed a qualitative assessment during the annual testing performed as of October 1, 2023, which resulted in no additional impairment.

We have acquired trade names that have been determined to have indefinite lives. We evaluate a number of factors to determine whether an indefinite life is appropriate, including the competitive environment, category share, business history, product life cycle and operating plans. Indefinite-lived intangibles are evaluated for impairment annually during the fourth quarter. Additionally, when certain events or changes in operating conditions occur, an impairment assessment is performed, and indefinite-lived trade names may be adjusted to a determinable life or an impairment charge may be recorded.

The cost of intangible assets with determinable useful lives is amortized to reflect the pattern of economic benefits consumed, which approximates a straight-line basis, over the estimated periods benefited. When certain events or changes in operating conditions occur, an impairment assessment is performed and lives of intangible assets with determinable lives may be adjusted. Estimated useful lives range from 12 to 23 years for customer relationships and 4 to 20 years for developed technology, patents, and other intangible assets.

The carrying value of long-lived assets is reviewed to determine if events or circumstances have changed which may indicate that the assets may be impaired, or the useful life may need to be changed. Upon occurrence of such a triggering event, the Company considers internal and external factors relating to each asset group, including expectation of future profitability, undiscounted cash flows and its plans with respect to the operations. If impairment is indicated, an impairment loss is measured by the amount the net carrying value of the asset exceeds its estimated fair value.

Transfers of Financial Assets

We account for transfers of our financial assets in accordance with Accounting Standards Codification ("ASC") Topic No. 860, Transfers and Servicing. When a transfer meets all the requirements for a sale of a financial asset, we derecognize the financial asset and record a net gain or loss.

Environmental Spending

Environmental spending is capitalized if such spending qualifies as property, plant and equipment, substantially increases the economic value or extends the useful life of an asset. All other such spending is expensed as incurred, including fines and penalties incurred in connection with environmental violations. Environmental spending relating to an existing condition caused by past operations is expensed. Liabilities are accrued when environmental assessments are probable, and the costs can be reasonably estimated. Generally, timing of these accruals coincides with completion of a feasibility study or commitment to a formal plan of action.

Capitalized Software Costs

The Company capitalizes certain purchases of software and software development costs in connection with major projects of software development for internal use. These costs are included in Other assets on the Consolidated Balance Sheets and are amortized using the straight-line method over the estimated useful life not to exceed seven years . Costs associated with business process redesign, end-user training, system start-up and ongoing software maintenance are expensed as incurred. Amortization of capitalized software was $ 5.0 million, $ 4.4 million, and $ 2.8 million during the years ended December 31, 2023, 2022 and 2021, respectively. Accumulated amortization of capitalized software costs was $ 30.9 million and $ 36.5 million at December 31, 2023 and 2022, respectively. Refer to Note 12. Other Assets for additional information.

Income Taxes

Our income tax expense, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management’s best estimate of current and future taxes to be paid. We operate and are subject to income taxes in the U.S. and numerous foreign jurisdictions. The complexity of our global structure requires technical expertise in determining the allocation of income to each of these jurisdictions and consolidated income tax expense.

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, all available positive and negative evidence is considered, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies, and results of recent operations. If it is determined that the Company would be able to realize the deferred tax assets in the future in excess of their net recorded amount, an adjustment would be made to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company records uncertain tax positions in accordance with ASC 740, Income Taxes , on the basis of a two-step process in which it is determined whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

Pension and Other Postretirement Benefits Accounting

The Company recognizes the estimated compensation cost of employees' pension and other postretirement benefits over their approximate period of service. The Company's earnings are impacted by amounts of expense recorded related to these benefits, which primarily consists of pension benefits in the United States, France, United Kingdom, Germany, and Netherlands. Each year's recorded expenses are estimates based on actuarial calculations of the Company's accumulated and projected benefit obligations ("PBOs") for the Company's various plans.

Suspension of additional benefits for future service is considered a curtailment, and if material, necessitates a re-measurement of plan assets and PBO. As part of a re-measurement, the Company adjusts its discount rates and other actuarial assumptions, such as retirement, turnover and mortality table assumptions, as appropriate. Refer to Note 18. Postretirement and Other Benefits for additional information.

Comprehensive Income (Loss)

Comprehensive income (loss) includes Net Loss (Income), as well as items charged and credited directly to stockholders' equity, which are excluded from Net Loss (Income). The Company has presented comprehensive income (loss) in the Consolidated Statements of Comprehensive Income (Loss). Reclassification adjustments of derivative instruments from Accumulated Other comprehensive income (loss), net of tax are presented in Net sales, Other income (expense), or Interest expense in the Consolidated Statements of Income (Loss). In conjunction with the sale of the EP business, $ 133.8 million of foreign currency translation adjustments (losses) and $ 8.9 million of deferred gains associated with net investment hedges settled in prior periods was released from AOCI and recognized within income from discontinued operations, net of tax. Refer to Note 15. Derivatives for additional information. Amortization of accumulated pension and other postretirement benefit ("OPEB") liabilities are included in the computation of net periodic pension and OPEB costs, which are more fully discussed in Note 18. Postretirement and Other Benefits.

Components of Accumulated other comprehensive income (loss), net of tax, were as follows (in millions):

	December 31,			
		2023		2022
Accumulated pension and OPEB liability adjustments, net of income tax benefit of $ 4.3 million and $ 2.5 million at December 31, 2023 and 2022, respectively	$	(20.3)	$	(10.9)
Accumulated unrealized gain on derivative instruments, net of income tax expense of $ 12.8 million and $ 12.9 million at December 31, 2023 and 2022, respectively		27.9		44.4
Accumulated unrealized foreign currency translation adjustments, net of income tax benefit of $ 14.6 million and $ 17.0 million at December 31, 2023 and 2022, respectively		31.5		(128.9)
Accumulated other comprehensive income (loss), net of tax	$	39.1	$	(95.4)

Changes in the components of Accumulated other comprehensive income (loss), net of tax, were as follows (in millions):

	Years Ended December 31,								
	2023			2022			2021		
	Pre-tax	Tax	Net of Tax	Pre-tax	Tax	Net of Tax	Pre-tax	Tax	Net of Tax
Pension and OPEB liability adjustments	$ (11.2)	$ 1.8	$ (9.4)	$ 9.9	$ (6.4)	$ 3.5	$ 8.9	$ (2.8)	$ 6.1
Derivative instrument adjustments	(16.6)	0.1	(16.5)	61.3	(15.0)	46.3	11.9	(0.7)	11.2
Foreign currency translation adjustments	35.4	0.1	35.5	(33.7)	7.5	(26.2)	(23.8)	(0.6)	(24.4)
Reclassification of foreign currency translation to income	127.4	(2.5)	124.9	—	—	—	—	—	—
Total	$ 135.0	$ (0.5)	$ 134.5	$ 37.5	$ (13.9)	$ 23.6	$ (3.0)	$ (4.1)	$ (7.1)

Disclosures regarding the amounts reclassified from AOCI to income for pensions and derivatives are separately disclosed in Note 18. Postretirement and Other Benefits and Note 15. Derivatives.

Restricted Stock

All of the Company's restricted stock unit grants, vest upon completion of a specified period of time, typically between one and three years . The fair value of each award is equal to the share price of the Company's stock on the date of the grant. This cost is recognized over the vesting period of the respective award. The Company records forfeitures of restricted stock units related to continued service requirements as they occur. A summary of outstanding restricted stock units awards as of December 31, 2023 and 2022 is included in Note 19. Stockholders' Equity.

Long-term Incentive Plan Performance Share Units

The Company's long-term incentive compensation program ("LTICP") for key employees includes an equity-based award component that is provided through the Long-term Incentive Plan ("LTIP"), which the Company adopted in 2015. The objectives under the LTICP are established at the beginning of a performance cycle and are intended to focus management on longer-term strategic goals. The Compensation Committee of the Board of Directors designates participants in the LTICP and LTIP and determines the equity-based award opportunity in the form of performance share units for each performance cycle, which is generally measured on the basis of a three-year performance period (the measurement period). The performance share units are sized after the performance period is completed, and vest at a predetermined date thereafter. The Company recognizes compensation expense with an offsetting credit to additional paid-in-capital over the performance period based on the fair value of the award at the date of grant, with compensation expense being adjusted cumulatively based on the number of shares expected to be earned according to the level of achievement of performance goals.

On the Merger date, the Company modified the 2022 and 2021 performance share awards issued under the LTIP to remove the performance and market conditions for continuing employees, effectively converting the awards to service-only modified awards that cliff vest upon the original date of lapse of restrictions defined in the LTIP awards.

Fair Value Measurements

The Company measures fair value in accordance with ASC 820, Fair Value Measurements and Disclosures, which establishes a framework for measuring fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 provides a fair value hierarchy based on the following three categories:

- Level 1 - Measurements that reflect unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 - Measurements that include other inputs that are directly or indirectly observable in the marketplace.
- Level 3 - Measurements derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

Recently Adopted Accounting Pronouncements

In March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting." The new standard provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform and the discontinuance of the London Interbank Offered Rate ("LIBOR") if certain criteria are met. The amendments in this ASU are effective for all entities as of March 12, 2020, through December 31, 2022. In December 2022, FASB issued ASU 2022-06 Reference Rate Reform (ASC 848): Deferral of the Sunset Date of Topic 848, which extended the final sunset date from December 31, 2022 to December 31, 2024. The provisions of ASU 2020-04 and ASU 2022-06 were adopted effective April 1, 2022 and did not have a material impact on the consolidated financial statements.

Recently Issued Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures." The amendment enhances reportable segment disclosure requirements, primarily regarding significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss, an amount and description of other segment items and expanded interim disclosures that align with those required annually, among other provisions. The amendments in this ASU are effective on a retrospective basis for annual periods beginning January 1, 2024, and interim periods within those annual periods beginning January 1, 2025, with early adoption permitted. The Company is in the process of evaluating the effect that the adoption of these standards will have on its consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." The amendment enhances income tax disclosure requirements, particularly regarding the effective tax rate reconciliation and income taxes paid. The amendments in this ASU are effective for fiscal years beginning after December 15, 2024. The Company is in the process of evaluating the effect that the adoption of these standards will have on its consolidated financial statements.

Note 3. Revenue Recognition

The Company recognizes revenues when control of a product is transferred to the customer. Control is transferred when the products are shipped from one of the Company’s manufacturing facilities to the customer. Any freight costs billed to and paid by a customer are included in Net sales. The cost the Company pays to deliver finished goods to our customers is recorded as a component of Cost of products sold. These costs include the amounts paid to a third party to deliver the finished goods.

Revenue is recognized when performance obligations under the terms of a contract with a customer are satisfied, which generally occurs when control of the promised goods or services is transferred to the customer, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. Generally, the Company considers collectability of amounts due under a contract to be probable upon inception of a sale based on an evaluation of the credit worthiness of each customer. If collectability is not considered to be probable, the Company defers recognition of revenue on satisfied performance obligations until the uncertainty is resolved. We record estimates for credit losses based on our expectations for the collectability of amounts due from customers, considering historical collections, expectations for future activity and other discrete events, as applicable.

Variable consideration, such as discounts or price concessions, is set forth in the terms of the contract at inception and is included in the assessment of the transaction price at the outset of the arrangement. The transaction price is allocated to the individual performance obligations due under the contract based on the relative stand-alone fair value of the performance obligations identified in the contract. The Company typically uses an observable price to determine the stand-alone selling price for separate performance obligations.

The Company does not typically include extended payment terms or significant financing components in its contracts with customers. Certain sales contracts may include cash-based incentives (volume rebates or credits), which are accounted for as variable consideration. We estimate these amounts at least quarterly based on the expected forecast quantities to be provided to customers and reduce revenues recognized accordingly. Incidental items that are immaterial in the context of the contract are recognized as expense in the period incurred. The Company generally expenses sales commissions when incurred because the amortization period is one year or less. These costs are recorded within Selling expense. The Company does not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less and contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed. As a practical expedient, the Company treats shipping and handling activities that occur after control of the good transfers as fulfillment activities, and therefore, does not account for shipping and handling costs as a separate performance obligation. The remaining performance obligations as of December 31, 2023 are not considered material.

Net sales are attributed to the following geographic locations of the Company's direct customers (in millions):

	Years Ended December 31,								
	2023			2022			2021		
	ATM	FBS	Total	ATM	FBS	Total	ATM	FBS	Total
United States	$ 753.9	$ 347.0	$ 1,100.9	$ 753.8	$ 194.6	$ 948.4	$ 562.5	$ —	$ 562.5
Europe and the former Commonwealth of Independent States	525.5	20.9	546.4	368.8	12.4	381.2	193.8	—	193.8
Asia/Pacific	184.2	22.5	206.7	152.3	18.7	171.0	124.9	—	124.9
Americas (excluding U.S.)	103.4	22.1	125.5	86.0	12.7	98.7	31.4	—	31.4
Other foreign countries	43.0	3.5	46.5	35.3	2.3	37.6	18.1	—	18.1
Net sales(1)	$ 1,610.0	$ 416.0	$ 2,026.0	$ 1,396.2	$ 240.7	$ 1,636.9	$ 930.7	$ —	$ 930.7

(1) Net sales include net hedging gains and losses for the years ended December 31, 2022 and 2021.

ATM is comprised of the legacy SWM Advanced Materials & Structures segment and certain legacy Neenah segments allocated to ATM based on performance, market focus, technologies, and reporting structure. FBS is substantially comprised of the legacy Neenah Fine Paper and Packaging segment. As a result of the EP Divestiture, the EP Business is presented as a discontinued operation and no longer reported in the FBS reportable segment. Refer to Note 21. Segment Information for additional information on our segments.

The ATM segment supplies customers serving generally high-growth end-markets as follows:

Industrials – substrates for tape, industrial, construction, infrastructure, performance labels, cable wrapping, abrasives, and other specialty applications.

Protective solutions – paint protection films for transportation in aftermarket channel, interlayer lamination for ballistic resistant and security glass, high-performance graphics substrates, and emerging smart glass applications.

Filtration – advanced media for transportation applications (such as air intake, cabin air, fuel oil), reverse osmosis water filtration, industrial process air and liquid applications, air purification, and HVAC and life science/personal protective equipment.

Healthcare – advanced wound care, consumer wellness, device fixation, and finger bandages.

Release liners – substrates critical to adhesive separation for applications in the personal care, label, tape, industrial, graphic arts, composites, and medical categories.

Net sales as a percentage by end-market for the ATM business were as follows:

	Years Ended December 31,	
	2023	2022
Industrials	33 %	34 %
Protective solutions	16 %	22 %
Filtration	25 %	21 %
Healthcare	16 %	16 %
Release liners	10 %	7 %
Net sales(1)	100 %	100 %

(1) Net sales includes Neenah effective July 6, 2022.

The FBS segment supplies customers serving generally both growing and mature end-markets including sustainable premium packaging solutions, imaging and communication, home & office, consumer goods, and other applications.

There were no customers in the ATM segment and in the FBS segment which made up 10% or more of the Company's 2023, 2022 or 2021 consolidated net sales.

Note 4. Leases

The Company leases certain office space, warehouses, manufacturing facilities, land, and equipment. Leases with an initial term of 12 months or less are not recorded on the Consolidated Balance Sheets; we recognize lease expense for these short-term leases in General expense in the Consolidated Statements of Income (Loss) on a straight-line basis over the lease term. For leases without lease terms (e.g., month-to-month leases), lease expense is recognized as incurred and no asset or liability is recorded for these leases.

The Company accounts for lease components (e.g., fixed payments including rent, real estate taxes and insurance costs) separately from non-lease components (e.g., common-area maintenance costs). Most leases include one or more options to renew, with renewal terms that can extend the lease term. The exercise of lease renewal options is at our sole discretion. Lease assets and liabilities are determined based on the lease term including those periods for which renewal options are considered reasonably certain to be exercised. Certain leases also include options to purchase the leased property, although we are unlikely to do so in most cases. The depreciable life of assets and leasehold improvements are limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise. When available, the Company uses the rate implicit in the lease to discount lease payments to present value; however, most of the Company's leases do not provide a readily determinable implicit rate. Therefore, the Company must estimate its incremental borrowing rate to discount the lease payments based on information available at lease commencement.

Components of lease expense incurred by the Company are as follows (in millions):

	Years Ended December 31,	
	2023	2022
Finance lease cost (cost resulting from lease payments):		
Interest expense on lease liabilities	$ 1.4	$ 0.7
Amortization of right-of-use assets	1.4	0.8
Operating lease cost	11.3	9.8
Short-term lease expense	1.7	3.3
Variable lease expense	—	0.6
Sublease income	(0.1)	—
Total lease cost	$ 15.7	$ 15.2

The following table represents future contractual lease liabilities for finance and operating leases at December 31, 2023 (in millions):

	Finance	Operating	Total
2024	$ 2.5	$ 12.6	$ 15.1
2025	2.8	10.3	13.1
2026	2.8	7.5	10.3
2027	2.8	6.4	9.2
2028	1.8	5.1	6.9
Thereafter	19.7	15.5	35.2
Total lease payments	$ 32.4	$ 57.4	$ 89.8
Less: Interest	12.8	12.2	25.0
Present value of lease liabilities	$ 19.6	$ 45.2	$ 64.8

Weighted-average remaining lease term (in years) and discount rate are as follows:

	December 31,	
	2023	2022
Weighted-average remaining lease term:		
Operating leases	8.4	4.8
Finance leases	14.1	15.7
Weighted-average discount rate:		
Operating leases	6.31 %	5.39 %
Finance leases	7.49 %	7.61 %

Supplemental cash flow information related to leases are as follows (in millions):

	Years Ended December 31,	
	2023	2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 14.3	$ 9.9
Operating cash flows from finance leases	1.4	0.7
Leased assets obtained in exchange for new finance lease liabilities	2.0	16.1
Leased assets obtained in exchange for new operating lease liabilities	25.1	20.6

Refer to the Consolidated Statements of Cash Flows for information on payments on financing lease obligations.

The Company's leased office space for its previous headquarters in Alpharetta, GA will terminate in December 2024. We entered into a new lease for our headquarters that commenced on July 1, 2023 which will expire after 12.5 years, unless terminated sooner.

Note 5. Business Acquisition

On March 28, 2022, the Company entered into an Agreement and Plan of Merger to combine with Neenah, Inc. ("Neenah"), a specialty materials company incorporated in Delaware, in an all-stock merger of equals (the "Merger Agreement"), to create a global leader in specialty materials, accelerate growth and innovation, as well as achieve cost synergies. The Merger was approved by the shareholders of both the Company and Neenah on June 29, 2022 and was completed on July 6, 2022. Under the terms of the Merger Agreement, which was unanimously approved by the board of directors of both companies, Neenah merged into a directly owned subsidiary of the Company, with Neenah surviving the Merger as a direct, wholly-owned subsidiary of Mativ.

Pursuant to the Merger Agreement, each share of Neenah's common stock outstanding was exchanged for 1.358 shares of common stock in the Company. As such, the Company issued approximately 22.8 million shares of its common stock to Neenah's shareholders under the terms of the Merger Agreement. Based on the Company's closing stock price on July 5, 2022, the total value of shares issued to Neenah's shareholders was approximately $ 534.1 million. The total consideration transferred to merge with Neenah was $ 1,056.3 million, which included the equity portion consideration of $ 534.1 million, repayment of Neenah debt of $ 504.9 million, repayment of acquisition costs incurred by Neenah of $ 13.5 million and the fair value of unvested stock awards allocated to the pre-merger period of $ 3.8 million.

The Company used the proceeds of the borrowings under the amended Credit Agreement to repay existing indebtedness of Neenah and to pay other costs and expenses in connection with the Merger.

The transaction was accounted for as a business combination with the Company being treated as the accounting acquirer in accordance with Accounting Standards Codification ("ASC") 805, Business Combinations. Under this method of accounting, the total consideration has been allocated to Neenah's assets acquired and liabilities assumed based upon fair values at the Merger date. The assets acquired and liabilities assumed were measured at fair value as of the Merger date primarily using Level 3 inputs. The excess of the total consideration over the net assets acquired was recorded as goodwill and has been allocated to the ATM segment. The goodwill recorded will not be deductible for tax purposes as it is primarily attributable to expected revenue and cost synergies. The estimated purchase price allocation disclosed as of September 30, 2022 was revised during the measurement period as new information was received and analyzed resulting in increases in Deferred income tax liabilities of $ 19.0 million, Intangible assets, net of $ 17.9 million, Property, plant and equipment, net of $ 9.6 million, Inventories, net of $ 2.7 million, as well as decreases in Goodwill of $ 12.0 million, Accounts payable and other current liabilities of $ 9.1 million, Accounts receivable, net of $ 8.5 million, and other immaterial changes, as presented in the table below.

The consideration paid to merge with Neenah, and the fair values of the assets acquired and liabilities assumed as of the Merger date were as follows (in millions):

	Final Fair Value Allocation	Adjustments	Preliminary Allocation as of July 6, 2022
Cash and cash equivalents	$ 55.9	$ —	$ 55.9
Accounts receivable, net	198.1	(8.5)	206.6
Inventories, net	194.5	2.7	191.8
Other current assets	27.8	0.3	27.5
Property, plant and equipment, net	463.2	9.6	453.6
Intangible assets, net	236.9	17.9	219.0
Other assets	42.1	0.3	41.8
Total assets	$ 1,218.5	$ 22.3	$ 1,196.2
Current debt	$ 1.9	$ —	$ 1.9
Accounts payable and other current liabilities	198.8	(9.1)	207.9
Long-term debt	22.8	—	22.8
Deferred income tax liabilities	86.7	19.0	67.7
Other liabilities	82.4	0.4	82.0
Net assets acquired	$ 825.9	$ 12.0	$ 813.9
Goodwill	230.4	(12.0)	242.4
Total consideration	$ 1,056.3	$ —	$ 1,056.3

The fair value of receivables acquired approximates the gross contractual value. The contractual amount not expected to be collected is immaterial.

Acquired inventory was comprised of finished goods, work in process and raw materials. The fair value of finished goods was based on net realizable value adjusted for the costs of selling and manufacturing and a reasonable profit margin on selling effort and manufacturing costs. The fair value of work in process was based on net realizable value adjusted for the costs of selling and a reasonable profit margin on selling effort. The fair value of raw materials was determined to approximate book value.

Property, plant and equipment is comprised of land, buildings and leasehold improvements, machinery and equipment, furniture and fixtures, computer equipment and construction in progress. The fair value was primarily determined using a reproduction/replacement cost approach which measures the value of an asset by estimating the cost to acquire or construct comparable assets adjusted for age and condition of the asset.

Acquired intangible assets include customer relationships, trade names and developed technologies. Intangible assets were valued using the multi-period excess earnings and relief-from-royalty methods, both forms of the income approach which considers a forecast of future cash flows generated from the use of each asset.

The following table sets forth the components of identifiable intangible assets (in millions) and their estimated useful lives (in years):

	Fair Value		Weighted-Average Amortization Period (Years)
Amortizable intangible assets:			
Customer relationships	$	202.3	14.3
Trade names		14.4	20
Developed technology		20.2	7
Total amortizable intangible assets	$	236.9	

The deferred tax effects resulting from the Merger include the federal, state and foreign tax consequences associated with temporary differences between the fair values of the assets acquired, liabilities assumed and the respective tax basis.

During the year ended December 31, 2023, the Company did not recognize any direct and indirect merger-related costs. During the year ended December 31, 2022, the Company recognized direct and indirect costs related to the Merger of $ 45.5 million predominantly related to severance and termination costs resulting from the change in control, legal and other professional fees. Direct and indirect merger-related costs were expensed as incurred and are primarily included in the General expense in the Company's Consolidated Statements of Income (Loss).

Pro Forma Financial Information (Unaudited)

The unaudited supplemental pro forma financial information presents the combined results of operations for the periods presented, as if the Merger had occurred on January 1, 2021. The unaudited supplemental pro forma financial information includes the following adjustments related to the Merger: incremental depreciation expense related to fair value adjustments to property, plant and equipment, amortization of intangible assets and fair value adjustments to inventory, interest expense for the additional indebtedness incurred to complete the Merger, acquisition and severance costs, and applicable tax adjustments based on statutory rates in the jurisdictions where the adjustments occurred.

The unaudited supplemental pro forma financial information presented below is not necessarily indicative of consolidated results of continuing operations of the combined business had the Merger occurred as of January 1, 2021 (in millions):

	Years Ended December 31,			
	2022		2021	
Net sales	$	2,238.0	$	1,959.2
Net loss	$	(13.6)	$	(114.1)

Note 6. Accounts Receivable, Net

Accounts receivable, net is summarized as follows (in millions):

	December 31,	
	2023	2022
Trade receivables	$ 147.2	$ 144.4
Business tax credits, including VAT	10.2	5.5
Hedge contracts receivable	2.6	3.5
Other receivables	19.7	26.8
Less allowance for doubtful accounts and sales discounts	(3.2)	(2.0)
Total accounts receivable, net	$ 176.5	$ 178.2

The following is the activity related to the allowance for doubtful accounts (in millions):

	Years Ended December 31,		
	2023	2022	2021
Beginning balance	$ 2.0	$ 0.8	$ 0.5
Bad debt expense	1.0	1.6	0.3
Recoveries	—	(0.1)	(0.1)
Write-offs and discounts	0.2	(0.3)	0.1
Ending balance	$ 3.2	$ 2.0	$ 0.8

Transfer of Receivables

On December 23, 2022, the Company entered into an accounts receivable sales agreement (the “Receivables Sales Agreement”) to sell certain trade receivables arising from revenue transactions of the Company's U.S. subsidiaries on a revolving basis. The maximum funding commitment of the Receivables Sales Agreement is $ 175.0 million. The agreement has an initial term of three years and can be renewed. Upon entry into the Receivables Sales Agreement, the Company sold $ 126.0 million of trade receivables.

In connection with the Receivables Sales Agreement, the Company formed a separate bankruptcy-remote special purpose entity (“SPE”), which is a wholly owned and controlled subsidiary. The Company continuously transfers receivables to the SPE and the SPE transfers ownership and control of certain receivables that meet certain qualifying conditions to a third-party financial institution in exchange for cash. Certain receivables are held by the SPE and are pledged to secure the collectability of the sold receivables.

On October 20, 2023, we entered into Amendment No. 1 to the Receivables Sales Agreement (the Receivables Sales Agreement Amendment”). The Receivables Sales Agreement Amendment amends the original Receivables Sales Agreement (the “Amended Receivables Sales Agreement”) to, among other things, (i) reflect the repurchase by the Company from the SPE of all of its accounts receivable and certain related assets previously sold by Company to the SPE (collectively, “Receivables”), (ii) reflect that the Company is no longer an originator of Receivables under the Company’s accounts receivable securitization facility, but remains the servicer and performance guarantor, (iii) reflect the Company’s assignment of 100% of the ownership interests in the SPE to Neenah, such that Neenah will now be able to contribute Receivables to the SPE on a go-forward basis, and (iv) update the maximum Net Debt to EBITDA Ratio to match the level set forth in the Company’s First Lien Credit Agreement as in effect on the date of such amendment.

The amount of receivables pledged as collateral as of December 31, 2023 and 2022 was $ 27.9 million and $ 34.2 million respectively. The SPE incurs fees due to the third-party financial institution related to accounts receivable sales transactions.

The Company has continuing involvement with the receivables transferred by the SPE to the third-party financial institution by providing collection services.

The Company also participates in uncommitted trade accounts receivable sales programs ("Reverse Receivables Programs") under which certain trade receivables are sold, without recourse, to a third-party financial institution in exchange for cash. The Company does not retain any interest in or continuing involvement with the invoices after they are sold. The invoices are sold at face value, less a transaction fee.

The Company accounts for transactions under the Amended Receivables Sales Agreement and Reverse Receivables Programs as sales of financial assets, with the associated receivables derecognized from the Company's Consolidated Balance Sheets. Total fees related to the Receivables Sales Agreement and Reverse Receivables Programs are considered to be a loss on the sale of financial assets. Total fees for the year ended December 31, 2023 were $ 4.5 million and are recorded in General expense in the Consolidated Statements of Income (Loss). Total fees for the year ended December 31, 2022 were immaterial . Continuous cash activity related to the Amended Receivables Sales Agreement and Reverse Receivables Programs is reflected in cash from operating activities in the Consolidated Statement of Cash Flows.

The following table summarizes the activity under the Amended Receivables Sales Agreement and Reverse Receivables Program (in millions):

	Years Ended December 31	
	2023	2022
Trade accounts receivable sold to financial institutions	$ 1,096.1	$ 203.4
Cash proceeds from financial institutions	1,094.8	201.8

Note 7. Inventories, Net

Inventories are valued at the lower of cost (using the first-in, first-out and weighted average methods) or net realizable value. The Company's costs included in inventory primarily include resins, pulp, chemicals, direct labor, utilities, maintenance, depreciation, finishing supplies and an allocation of certain overhead costs. Machine start-up costs or abnormal machine shutdowns are expensed in the period incurred and are not reflected in inventory. The Company reviews inventories at least quarterly to determine the necessity of write-offs for excess, obsolete or unsalable inventory. The Company estimates write-offs for inventory obsolescence and shrinkage based on its judgment of future realization. These reviews require the Company to assess customer and market demand. There were no material write-offs during the years ended December 31, 2023, 2022, and 2021.

The following table summarizes inventories by major class (in millions):

	December 31,	
	2023	2022
Raw materials	$ 129.9	$ 162.1
Work in process	50.4	57.9
Finished goods	160.0	180.0
Supplies and other	12.6	14.6
Total inventories	$ 352.9	$ 414.6

Note 8. Property, Plant and Equipment, Net

Property, plant and equipment are stated at cost, less accumulated depreciation. Interest is capitalized as a component of the cost of construction for large projects. Expenditures for betterments are capitalized whereas normal repairs and maintenance are expensed as incurred. Property, other than land, is depreciated on a straight-line basis for financial reporting purposes. When property is sold or retired, the cost of the property and the related accumulated depreciation are removed from the balance sheet, and any gain or loss on the transaction is normally included in Cost of products sold or Other income (expense).

Property, plant and equipment (and related depreciable lives) consisted of the following (in millions):

	December 31,	
	2023	2022
Land and improvements	$ 78.3	$ 75.9
Buildings and improvements (20 to 40 years or remaining life of relevant lease)	191.6	176.4
Machinery and equipment (5 to 20 years)	558.6	526.4
Construction in progress	50.0	45.4
Gross property, plant and equipment	878.5	824.1
Less: Accumulated depreciation	206.0	132.6
Property, plant and equipment, net	$ 672.5	$ 691.5

Depreciation expense was $ 81.7 million, $ 51.9 million, and $ 26.2 million during the years ended December 31, 2023, 2022, and 2021, respectively. Refer to Note 13. Restructuring and Other Impairment Activities for asset impairment expenses during the year ended December 31, 2023.

Note 9. Discontinued Operations

Upon entering into the Engineered Papers Offer agreement, the Engineered Papers business met the criteria set forth in Accounting Standards Codification 205-20, Presentation of Financial Statements – Discontinued Operations (“ASC 205-20”), as the sale represents a strategic shift that will have a major effect on the Company’s operations and financial results. As a result, the Company’s consolidated financial statements for all periods presented reflect the Engineered Papers business as a discontinued operation. The divested business was historically reported in the FBS reportable segment.

On November 30, 2023 the Company completed the sale of its Engineered Papers business. Upon closing of the transaction, the Company recorded a gain on sale of $ 176.3 million ($ 170.0 million, net of income taxes) and released certain material deferred tax valuation allowances. The gain and cash proceeds are subject to customary working capital adjustments during a specified period following the sale close date.

The Engineered Papers business was tested for recoverability as of each balance sheet date since meeting the discontinued operations criteria and the Company concluded that there is no impairment expense to be recognized.

Included within the Consolidated Balance Sheet are the following major classes of assets and liabilities, respectively, associated with the discontinued operations (in millions):

	December 31, 2022
ASSETS	
Cash and cash equivalents	$ 23.3
Accounts receivable, net	88.6
Inventories, net	120.2
Income taxes receivable	0.4
Other current assets	1.3
Total current assets	233.8
Property, plant and equipment, net	183.5
Operating lease right-of-use assets	5.2
Investment in equity affiliates	59.1
Goodwill	3.0
Other assets	5.3
Total assets of discontinued operations	$ 489.9
LIABILITIES	
Current debt	$ 1.1
Operating lease liabilities	0.8
Accounts payable	45.1
Income taxes payable	1.2
Accrued expenses and other current liabilities	55.2
Total current liabilities	103.4
Long-term debt	2.9
Operating lease liabilities, noncurrent	4.6
Long-term income tax payable	0.6
Pension and other postretirement benefits	21.3
Deferred income tax liabilities	20.1
Other liabilities	17.4
Total liabilities of discontinued operations	$ 170.3

Summary financial results of discontinued operations were as follows (in millions):

	Years Ended December 31,		
	2023	2022	2021
Net sales	$ 490.9	$ 530.5	$ 509.3
Cost of products sold	373.4	398.9	362.2
Gross profit	117.5	131.6	147.1
Selling expense	13.2	14.4	14.2
Research and development expense	8.6	7.8	8.5
General expense	16.2	17.6	16.7
Total nonmanufacturing expenses	38.0	39.8	39.4
Restructuring and other impairment expense	0.5	0.2	8.2
Operating profit	79.0	91.6	99.5
Interest expense [(1)]	49.0	28.8	5.7
Other income, net	194.8	9.3	5.8
Income from discontinued operations before income taxes	224.8	72.1	99.6
Income tax expense	29.1	15.0	18.8
Income (loss) from equity affiliates, net of income taxes	2.5	5.2	6.4
Income from discontinued operations, net of tax	$ 198.2	$ 62.3	$ 87.2

[(1)] Upon the close of the transaction, the Company used a portion of the net proceeds to repay a portion of its outstanding debt amounting to approximately $641.2 million. This debt repayment is based on the triggering of a financial covenant in the loan agreement and interest expense has been allocated to discontinued operations on a pro-rata basis within the Consolidated Statements of Income (Loss) and the Consolidated Statement of Cash Flows based on the outstanding loan balances.

In conjunction with the sale, the Company and Evergreen Hill Enterprise entered into a transition service agreement ("TSA"). Pursuant to the agreement, which remains in effect until the date all services are completed, but no more than twelve months following the closing date of the EP sale, the Company and Evergreen Hill Enterprise will each provide interim support for various functions to facilitate an orderly transfer of business operations. The continuing cash flows generated by the TSA does not constitute significant continuing involvement in the operations of the EP business. Additionally, under the TSA, we settle any receipts received or payments made on behalf of each party's customers or vendors. As of December 31, 2023, the net fees and receivable from the TSA were immaterial.

Note 10. Goodwill

The Company evaluates goodwill for impairment at least annually during the fourth quarter or whenever events or changes in circumstances indicate that an evaluation should be completed. The Company determines the fair value of its reporting units using the income approach. The determination of the fair value using the income approach requires management to make significant estimates and assumptions related to forecasts of future cash flows and discount rates. Changes to the forecasted revenue growth, earnings before income taxes, depreciation and amortization ("EBITDA") and discount rate assumptions may result in a significantly different estimate of the fair value of the reporting units, which could result in a different assessment of the recoverability of goodwill or measurement of an impairment charge.

Effective July 1, 2023, and as a result of our ongoing integration efforts, we identified a change in our operating segments. While the ATM reportable segment remains as an aggregation of the Company's highly engineered polymer, resin and fiber-based substrates, nets, films, adhesive tapes, and other non-woven products, the segment was disaggregated into five reporting units due to changes in internal reporting of operating results and related segment level management. Refer to Note 21. Segment Information for additional information on our segments.

Further, during 2023, the sustained impact of macro-economic conditions, an increasingly global competitive environment, moderation in certain projected volume expectations, and a sustained decrease in our share price contributed to the decline in reporting unit fair value. Additionally, management completed a long-term financial model, aligning with the new reporting unit structure during the third quarter. That model's forecast reflects the higher relative allocation of corporate overhead costs to continuing operations as a result of the proposed sale of our EP business.

As a result, during the year ended December 31, 2023, the Company performed an interim quantitative goodwill impairment test, which resulted in an impairment charge of $ 401.0 million related to certain reporting units included in the Advanced Technical Materials ("ATM") reportable segment. The annual tests during the fourth quarters of 2023, 2022 and 2021 resulted in no impairment.

The changes in the carrying amount of goodwill for each reporting segment were as follows (in millions):

	ATM	FBS	Total
Balance at December 31, 2021	$ 643.4	$ 1.6	$ 645.0
Goodwill acquired[(1)]	215.8	—	215.8
Foreign currency translation and other [(2)]	(16.6)	—	(16.6)
Balance at December 31, 2022	$ 842.6	$ 1.6	$ 844.2
Goodwill acquired[(3)]	16.0	—	16.0
Goodwill impairment[(4)]	(401.0)	—	(401.0)
Foreign currency translation and other	14.9	—	14.9
Balance at December 31, 2023	$ 472.5	$ 1.6	$ 474.1

[(1)] $ 214.4 million related to the Merger and $ 1.4 million related to measurement period adjustments for the Scapa acquisition.
[(2)] During the first quarter of 2022, goodwill with a carrying amount of $ 2.1 million was allocated to the disposal group classified as held for sale and subsequently impaired. Goodwill was allocated to the disposal group on the basis of relative fair value, primarily utilizing Level 3 inputs which included forecasted future cash flows.
[(3)] Related to the measurement period adjustments for the Merger.
[(4)] Recorded in the third quarter of 2023.

Accumulated impairment loss for the FBS segment was $ 2.7 million as of December 31, 2023 and 2022. Accumulated impairment loss for the ATM segment was $ 401.0 million as of December 31, 2023 and there was no accumulated impairment loss as of December 31, 2022.

Note 11. Intangible Assets, Net

The Company had $ 593.6 million and $ 37.7 million of intangible assets in the ATM segment and FBS segment, respectively, as of December 31, 2023 and $ 652.5 million and $ 57.8 million in the ATM segment and FBS segment, respectively, as of December 31, 2022. The gross carrying amount and accumulated amortization for intangible assets consisted of the following (in millions):

	December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized Intangible Assets			
Customer relationships	$ 743.8	$ 209.4	$ 534.4
Developed technology	71.8	34.1	37.7
Trade names	32.7	6.4	26.3
Acquired technology	20.8	4.5	16.3
Non-compete agreements	2.9	2.8	0.1
Patents	1.9	0.9	1.0
Total[(1)(2)]	$ 873.9	$ 258.1	$ 615.8
Unamortized Intangible Assets			
Trade names	$ 15.5	$ —	$ 15.5

(1) Includes a decrease of $ 26.0 million related to measurement period adjustments for the Merger recognized during the year ended December 31, 2023.
(2) Includes $ 0.7 million intangible asset impairment for the year ended 2023.

	December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized Intangible Assets			
Customer relationships	$ 754.8	$ 159.4	$ 595.4
Developed technology	71.2	26.5	44.7
Trade Names	35.8	4.4	31.4
Acquired Technology	23.5	1.6	21.9
Non-compete agreements	2.9	2.7	0.2
Patents	1.9	0.7	1.2
Total	$ 890.1	$ 195.3	$ 694.8
Unamortized Intangible Assets			
Trade names[(1)]	$ 15.5	$ —	$ 15.5

(1) During the first quarter of 2022, indefinite-lived trade names and developed technology with net carrying amounts of $ 4.2 million and $ 0.5 million were allocated to the disposal group classified as held for sale and subsequently impaired.

Amortization expense of intangible assets was $ 61.0 million, $ 53.4 million, and $ 39.7 million for the years ended December 31, 2023, 2022 and 2021, respectively. Finite-lived intangibles in the ATM segment are expensed using the straight-line amortization method.

The following table shows the estimated aggregate amortization expense as of December 31, 2023 (in millions):

2024	$	61.6
2025	$	60.8
2026	$	60.7
2027	$	60.7
2028	$	56.1

Note 12. Other Assets

Other assets consisted of the following (in millions):

	December 31,	
	2023	2022
Capitalized software costs, net of accumulated amortization	$ 8.4	$ 15.6
Grantor trust assets	7.5	6.2
Net pension assets	31.2	31.0
Long-term supplies inventory	5.9	4.6
Hedge contracts assets	10.9	39.2
Other assets	17.9	13.5
Total	$ 81.8	$ 110.1

Grantor trust assets consist primarily of cash surrender values in Company-owned life insurance policies held by a trust to be used for the eventual payment of employee deferred compensation. These assets are restricted from Company use until all obligations are satisfied.

The decrease in hedge contracts assets resulted from the termination of a portion of the Company's interest rate swaps in the year ended December 31, 2023 and due to changes in the fair value of the hedge contracts compared to the year ended December 31, 2022. Refer to Note 15. Derivatives for further information on our hedge contracts.

Note 13. Restructuring and Other Impairment Activities

Our restructuring programs have been developed with the objective of realigning the business and lowering our cost structure. As such, our ongoing programs relate to manufacturing and cost optimization. The Company incurred restructuring and other impairment expenses of $ 22.6 million, $ 19.1 million, and $ 1.9 million in the years ended December 31, 2023, 2022 and 2021, respectively.

In the FBS segment, restructuring and other impairment expenses were $ 9.9 million and $ 1.1 million during the years ended December 31, 2023 and 2022, respectively. There were no restructuring and other impairment expenses in the FBS segment during the year ended December 31, 2021. During the year ended December 31, 2023 the Company recognized impairment charges of $ 9.5 million related to long-lived assets at our Eerbeek, Netherlands facility. An impairment assessment was performed after significant changes in market conditions, including the entrance of new competitors and products caused management to revise our long-term view on pricing and volume recovery. The impairment reduced the carrying value of the assets to fair value, which was determined using management estimates for future cash flows.

Restructuring and other impairment expense in the FBS segment for the year ended December 31, 2022 was primarily related to closed facilities.

In the ATM segment, the Company incurred $ 12.4 million, $ 17.2 million, and $ 1.9 million in restructuring and other impairment expenses during the years ended December 31, 2023, 2022, and 2021, respectively. During 2023, we announced plans to close two facilities as a result of decisions to exit certain end markets amid ongoing manufacturing optimization efforts. The facilities are expected to cease operations in 2024 and one facility is expected to be sold in Q1 of 2024. As a result of these planned closures, the Company recognized $ 8.8 million related to fixed asset and certain other asset impairments for the year ended December 31, 2023. In addition, the ATM segment recognized $ 2.0 million of restructuring expense for the year ended December 31, 2023 related to facilities closed in prior years. As of December 31, 2023 assets held for sale of $ 14.2 million and $ 2.2 million were included in Other current assets and Other assets, respectively. As of December 31, 2022, assets held for sale of $ 10.5 million were included in Other current assets.

Through December 31, 2023 the Company has recognized accumulated restructuring charges of $ 8.8 million related to the facility closures announced in 2023 and $ 3.2 million related to facilities closed in prior years in the ATM segment. During 2024, the Company expects to record additional restructuring related costs in the ATM segment of approximately $ 4.7 million related to the closing of these facilities.

In the year ended December 31, 2022, restructuring and other impairment expense in the ATM segment was primarily due to a $ 12.9 million impairment of certain assets in conjunction with the divestiture of a portion of a legacy SWM ATM segment. The assets were sold during the third quarter of 2022 for net proceeds of $ 4.6 million and a loss of $ 0.4 million.

Restructuring and other impairment expense in the ATM segment for the year ended December 31, 2021 was related to the impairment of non-productive manufacturing equipment and severance accruals.

Other restructuring related inventory adjustments and acceleration of depreciation due to changes in the estimated lives of certain assets resulting from planned facility closures are included in Cost of products sold. We recorded $ 2.7 million for the year ended December 31, 2023 primarily to write down inventory to estimated net realizable value. Restructuring related inventory adjustments for the years ended December 31, 2022 and 2021 were not material.

Other restructuring related charges are included in corporate General expense as other unallocated items as these costs are not included in management's evaluation of the segments' performance. Unallocated expenses included in corporate General expense for the year ended December 31, 2023 were $ 1.1 million related to the relocation of the corporate headquarters. Unallocated restructuring and other impairment expense for the years ended December 31, 2022 and 2021 were not material.

The following table summarizes total restructuring, restructuring related, and other impairment expense (in millions):

	Years Ended December 31,		
	2023	2022	2021
Restructuring and other impairment expense:			
Severance	$ 0.1	$ 1.8	$ 0.3
Asset impairment	18.6	14.0	1.6
Other	3.9	3.3	—
Total restructuring and other impairment expense	$ 22.6	$ 19.1	$ 1.9
Other restructuring related charges - Cost of products sold:			
Accelerated depreciation and amortization	$ 0.1	$ —	$ —
Inventory write-down to estimated net realizable value	2.6	0.8	—
Total other restructuring related charges - Cost of products sold	2.7	0.8	—
Other restructuring related charges - General expense:			
Accelerated depreciation and amortization	1.1	0.3	—
Total restructuring, restructuring related, and other impairment expense	$ 26.4	$ 20.2	$ 1.9

Restructuring liabilities were classified within Accrued expenses and other current liabilities and Other liabilities in the Consolidated Balance Sheets as of December 31, 2023 and 2022. Changes in the restructuring liabilities, substantially all of which are employee-related, are summarized as follows (in millions):

	Years Ended December 31,	
	2023	2022
Balance at beginning of year	$ 4.0	$ 3.8
Accruals for announced programs	0.3	1.0
Accruals assumed from Merger (1)	—	2.3
Cash payments	(0.5)	(3.0)
Foreign exchange impact	—	(0.1)
Balance at end of period	$ 3.8	$ 4.0

(1) Accrued liabilities primarily for severance related to an optimization program at facilities acquired through the Merger .

Note 14. Debt

Total debt, net of debt issuance costs, is summarized in the following table (in millions):

	December 31,	
	2023	2022
Revolving facility - U.S. dollar borrowings	$ 260.0	$ 191.0
Term loan A facility	84.3	192.0
Term loan B facility	160.5	344.8
Delayed draw term loan	273.2	641.9
6.875 % Senior unsecured notes due October 1, 2026, net of discount of $ 3.2 million and $ 4.3 million as of December 31, 2023 and 2022, respectively(1)	341.9	339.0
German loan agreement	9.0	10.7
Debt issuance costs	(24.3)	(29.4)
Total debt	1,104.6	1,690.0
Less: Current debt	(2.8)	(33.6)
Long-term debt	$ 1,101.8	$ 1,656.4

(1) Amount includes a $ 4.9 million and $ 6.7 million decrease in the fair value as of December 31, 2023 and 2022, respectively, due to changes in benchmark interest rates related to the senior unsecured notes. Refer to Note 15. Derivatives for additional information on our interest rate swaps designated as a fair value hedge.

Credit Facility

On September 25, 2018, the Company entered into a $ 700.0 million credit agreement (the “Credit Agreement”), which replaced the Company’s previous senior secured credit facilities and provides for a five-year $ 500.0 million revolving line of credit (the “Revolving Credit Facility”) and a seven-year $ 200.0 million bank term loan facility (the “Term Loan A Facility”). Subject to certain conditions, including the absence of a default or event of default under the Credit Agreement, the Company may request incremental loans to be extended under the Revolving Credit Facility or as additional Term Loan Facilities so long as the Company is in pro forma compliance with the financial covenants set forth in the Credit Agreement and the aggregate of such increases does not exceed $ 400.0 million.

On February 10, 2021, we amended our Credit Agreement to, among other things, add a new seven-year $ 350.0 million Term Loan B Facility (the “Term Loan B Facility”) and to decrease the incremental loans that may be extended at the Company’s request to $ 250.0 million. The amended Credit Agreement was further amended effective February 22, 2022 to adjust the step-down schedule for the maximum net debt to EBITDA ratio.

In connection with the Merger, we further amended our Credit Agreement on May 6, 2022 in order to extend the maturity of the Revolving Credit Facility and the Term Loan A Facility to May 6, 2027, and to increase the availability under the Revolving Credit Facility, subject to consummation of the Merger, to $ 600.0 million. Additionally, we added a $ 650.0 million delayed draw term loan facility (the "Delayed Draw Term Loan Facility") to be funded concurrent with the closing of the Merger.

On July 5, 2022, in connection with the consummation of the Merger, the Company borrowed $ 650.0 million under the Delayed Draw Term Loan Facility. The funds were used to repay all of Neenah's outstanding debt of $ 445.9 million under its term loan B facility and $ 59.0 million under its global secured revolving credit facility, as well as pay down $ 100.0 million of our amended Revolving Credit Facility ("Revolving Facility"). The Delayed Draw Term Loan Facility matures on May 6, 2027.

In December 2022, $ 127.0 million of cash from operations was used to repay our Revolving Facility.

Effective July 1, 2023, pursuant to the amended Credit Agreement on June 5, 2023, borrowings under the Term Loan B Facility in U.S. dollar will bear interest equal to a forward-looking term rate based on Term SOFR (subject to a minimum floor of 0.75 %) plus 2.75 %. Borrowings under the Term Loan B Facility in Euros will bear interest equal to EURIBOR (subject to a minimum floor of 0 %) plus 3.75 %.

On September 29, 2023, the Company further amended its Credit Agreement to permit the consummation of the sale of the Company's Engineered Papers business to the buyer. Under the terms of the Amended Credit Agreement, Mativ will continue to be required to maintain certain financial ratios and comply with certain financial covenants consistent with the Prior Agreement, including a requirement to maintain a maximum net debt to EBITDA ratio of (a) 4.75 to 1.00 for the consecutive trailing four fiscal quarter period ended September 30, 2023, (b) (i) solely if the Transaction has not been completed on or before December 31, 2023, 4.75 to 1.00, or (ii) otherwise, 4.50 to 1.00, for such period ended December 31, 2023, and (c) 4.50 to 1.00 for such period ended March 31, 2024 and thereafter.

In December 2023, $ 641.2 million of cash from proceeds from the sale of the Company's Engineered Papers business was used to repay a portion of our Revolving Credit Facility, Term Loan A Facility, Term Loan B Facility, and Delayed Draw Term Loan Facility.

Borrowings under the amended Term Loan A Facility ("Term Loan A Credit Facility") will bear interest, at a rate equal to either (1) a forward-looking term rate based on the Secured Overnight Financing Rate (“Term SOFR”), plus the applicable margin or (2) the highest of (a) the federal funds effective rate plus 0.5 %, (b) the rate of interest as published by the Wall Street Journal as the “bank prime loan” rate, and (c) Term SOFR plus 1.0 %, in each case plus the applicable margin. The applicable margin for borrowings under the Term Loan A Credit Facility is expected to range from 1.25 % to 2.75 % for SOFR loans and from 0.25 % to 1.75 % for base rate loans, in each case depending on the Company’s then current net debt to EBITDA ratio.

Borrowings under the amended Revolving Facility or the Delayed Draw Term Loan Facility in U.S. dollars will bear interest, at the Company’s option, at a rate equal to either (1) a forward-looking term rate based on Term SOFR, plus the applicable margin or (2) the highest of (a) the federal funds effective rate plus 0.5 %, (b) the rate of interest as published by the Wall Street Journal as the “bank prime loan” rate, and (c) one-month Term SOFR plus 1.0 %, in each case plus the applicable margin. Borrowings under the Revolving Facility in Euros will bear interest at a rate equal to the reserve-adjusted Euro interbank offered rate, or EURIBOR, plus the applicable margin. The applicable margin for borrowings under the revolving credit agreement is expected to range from 1.00 % to 2.50 % for SOFR loans and EURIBOR loans, and from 0.00 % to 1.50 % for base rate loans, in each case, depending on the Company’s then current net debt to EBITDA ratio.

Borrowings under the Term Loan B Facility will bear interest, equal to a forward-looking term rate based on Term SOFR (subject to a minimum floor of 0.75 %) plus 2.75 %. Borrowings under the Term Loan B Facility in Euros will bear interest equal to EURIBOR (subject to a minimum floor of 0 %) plus 3.75 %.

Under the terms of the amended Credit Agreement, the Company is required to maintain certain financial ratios and comply with certain financial covenants, including maintaining a net debt to EBITDA ratio, as defined in the amended Credit Agreement, calculated on a trailing four fiscal quarter basis, not greater than 4.50 x and an interest coverage ratio, also as defined in the amended Credit Agreement, of not less than 3.00 x. The maximum allowable net debt to EBITDA ratio decreased quarterly returning to 4.50 x effective as of December 2023. In addition, borrowings and loans made under the amended Credit Agreement are secured by substantially all of the Company’s and the guarantors’ personal property, excluding certain customary items of collateral, and will be guaranteed by the Company’s existing and future wholly-owned direct material domestic subsidiaries and by SWM Luxembourg.

The Company was in compliance with all of its covenants under the amended Credit Agreement at December 31, 2023.

Debt Commitment Letter

Prior to the merger, we obtained financing commitments for (i) a $ 648.0 million senior 364 -day unsecured bridge facility (the “Bridge Facility”) and (ii) a $ 500.0 million senior secured revolving credit facility pursuant to a commitment letter (the “Debt Commitment Letter”) dated as of March 28, 2022. On May 6, 2022, in conjunction with further amendment of our Credit Agreement, the Debt Commitment Letter was amended, reducing the commitments under the Bridge Facility and senior secured revolving credit facility to $ 50.0 million and zero , respectively. Upon consummation of the Merger, we terminated our Bridge Facility.

Indenture for 6.875 % Senior Unsecured Notes Due 2026

On September 25, 2018, the Company closed a private offering of $ 350.0 million of 6.875 % senior unsecured notes due 2026 (the “Notes”). The Notes were sold in a private placement in reliance on Rule 144A and Regulation S under the Securities Act of 1933, as amended, pursuant to a purchase agreement between the Company, certain subsidiaries of the Company and a third-party financial institution, as representative of the initial purchasers. The Notes are guaranteed on a senior unsecured basis by each of the Company’s existing and future wholly-owned subsidiaries that is a borrower under or that guarantees obligations under the amended Credit Agreement or that guarantees certain other indebtedness, subject to certain exceptions.

The Notes were issued pursuant to an Indenture, dated as of September 25, 2018 (the “Indenture”), by and among the Company, the guarantors listed therein and a third-party financial institution, as trustee. The Indenture provides that interest on the Notes will accrue from September 25, 2018 and is payable semi-annually in arrears on April 1 and October 1 of each year, beginning on April 1, 2019, and the Notes mature on October 1, 2026.

The Company may redeem some or all of the Notes at any time on or after October 1, 2021, at the redemption prices set forth in the Indenture, together with accrued and unpaid interest, if any, to, but excluding, the redemption date. If the Company sells certain assets or consummates certain change of control transactions, the Company will be required to make an offer to repurchase the Notes, subject to certain conditions.

The Indenture contains certain covenants that, among other things, limit the Company’s ability and the ability of its restricted subsidiaries to incur additional indebtedness, make certain dividends, repurchase Company stock or make other distributions, make certain investments, create liens, transfer or sell assets, merge or consolidate and enter into transactions with the Company’s affiliates. Such covenants are subject to a number of exceptions and qualifications set forth in the Indenture. The Indenture also contains certain customary events of default, including failure to make payments in respect of the principal amount of the Notes, failure to make payments of interest on the Notes when due and payable, failure to comply with certain covenants and agreements and certain events of bankruptcy or insolvency. The Company was in compliance with all of its covenants under the Indenture at December 31, 2023.

As of December 31, 2023, the average interest rate was 8.04 % on outstanding Revolving Facility borrowings, 8.20 % on outstanding Term Loan A Facility borrowings, 9.21 % on outstanding Term Loan B Facility borrowings and 7.95 % on outstanding Delayed Draw Term Loan facility borrowings. The effective rate on the 6.875 % senior unsecured notes due 2026 was 7.248 %. The weighted average effective interest rate on the Company's debt facilities, including the impact of interest rate hedges, was approximately 5.98 % and 5.11 % for the year ended December 31, 2023 and 2022, respectively.

Other

On May 30, 2022, Neenah entered into a project financing agreement for the construction of a melt blown machine (the "German Loan Agreement"). This debt was assumed by the Company upon consummation of the Merger. The German Loan Agreement provided $ 10.7 million of construction financing which is secured by the melt blown machine. The loan matures in March 2027 and principal is repaid in equal quarterly installments beginning in June 2023. The interest rate on amounts outstanding is 1.75 % and is payable quarterly.

Notional Cash Pooling

On November 15, 2022, certain of the Company’s subsidiaries entered into a notional cash pooling arrangement with a third-party financial institution to manage global liquidity requirements. As part of the pooling agreement, the participating subsidiaries combine their cash balances in pooling accounts at the financial institution with the ability to offset bank overdrafts of one participant against the positive cash account balances held by another participant. Under the terms of the notional pooling agreement, the financial institution has the right, ability, and intent to offset a positive balance in one account against an overdrawn amount in another account. Amounts in each of the accounts are unencumbered and unrestricted with respect to use. As such, the net cash balance related to this pooling arrangement is included in Cash and cash equivalents in the Consolidated Balance Sheets.

Rate Swap Agreements

From time to time, the Company enters into interest rate swap transactions to manage the Company's interest rate risk and cross-currency swaps designated as a hedge of a portion of the Company's net investment in certain Euro-denominated subsidiaries. Refer to Note 15. Derivatives for additional information.

Principal Repayments

Under the amended Credit Agreement, the Company selects an "interest period" for each of its borrowings from the Revolving Facility. The Company can repay such borrowings and borrow again at a subsequent date if it chooses to do so, providing it flexibility and efficient use of any excess cash. The Company currently has the intent and ability to allow its debt balances to remain outstanding and expects to continue to file notices of continuation related to its borrowings outstanding at December 31, 2023, such that those amounts are not expected to be repaid prior to the May 2027 expiration of the Revolving Facility.

The following is the expected maturities for the Company's debt obligations as of December 31, 2023 (in millions):

2024	$	2.8
2025		2.8
2026		344.6
2027		618.2
2028		160.5
Thereafter		—
Total	$	1,128.9

Fair Value of Debt

At December 31, 2023 and 2022, the fair market value of the Company's 6.875 % senior unsecured notes was $ 335.6 million and $ 308.4 million, respectively. The fair market value for the senior unsecured notes was determined using quoted market prices, which are directly observable Level 1 inputs. The fair market value of all other debt as of December 31, 2023 and 2022 approximated the respective carrying amounts as the interest rates approximate current market indices.

Debt Issuance Costs

The Company capitalized approximately $ 1.5 million of debt issuance costs during the year ended December 31, 2023 related to the amendment to our Credit Agreement and the draw on the Delayed Draw Term Loan Facility. These capitalized costs will be amortized over the term of the various facilities under the amended Credit Agreement. As of December 31, 2023 and 2022, the Company's total deferred debt issuance costs, net of accumulated amortization, were $ 24.3 million and $ 29.4 million, respectively.

Amortization expense of $ 6.5 million and $ 5.5 million was recorded during the years ended December 31, 2023 and 2022, respectively, and was included as a component of Interest expense in the accompanying Consolidated Statements of Income (Loss).

The following is the expected future amortization of the Company's deferred debt issuance costs as of December 31, 2023 (in millions):

2024	$	6.8
2025		6.8
2026		6.8
2027		3.4
2028		0.5
Thereafter		—
Total	$	24.3

Note 15. Derivatives

In the normal course of business, the Company is exposed to foreign currency exchange rate risk and interest rate risk on its variable-rate debt. To manage these risks, the Company utilizes a variety of practices including, where considered appropriate, derivative instruments. The Company has no derivative instruments for trading or speculative purposes or derivatives with credit risk-related contingent features. All derivative instruments used by the Company are either exchange traded or are entered into with major financial institutions to reduce credit risk and risk of nonperformance by third parties. The fair values of the Company’s derivative instruments are determined using observable inputs and are considered Level 2 assets or liabilities.

The Company utilizes currency forward, swap and, to a lesser extent, option contracts to selectively hedge its exposure to foreign currency risk when it is practical and economical to do so. The use of these contracts minimizes transactional exposure to exchange rate changes. We designate certain of our foreign currency hedges as cash flow hedges. Changes in the fair value of cash flow hedges are reported as a component of Accumulated other comprehensive income (loss), net of tax and reclassified into earnings when the forecasted transaction affects earnings. For foreign exchange contracts not designated as cash flow hedges, changes in the contracts’ fair values are recorded to Net income (loss) each period.

The Company selectively hedges its exposure to interest rate increases on variable-rate, long-term debt when it is practical and economical to do so. Changes in the fair value of interest rate contracts considered cash flow hedges are reported as a component of Accumulated other comprehensive income (loss), net of tax and reclassified into earnings when the forecasted transaction affects earnings. Interest rate contracts are also used to hedge changes in the fair value of a portion of our senior unsecured notes attributable to changes in the benchmark interest rate. Changes in the fair value of the interest rate contracts and corresponding portion of the hedged debt are recognized in Interest expense and classified within operating activities in the Consolidated Statement of Cash Flows.

The Company also uses cross-currency swap contracts to selectively hedge its exposure to foreign currency related changes in our net investments in certain foreign operations. We designate these cross-currency swap contracts as net investment hedges based on the spot rate of the EUR. Changes in the fair value of these hedges are deferred within the foreign currency translation component of Accumulated other comprehensive income (loss), net of tax and reclassified into earnings when the foreign investment is sold or substantially liquidated. Future changes in the components related to the spot change on the notional will be recorded in Other Comprehensive Income ("OCI") and remain there until the hedged subsidiaries are substantially liquidated. Gains and losses excluded from the assessment of hedge effectiveness are recognized in earnings (Interest expense) over the term of the swap. Gains and losses associated with the settlement of derivative instruments designated as a net investment hedge are classified within investing activities in the Consolidated Statement of Cash Flows.

During the second quarter of 2022, the Company entered into cross-currency swaps with a combined notional value of € 450.0 million ($ 478.2 million), maturing on April 1, 2024 and 2025 and October 1, 2026, designated as a hedge of a portion of the Company's net investment in Euro-denominated subsidiaries. These contracts involve the periodic exchange of U.S. dollar fixed interest rate payments for fixed Euro-denominated payments over the respective contract terms, in addition to an exchange of notional amounts upon maturity. One cross-currency swap involves the periodic exchange of U.S dollar variable interest rate payments for Euro-denominated variable payments.

During 2019 and 2021, the Company entered into a series of pay-fixed, receive-variable interest rate swaps maturing on January 31, 2027 and December 31, 2027. During March 2022, the interest rate swaps, which had a combined notional value of $ 500.0 million were terminated, and a total settlement of $ 23.6 million was received from the counterparties. The settlement amount, which represents the fair value of contracts at the time of termination, was recorded in Accumulated other comprehensive income (loss), net of tax and will be amortized as a component of Interest expense over the remaining term of the hedged forecasted transaction.

During March 2022, immediately following the termination of the aforementioned interest rate swaps, the Company entered into pay-fixed, receive-variable interest rate swaps, maturing on January 31, 2027 and December 31, 2027. The swaps have a combined notional value of $ 500.0 million which declines over the terms of the underlying contracts. The terms of the interest rate swaps mirror the terms of the underlying debt, including timing of the payments and interest rates.

During December 2023, a portion of the pay-fixed, receive-variable interest rates swaps with a combined notional value of $ 355.0 million maturing on January 31, 2027 and December 31, 2027 were terminated, and a total settlement of $ 16.4 million was received from the counterparties. The settlement amount, which represents the fair value of contracts at the time of termination, was recorded in Accumulated other comprehensive income (loss), net of tax and will be amortized as a component of Interest expense over the remaining term of the hedged forecasted transaction.

During June 2022, the Company entered into a fixed to float interest rate swap with a notional amount of $ 173.4 million, maturing on October 1, 2026. The swap was designated as a fair value hedge for a portion of our 6.875 % senior unsecured notes due in 2026. The contract involves the periodic exchange of fixed interest rate payments for variable payments.

During September 2022, the Company entered into pay-fixed, receive-variable interest rate swaps, maturing on May 6, 2027 and April 20, 2028. The swaps have a combined notional value of $ 650.0 million which declines over the terms of the underlying contracts. The terms of the interest rate swaps mirror the terms of the underlying debt, including timing of the payments and interest rates.

The following table presents the fair value of asset and liability derivatives and the respective balance sheet locations at December 31, 2023 (in millions):

	Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives designated as hedges:				
Foreign exchange contracts - net investment hedge	Accounts receivable, net	$ 0.9	Accrued expenses and other current liabilities	$ —
Foreign exchange contracts - net investment hedge	Other assets	—	Other liabilities	18.4
Interest rate contracts - cash flow hedge	Accounts receivable, net	—	Accrued expenses and other current liabilities	—
Interest rate contracts - cash flow hedge	Other assets	10.9	Other liabilities	—
Interest rate contracts - fair value hedge	Other assets	—	Other liabilities	4.9
Total derivatives designated as hedges		$ 11.8		$ 23.3
Derivatives not designated as hedges:				
Foreign exchange contracts	Accounts receivable, net	$ 1.7	Accrued expenses and other current liabilities	$ 1.5
Total derivatives not designated as hedges		1.7		1.5
Total derivatives		$ 13.5		$ 24.8

The following table presents the fair value of asset and liability derivatives and the respective balance sheet locations at December 31, 2022 (in millions):

	Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	**Fair Value**	**Balance Sheet Location**	**Fair Value**
Derivatives designated as hedges:				
Foreign exchange contracts - net investment hedge	Accounts receivable, net	$ 2.4	Accrued expenses and other current liabilities	$ 0.2
Foreign exchange contracts - net investment hedge	Other assets	1.1	Other liabilities	4.7
Interest rate contracts - cash flow hedge	Accounts receivable, net	0.6	Accrued expenses and other current liabilities	—
Interest rate contracts - cash flow hedge	Other assets	38.1	Other liabilities	—
Interest rate contracts - fair value hedge	Other assets	—	Other liabilities	6.7
Total derivatives designated as hedges		$ 42.2		$ 11.6
Derivatives not designated as hedges:				
Foreign exchange contracts	Accounts receivable, net	$ 2.6	Accrued expenses and other current liabilities	$ 2.0
Total derivatives not designated as hedges		2.6		2.0
Total derivatives		$ 44.8		$ 13.6

The following table presents the fair value of fixed-to-floating interest rate swaps designated as a fair value hedge of our Notes and the respective balance sheet location at December 31, 2023 (in millions):

	Balance Sheet Location	**Carrying Amount of Hedged Item**	**Cumulative Amount of Adjustment Included in Carrying Amount**
Interest rate contracts - fair value hedge	Long-term debt	$ 341.9	$ (4.9)

Refer to Note 14. Debt for further information on the Notes.

The following table provides the net effect that derivative instruments designated in hedging relationships had on Accumulated other comprehensive income (loss), net of tax and results of operations (in millions):

Derivatives Designated in Hedging Relationships	Unrealized Gain (Loss) Recognized in AOCI on Derivatives, Net of Tax			Location of Gain (Loss) Reclassified from AOCI	Gain (Loss) Reclassified from AOCI, Net of Tax		
	For the Years Ended December 31,				For the Years Ended December 31,		
	2023	2022	2021		2023	2022	2021
Derivatives designated as cash flow hedge							
Foreign exchange contracts	$ —	$ 3.4	$ (0.2)	Net sales	$ —	$ —	$ (1.7)
Foreign exchange contracts	(0.2)	(0.2)	1.2	Other income (expense), net	(0.2)	(0.2)	(0.2)
Interest rate contracts	6.4	32.2	5.1	Interest expense	21.7	(10.7)	(3.2)
Derivatives designated as investment hedge							
Foreign exchange contracts	(11.1)	39.6	6.6	Income from discontinued operations	8.9	—	—
Total	$ (4.9)	$ 75.0	$ 12.7		$ 30.4	$ (10.9)	$ (5.1)

The Company's designated derivative instruments are highly effective. As such, related to the hedge ineffectiveness or amounts excluded from hedge effectiveness testing, there were no gains or losses recognized immediately in income for the years ended December 31, 2023, 2022 or 2021, other than those related to the cross-currency swaps, noted below.

For the year ended December 31, 2023, 2022, and 2021, respectively, $ 10.0 million, $ 10.6 million, and $ 6.3 million of income from derivative instruments excluded from effectiveness testing was recognized as Interest expense in the Consolidated Statements of Income (Loss). For the years ended December 31, 2023 and 2022, respectively, $ 4.6 million and $ 0.0 million of net incremental interest expense was recognized relating to fair value hedges.

The following table provides the effect derivative instruments not designated as hedging instruments had on Net income (loss) (in millions):

Derivatives Not Designated as Cash Flow Hedging Instruments	Location of Gain (Loss) Recognized	Amount of Gain (Loss) Recognized		
		For the Years Ended December 31,		
		2023	2022	2021
Foreign exchange contracts	Other income (expense), net	$ 0.8	$ 3.6	$ (1.9)

Deferred gains of $ 9.9 million attributable to settled interest rate swaps designated as cash flow hedges are expected to be reclassified to Interest Expense over the next twelve months.

Note 16. Accrued Expenses and Other Current Liabilities

Accrued expenses and Other current liabilities consisted of the following (in millions):

	December 31,	
	2023	2022
Accrued salaries, wages and employee benefits	$ 45.0	$ 59.5
Accrued sales discounts and allowances	11.9	14.0
Other accrued expenses	56.8	55.5
Total	$ 113.7	$ 129.0

Note 17. Income Taxes

For financial reporting purposes, income (loss) before income taxes includes the following components (in millions):

	Years Ended December 31,		
	2023	2022	2021
U.S.	$ (256.9)	$ (123.0)	$ (22.2)
Foreign	(224.0)	26.5	(4.3)
Total	$ (480.9)	$ (96.5)	$ (26.5)

An analysis of the expense (benefit) for income taxes from continuing operations follows (in millions):

	Years Ended December 31,		
	2023	2022	2021
Current income taxes:			
U.S. federal	$ (13.5)	$ (12.3)	$ (0.4)
U.S. state	(2.3)	0.3	(0.3)
Foreign	18.8	13.3	1.5
	$ 3.0	$ 1.3	$ 0.8
Deferred income taxes:			
U.S. federal	$ (5.7)	$ (13.6)	$ 4.7
U.S. state	0.9	(4.0)	(1.1)
Foreign	28.6	(11.3)	(32.6)
	$ 23.8	$ (28.9)	$ (29.0)
Total	$ 26.8	$ (27.6)	$ (28.2)

A reconciliation of income taxes computed at the U.S. Federal statutory income tax rate to the expense for income taxes is as follows (in millions):

	Years Ended December 31,					
	2023		2022		2021	
	Amount	Percent	Amount	Percent	Amount	Percent
Tax provision at U.S. statutory rate	$ (101.0)	21.0 %	$ (20.3)	21.0 %	$ (5.5)	21.0 %
Foreign income tax rate differential	3.3	(0.7)	(4.7)	4.9	0.6	(2.2)
Income from passthrough entities	1.9	(0.4)	0.6	(0.7)	—	—
Branch earnings	1.4	(0.3)	0.2	(0.2)	(0.9)	3.4
Global intangible low tax inclusion	3.5	(0.7)	(1.6)	1.7	6.7	(25.5)
Subpart F income	1.2	(0.3)	0.5	(0.5)	0.7	(2.6)
Foreign derived intangible income	—	—	—	—	—	—
State income tax, net of federal benefit	(0.6)	0.1	(3.1)	3.2	(1.5)	5.7
Adjustments to valuation allowances	50.8	(10.6)	(3.3)	3.4	60.5	(229.6)
Capital loss carryforward	—	—	—	—	(86.5)	328.5
Other tax credits	(3.5)	0.7	(2.6)	2.7	(1.4)	5.4
Foreign tax credits	(7.4)	1.5	1.8	(1.8)	(4.9)	18.6
Other foreign operational taxes	1.8	(0.3)	1.5	(1.6)	1.3	(5.2)
Base erosion minimum tax amount	—	—	(0.6)	0.7	0.3	(1.2)
Remeasurement of deferred taxes due to tax law	(0.3)	0.1	(3.0)	3.1	0.4	(1.5)
Non-deductible compensation expense	0.9	(0.2)	1.4	(1.4)	0.7	(2.6)
Non-deductible acquisition expense	(0.5)	0.1	5.4	(5.6)	—	—
Goodwill impairment	84.5	(17.6)	—	—	—	—
Uncertain tax positions	(4.2)	0.9	1.1	(1.2)	0.3	(1.2)
Other, net	(5.0)	1.1	(0.9)	0.9	1.0	(4.0)
Provision for income taxes	$ 26.8	(5.6)%	$ (27.6)	28.6 %	$ (28.2)	107.0 %

An expense for income taxes of $ 26.8 million, a benefit for income taxes of $ 27.6 million and a benefit for income taxes of $ 28.2 million in the years ended December 31, 2023, 2022, and 2021, respectively, resulted in an effective tax rate of (5.6)%, 28.6 %, and 107.0 % in 2023, 2022, and 2021, respectively. The Company’s effective tax rates differ from the statutory federal income tax rate of 21% due primarily to varying tax rates in foreign jurisdictions, the relative amounts of income we earn in those jurisdictions, adjustments to valuation allowances, non-deductible goodwill impairment, and acquisition related nondeductible expenses due to the Neenah merger.

Prior to the passage of the Tax Cuts and Jobs Act of 2017 ("Tax Act"), the Company asserted that substantially all of the undistributed earnings of its foreign subsidiaries were considered indefinitely reinvested and accordingly, no deferred taxes were provided. Due to the Tax Act, the Company has significant previously taxed earnings and profits from its foreign subsidiaries as a result of transition tax that is generally able to be repatriated free of U.S. federal tax. In addition, future earnings of foreign subsidiaries are generally expected to be able to be repatriated free of U.S. federal income tax because these earnings were taxed in the U.S. under the GILTI regime or would be eligible for a 100% dividends received deduction. As a result of the Company’s treasury policy to simplify and expedite its intercompany cash flows, as evidenced by the use of cash pooling, and in light of the Company’s demonstrated goal of driving growth though inorganic/acquisitional means, the Company does not assert indefinite reinvestment to the extent of each controlled foreign corporation's earnings and profits and to the extent of any foreign partnership’s U.S. tax capital accounts. As a result, the Company has provided for non-U.S. withholding taxes, U.S. federal tax related to currency movement on previously taxed earnings and profits, and U.S. state taxes on unremitted earnings.

Additionally, the Organization for Economic Cooperation and Development ("OECD") has reached agreement on an approach to establish a minimum global tax, set at 15%, for large multi-national enterprises, such as the Company. The OECD has recommended that certain aspects of this approach, referred to as "Pillar Two", be made effective beginning in 2024, and many jurisdictions, including most European Member States, have already legislated Pillar Two into their statutory law and others are in the process of doing so. The Company expects that Pillar Two will introduce new challenges with respect to compliance and financial reporting requirements. Therefore, the Company continues to monitor for updates as countries within its global footprint announce Pillar Two legislation and related guidance.

Net deferred income tax assets (liabilities) were comprised of the following (in millions):

	December 31,	
	2023	2022
Deferred Tax Assets		
Receivable allowances	$ 1.3	$ 1.2
Postretirement and other employee benefits	10.9	12.3
Net operating loss and tax credit carryforwards	305.5	163.2
Capital loss carryforward	47.4	106.5
Accruals and other liabilities	0.8	0.3
Investment in subsidiaries	0.1	8.9
Capitalized research & development	36.8	29.8
Section 163(j) Interest Limitation	9.9	12.4
Right Of Use Liabilities	14.7	10.0
Other	15.0	6.9
	$ 442.4	$ 351.5
Less: Valuation allowance	(323.0)	(225.5)
Net deferred income tax assets	$ 119.4	$ 126.0
Deferred Tax Liabilities		
Net property, plant and equipment	$ (89.2)	$ (109.1)
Intangibles	(136.7)	(104.1)
Derivatives	(9.0)	(16.9)
Right Of Use Assets	(15.1)	(9.7)
Other	(5.3)	(3.9)
Net deferred income tax liabilities	$ (255.3)	$ (243.7)
Total net deferred income tax liabilities	$ (135.9)	$ (117.7)

As of December 31, 2023, the Company had approximately $ 260.9 million of tax-effected operating loss carryforwards available to further reduce future taxable income in various jurisdictions, with the following expiration dates:

2026-2043	$ 183.1
Indefinite	77.8
Total	$ 260.9

In addition, the Company has $ 47.4 million of tax effected capital loss carryforwards, of which $ 39.5 million will expire in 2026 and $ 7.9 million are indefinite lived. The Company also has $ 18.6 million and $ 9.5 million of foreign tax credits and state tax credits and that will expire between 2028 – 2033, and 2024 – 2042, respectively.

The Company's deferred tax asset valuation allowances are primarily the result of uncertainties regarding the future realization of recorded tax benefits on tax loss, capital loss, and credit carryforwards. The valuation allowance on deferred tax assets as of December 31, 2023, is substantially in the United States federal, state, and Luxembourg, of $ 54.1 million, $ 21.5 million, and $ 223.8 million, respectively.

The Company's assumptions, judgments and estimates relative to the valuation of these net deferred tax assets take into account available positive and negative evidence of realizability, including recent financial performance, the ability to realize benefits of restructuring and other recent actions, projections of the amount and category of future taxable income and tax planning strategies. Actual future operating results and the underlying amount and category of income in future periods could differ from the Company's current assumptions, judgments and estimates. The Company believes that it will generate sufficient future taxable income to realize the tax benefits related to the remaining net deferred tax assets.

The following table summarizes the activity related to the Company's unrecognized tax benefits related to income taxes (in millions):

	Years Ended December 31,		
	2023	**2022**	**2021**
Uncertain tax position balance at beginning of year	$ 19.9	$ 9.8	$ 2.0
Increases in current year tax positions	0.6	0.1	0.3
Increases in prior year tax positions	4.4	1.4	—
Decreases due to lapse of statute of limitations	(2.4)	(0.4)	(0.7)
Decreases due to settlements	(2.1)	—	—
Increases from business acquisitions	(0.4)	9.0	8.2
Uncertain tax position balance at end of year	$ 20.0	$ 19.9	$ 9.8

The liability for unrecognized tax benefits included $ 17.1 million as of December 31, 2023 that if recognized would impact the Company's effective tax rate. We anticipate a decrease in unrecognized tax benefits by the end of 2024 of $ 3.8 million as a result of a lapse of the statute of limitations and audit settlements. The Company's policy with respect to penalties and interest in connection with income tax assessments or related to unrecognized tax benefits is to classify penalties as provision for income taxes and interest as interest expense in its Consolidated Statements of Income (Loss).

The Company files income tax returns, including returns for its subsidiaries, with federal, state, local and foreign jurisdictions. The Company finalized an audit in Italy for tax years 2016-2018 during 2023. All expected impacts have been recorded in 2023 or earlier and are immaterial to the tax rate. We are no longer subject to U.S. federal examinations by the IRS for tax years before 2018. The 2018-2023 tax years remain subject to examination by other major tax jurisdictions.

Note 18. Postretirement and Other Benefits

The Company sponsors a number of different defined contribution retirement plans, alternative retirement plans and/or defined benefit pension plans across its operations. Defined benefit pension plans are sponsored in the United States, France, United Kingdom, Germany, Italy, Netherlands, and Canada and OPEB benefits related to postretirement healthcare and life insurance are sponsored in the United States, Germany, and Canada.

In connection with the Merger, the Company assumed Neenah's defined benefit pension and OPEB plans, as well as sponsorship of the defined contribution retirement plan. In addition, Neenah has a supplemental employee retirement plan ("SERP"), which is a non-qualified defined benefit plan, and a supplemental retirement contribution plan ("SRCP"), which is a non-qualified, unfunded defined contribution plan. The Company provides benefits under the non-qualified SERP and SRCP plans to the extent necessary to fulfill the intent of its retirement plans without regard to the limitations set by the Internal Revenue Code on qualified retirement benefit plans.

North American Pension and Postretirement Healthcare and Life Insurance Benefits

The U.S. operations have defined benefit retirement plans that cover certain full-time employees. Retirement benefits are based on either a cash balance benefit formula or a final average pay formula for certain employees who were "grandfathered" and retained retirement benefits under the terms of the plan prior to its amendment to include a cash balance benefit formula. Benefits related to the U.S. defined benefit and pension plan are frozen for all employees.

The U.S. operations also have unfunded healthcare and life insurance benefit plans, or OPEB plans, which cover certain of its retirees through age 65 . Some employees who retained benefits under the terms of the Company's plans prior to certain past amendments receive retiree healthcare coverage at rates subsidized by the Company. For other eligible employees, retiree healthcare coverage access is offered at full cost to the retiree. The postretirement healthcare plans include a limit on the Company's share of costs for current and future retirees. The U.S. operations' retiree life insurance plans are noncontributory.

Non-US Pension Benefits

In the U.K., the Company has multiple defined benefit pension plans which holds the assets and liabilities of former U.K. employees. These plans are closed to new members. The assets of the plan are held separately from the Company under Trust and the plan is managed by a professional Trustee.

In Germany, the Company sponsors retirement benefit plans which are unfunded. There is no legal or governmental obligation to fund these plans. These benefits are paid out in a normal course of business consistent with regulatory requirements.

In the Netherlands, the Company’s defined benefit pension obligations are administered by a third-party insurance company and funding for these benefits comes from premiums paid. Since 2019, participation in the defined benefit pension plan was closed and hourly employees participate in a defined contribution retirement plan consistent with the agreement reached between the Company and its hourly employee unions.

The U.S, U.K, Germany, Netherlands and French pension plans accounted for the majority of the Company's total plan assets and total Accumulated Benefit Obligations (ABO) at December 31, 2023.

The Company uses a measurement date of December 31 for its pension plans and other postretirement plans. The funded status of the pension plans as of December 31, 2023 and 2022 and the OPEB plans as of December 31, 2023 and 2022 was as follows (in millions):

	Pension Benefits				Other Postretirement Benefits			
	U.S.		Non-U.S.		U.S.		Non-U.S.	
	2023	2022	2023	2022	2023	2022	2023	2022
Change in PBO:								
PBO at beginning of year[2]	$ 339.6	$ 118.4	$ 189.9	$ 203.1	$ 25.0	$ 1.3	$ 3.6	$ 0.2
Acquisition[1]	—	265.3	0.2	72.6	—	26.4	—	3.4
Service cost	1.6	0.9	1.0	0.7	0.2	0.1	1.2	0.4
Interest cost	17.7	9.3	8.4	4.4	1.2	0.6	0.1	—
Actuarial (gain) loss	8.6	(36.8)	27.9	(58.1)	1.1	(1.4)	0.2	0.1
Participant contributions	—	—	—	—	0.1	0.1	—	—
Plan amendment	—	—	0.6	—	—	—	—	0.1
Plan settlements	—	(0.3)	(4.8)	(0.2)	—	—	—	—
Gross benefits paid	(25.5)	(17.2)	(13.2)	(12.9)	(4.4)	(2.1)	(1.4)	(0.7)
Currency translation effect	—	—	9.5	(19.7)	—	—	0.1	0.1
PBO at end of year	$ 342.0	$ 339.6	$ 219.5	$ 189.9	$ 23.2	$ 25.0	$ 3.8	$ 3.6
Change in Plan Assets:								
Fair value of plan assets at beginning of year[2]	$ 349.2	$ 124.7	$ 174.6	$ 215.7	$ —	$ —	$ —	$ —
Acquisition[1]	—	268.2	—	42.3	—	—	—	—
Actual return on plan assets	32.6	(26.9)	20.4	(53.8)	—	—	—	—
Employer contributions	0.5	0.7	6.8	6.0	4.3	2.0	1.4	0.7
Participant contributions	—	—	—	—	0.1	0.1	—	—
Plan settlements	—	(0.3)	(4.8)	(0.2)	—	—	—	—
Gross benefits paid	(25.5)	(17.2)	(13.2)	(12.9)	(4.4)	(2.1)	(1.4)	(0.7)
Currency translation effect	—	—	9.1	(22.5)	—	—	—	—
Fair value of plan assets at end of year	$ 356.8	$ 349.2	$ 192.9	$ 174.6	$ —	$ —	$ —	$ —
Funded status at end of year	$ 14.8	$ 9.6	$ (26.6)	$ (15.3)	$ (23.2)	$ (25.0)	$ (3.8)	$ (3.6)

(1) Amounts attributable to Neenah are included effective July 6, 2022 and amounts attributable to the Engineered papers segment sold in 2023 are excluded from all periods presented.
(2) Prior to 2022, certain immaterial plans were excluded. All plans sponsored by the Company are included in the 2022 disclosure amounts.

The PBO, ABO and fair value of pension plan assets for the Company's defined benefit pension plans and OPEB plans as of December 31, 2023 and 2022 were as follows (in millions):

	Pension Benefits				Other Postretirement Benefits			
	U.S.		Non-U.S.		U.S.		Non-U.S.	
	2023	2022	2023	2022	2023	2022	2023	2022
PBO	$ 342.0	$ 339.6	$ 219.5	$ 189.9	$ 23.2	$ 25.0	$ 3.8	$ 3.6
ABO	340.1	335.8	218.6	189.0	—	—	—	—
Fair value of plan assets	356.8	349.2	192.9	174.6	—	—	—	—

As of December 31, 2023 and 2022, the pre-tax amounts in Accumulated other comprehensive income (loss), net of tax that have not been recognized as components of net periodic benefit cost for the pension and OPEB plans are as follows (in millions):

	Pension Benefits				Other Postretirement Benefits			
	U.S.		Non-U.S.		U.S.		Non-U.S.	
	2023	2022	2023	2022	2023	2022	2023	2022
Accumulated loss (gain)	$ 15.4	$ 17.2	$ 8.9	$ 2.9	$ 0.2	$ (1.4)	$ —	$ —
Prior service credit	—	—	0.5	—	—	—	—	—
Accumulated other comprehensive loss (gain)	$ 15.4	$ 17.2	$ 9.4	$ 2.9	$ 0.2	$ (1.4)	$ —	$ —

Actuarial assumptions are used to determine the Company's benefit obligations. The discount rate represents the interest rate used to determine the present value of future cash flows currently expected to be required to settle pension obligations. The discount rate fluctuates from year to year based on current market interest rates for high-quality, fixed-income investments. The Company also evaluates the expected average duration of its pension obligations in determining its discount rate. An assumed long-term rate of compensation increase is also used to determine the PBO.

Healthcare cost trends are used to project future postretirement medical benefits payable from our plans. For purposes of measuring our U.S. plan obligations as of December 31, 2023, a 6.32 % annual rate of increase in postretirement medical benefit costs was assumed; the rate was assumed to decrease gradually to 4.0 % by 2048 and to remain at that level thereafter.

The weighted average assumptions used to determine benefit obligations as of December 31, 2023 and 2022 were as follows:

	Pension Benefits				Other Postretirement Benefits			
	U.S.		Non-U.S.		U.S.		Non-U.S.	
	2023	2022	2023	2022	2023	2022	2023	2022
Discount rate	5.14 %	5.42 %	4.19 %	4.55 %	5.00 %	5.32 %	4.18 %	2.12 %
Rate of compensation increase	1.90 %	1.90 %	0.45 %	1.23 %	3.50 %	3.50 %	2.72 %	1.65 %

The components of net pension benefit cost (benefit) during the years ended December 31, 2023, 2022 and 2021 were as follows (in millions):

	Pension Benefits						Other Postretirement Benefits[1]			
	U.S.			Non-U.S.			US		Non-US	
	2023	2022	2021	2023	2022	2021	2023	2022	2023	2022
Service cost	$ 1.6	$ 0.9	$ —	$ 1.0	$ 0.7	$ 0.3	$ 0.2	$ 0.1	$ 1.2	$ 0.4
Interest cost	17.7	9.3	2.8	8.4	4.4	2.5	1.2	0.6	0.1	—
Expected return on plan assets	(22.1)	(11.9)	(3.9)	(4.3)	(4.3)	(2.7)	—	—	—	—
Amortizations and other	—	1.7	3.2	0.4	0.4	—	—	—	0.1	0.2
Net periodic benefit cost (benefit)	$ (2.8)	$ —	$ 2.1	$ 5.5	$ 1.2	$ 0.1	$ 1.4	$ 0.7	$ 1.4	$ 0.6

Assumptions are used to determine net periodic benefit costs. In addition to the discount rate and rate of compensation increase, which are used to determine benefit obligations, an expected long-term rate of return on plan assets is also used to determine net periodic pension benefit costs. The weighted average assumptions used to determine net periodic benefit costs for the years ended December 31, 2023, 2022 and 2021 were as follows:

	Pension Benefits						Other Postretirement Benefits[1]			
	U.S.			Non-U.S.			U.S.		Non-U.S.	
	2023	2022	2021	2023	2022	2021	2023	2022	2023	2022
Discount rate	5.42 %	4.09 %	2.31 %	4.53 %	3.71 %	1.92 %	5.32 %	4.42 %	3.96 %	1.61 %
Expected long-term rate of return on plan assets	6.10 %	5.19 %	3.44 %	2.48 %	1.96 %	3.09 %	— %	— %	— %	— %
Rate of compensation increase	1.90 %	1.90 %	— %	0.45 %	2.77 %	1.90 %	3.50 %	3.50 %	1.65 %	2.35 %

(1) As of December 31, 2021, the Company's U.S. and Non-U.S. OPEB liabilities were immaterial and therefore not included in these disclosures.

The Company's investment strategy with respect to its U.S. pension plan assets is to maximize the return on investment of plan assets at an acceptable level of risk and to assure each plans' fiscal health. The target asset allocation varies based on the funded status of the plan in an effort to match the duration of the plan's liabilities to investments in long duration fixed income assets over time. For the year ended December 31, 2023, the target and actual allocation of plan assets were aligned. Investments under the U.K. plan are allocated based on a targeted return, driven by the funded status of the plan. The primary goal of the Company's pension plans is to maintain the highest probability of assuring future benefit payments to participants while providing growth of capital in real terms. To achieve this goal, the investment philosophy is to protect plan assets from large investment losses, particularly over time, while steadily growing the assets in a prudent manner. While there cannot be complete assurance that the objectives will be realized, the Company believes that the likelihood of realizing the objectives are reasonable based upon this investment philosophy. The Company has an investment committee that meets on a periodic basis to review the portfolio returns and to determine asset mix targets. The pension plans' asset allocations by category at December 31, 2023 and 2022 were as follows:

	U.S.		Non-U.S.	
	2023	2022	2023	2022
Plan Asset Category(3)				
Cash and cash equivalents	1 %	1 %	4 %	8 %
Equity securities(1)				
Domestic large cap	9	10	—	1
Domestic small cap	3	3	—	—
International	16	14	—	—
Fixed income securities	71	72	96	90
Alternative investments(2)	—	—	—	1
Total	100 %	100 %	100 %	100 %

(1) None of the Company's pension plan assets are targeted for investment in Mativ stock, except that it is possible that one or more mutual funds held by the plan could hold shares of Mativ.
(2) Investments in this category under the Non-U.S. pension plan may include hedge funds and real estate.
(3) The plan asset categories do not include an insurance contract related to the legacy Neenah Coldenhove pension plan.

The Company's pension assets are classified according to an established fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). A financial instrument's level within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;

Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

The following table sets forth by level, within the fair value hierarchy, the pension plans' assets at fair value as of December 31, 2023 (in millions):

	U.S.			Non-U.S.		
Plan Asset Category[(3)]	**Total**	**Other[(1)]**	**Level 1**	**Total**	**Level 1**	**Level 2**
Cash equivalents	$ 2.7	$ —	$ 2.7	$ 5.6	$ 5.6	$ —
Equity securities						
Domestic large cap	33.8	33.8	—	—	—	—
Domestic small cap	10.3	10.3	—	—	—	—
International	56.0	56.0	—	—	—	—
Fixed income securities						
US Government securities	68.1	68.1	—	—	—	—
Corporate bonds	149.7	149.7	—	87.3	—	87.3
International bonds	3.8	3.8	—	64.0	—	64.0
Other	32.4	32.4	—	1.1	—	1.1
Alternative investments[(2)]	—	—	—	—	—	—
Total	$ 356.8	$ 354.1	$ 2.7	$ 158.0	$ 5.6	$ 152.4

The following table sets forth by level, within the fair value hierarchy, the pension plans' assets at fair value as of December 31, 2022 (in millions):

	U.S.			Non-U.S.		
Plan Asset Category[(3)]	**Total**	**Other[(1)]**	**Level 1**	**Total**	**Level 1**	**Level 2**
Cash equivalents	$ 2.8	$ —	$ 2.8	$ 12.1	$ 12.1	$ —
Equity securities						
Domestic large cap	35.9	35.9	—	—	—	—
Domestic small cap	9.6	9.6	—	—	—	—
International	50.0	50.0	—	1.5	—	1.5
Fixed income securities						
US Government securities	66.5	66.5	—	—	—	—
Corporate bonds	171.3	171.3	—	62.4	—	62.4
International bonds	5.0	5.0	—	50.1	—	50.1
Other	8.1	8.1	—	16.3	—	16.3
Alternative investments[(2)]	—	—	—	0.9	—	0.9
Total	$ 349.2	$ 346.4	$ 2.8	$ 143.3	$ 12.1	$ 131.2

(1) Investments held in Mutual Funds are measured at Net Asset Value ("NAV"), as determined by the fund manager, as a practical expedient and not are subject to hierarchy level classification disclosure.
(2) Alternative investments include ownership interests in shares of registered investment companies.
(3) The plan asset categories do not include an insurance contract related to the legacy Neenah Coldenhove pension plan.

The Company expects the following estimated undiscounted future pension benefit payments, which are to be made from pension plan and employer assets, net of amounts that will be funded from retiree contributions, and which reflect expected future service, as appropriate (in millions):

	U.S.	Non-U.S.
2024	$ 26.3	$ 14.0
2025	26.4	15.3
2026	26.4	15.0
2027	26.6	16.4
2028	26.1	15.6
2029 - 2033	126.8	86.8

The Company is not required to contribute during 2024 to its U.S. pension plans, although, it may make discretionary contributions. Contributions to the U.K. and the Netherlands pension plans are required, along with contributions to certain pay-as-you-go plans in the US, Canada, Germany, France, and Italy. We contributed $ 5.4 million to the U.K. plan, $ 1.3 million to the Germany plan and $ 0.5 million to the U.S plans. Pension contributions to all other plans were immaterial during the year ended December 31, 2023.

Other Benefits

We sponsor qualified defined contribution plans covering substantially all U.S. employees. Under the plan, the Company matches a portion of employee contributions. The Company's cost under the plan was $ 14.2 million, $ 11.4 million, and $ 4.6 million for the years ended December 31, 2023, 2022 and 2021, respectively.

The Company provides U.S. executives, certain other key personnel, and its directors the opportunity to participate in deferred compensation plans. Participating employees can elect to defer a portion of their salaries and certain other compensation. Participating directors can elect to defer their meeting fees, as a cash deferral, as well as their quarterly retainer fees, as a cash deferral or deferred stock unit credits. The Company's liability balance under these deferred compensation plans totaled $ 1.4 million and $ 0.6 million at December 31, 2023 and 2022, respectively, which were included in the Consolidated Balance Sheets in Other liabilities. In connection with these plans, the Company has a grantor trust into which it has contributed funds toward its future obligations under the various plans. Refer to Note 12. Other Assets for additional information. The balance of grantor trust assets totaled $ 7.5 million and $ 6.2 million at December 31, 2023 and 2022, respectively, which were included in Other assets in the Consolidated Balance Sheets. These assets are restricted from Company use until all obligations are satisfied.

Note 19. Stockholders' Equity

Long-term Incentive Plan

In April 2015, the Company adopted and the stockholders approved the Schweitzer-Mauduit International, Inc. 2015 Long-term Incentive Plan ("LTIP"). The LTIP is intended to promote the Company's long-term financial success by attracting and retaining outstanding executive personnel and to motivate such personnel by means of equity grants. Pursuant to the terms of the LTIP, the Compensation Committee of the Board of Directors selects participants and establishes the terms of various types of equity-based compensation awards, including incentive and nonqualified stock options, stock appreciation rights ("SARs"), restricted stock awards ("RSAs"), restricted stock units ("RSUs"), RSUs with performance conditions ("PSUs"), in addition to certain cash-based awards. Subject to certain adjustments set forth in the LTIP, the number of shares available for awards under the LTIP is limited to 5,000,000 .

The Company's LTIP provides that the issuance of RSAs immediately transfers ownership rights in shares of its Common Stock to the recipient of the grant, including the right to vote the shares and to receive dividends thereon. Other types of stock awards available under the LTIP were not used prior to 2023. Beginning in 2023, the Board of Directors approved grants of RSUs and PSUs under the LTIP. In July 2023, the Company implemented a one-time conversion of all outstanding RSAs to RSUs. Following the conversion, there were no remaining RSAs outstanding.

RSUs and PSUs transfer ownership rights in shares of its Common Stock to the recipients of the grant upon vesting, including the right to vote the shares and receive dividends thereon. During the vesting period, the recipients are eligible for dividend equivalents. The RSUs generally vest over a three-year term as follows: 33.3% on each of the first, second and third anniversaries of the grant date, except for RSUs issued as retirement and special grant awards, which vest over a one-year term on the first anniversary of the grant date. Vesting is contingent upon continued employment or service. The unvested portion of a grantee’s RSU will be immediately forfeited and cancelled if the grantee ceases employment or service, except for retirement awards which vest on a pro rata basis according to the proportion of days employed during the vesting period of one year. RSUs, and PSUs have grant date fair values equal to the fair market value of the underlying stock on the date of grant. Forfeitures are accounted for as they occur. The Company recognizes compensation expense for PSUs when it is probable that the performance conditions will be achieved. The Company reassesses the probability of vesting at each reporting period and adjusts its compensation cost accordingly. In February 2024, our Compensation Committee approved the cash settlement of certain RSUs and PSUs upon vesting.

The LTIP provided for any unvested service-based equity awards to immediately vest on the occurrence of a qualifying Change in Control event (“CIC Event”) upon which the awardee is either terminated by the Company without Cause (as defined in the LTIP) or the employee voluntarily resigns from the Company for Good Reason (as defined in the LTIP) within 24 months of the CIC Event (“CIC Qualifying Termination”). As the Merger was a qualifying CIC Event, the unvested service-based equity awards of employees that met the criteria of CIC Qualifying Termination immediately vested on such CIC Qualifying Termination date.

Upon the closing of the Merger, the Company modified the 2022 and 2021 performance-based equity awards then-outstanding under the LTIP to remove the performance and market-based vesting conditions for continuing employees, effectively converting the awards to service-only equity awards that cliff vest on the schedule applicable to the underlying performance-based equity awards. The fair value of the continuing employee awards will be recognized on a straight-line basis over the remaining service period, less any cost previously recognized on these performance-based equity awards.

The performance-based equity awards held by an employee that experienced a CIC Qualifying Termination were also modified to accelerate vesting and to establish the number of shares underlying these awards at 100% of the target level as defined in the underlying award agreement rather than at the pro-rata target level based on service period completed as of the closing of the Merger.

Substantially all stock-based compensation expense has been recorded in General expenses on the consolidated statements of operations. Stock-based compensation expense was $ 9.9 million, $ 19.7 million, and $ 7.5 million for the years ended December 31, 2023, 2022, 2021, respectively. As of December 31, 2023, unrecognized compensation expense was $ 8.6 million and is expected to be recognized over a weighted average period of 1.6 years.

Acquired Equity-Based Compensation Awards

As provided in the Merger Agreement, all stock options (“Options”), SARs, RSUs and PSUs granted pursuant to Neenah’s 2018 Omnibus Stock and Incentive Compensation Plan (“2018 Plan”) that were outstanding immediately prior to the Merger were generally automatically converted into Options, SARs, RSUs and PSUs, respectively, with respect to the Company's common stock at the exchange ratio set forth in the Merger Agreement ("Exchange Ratio") and otherwise generally on the same terms and conditions (including vesting exercisability and/or settlement requirements) as applied to such awards prior to the closing of the Merger.

At the closing of the Merger, the Options and SARs had fully vested and are exercisable by the grantees. Accordingly, there is no ongoing compensation expense related to the Options or SARs.

Upon the closing of the Merger, the Company assumed 180,149 unvested Neenah RSUs, converted at the Exchange Ratio, with a total fair value of $ 4.2 million, which were converted to RSUs of the Company.

In accordance with the terms of the Merger Agreement, the change in control eliminated the performance condition and market-based vesting conditions applicable to the Neenah PSUs; as such, only the three-year service condition remains. Upon the closing of the Merger, the Company assumed 292,032 unvested PSUs, converted at the Exchange Ratio, with a total fair value of $ 6.8 million, which were converted to RSUs of the Company. Converted RSUs will be accounted for the same as the RSUs described above and be recognized over a weighted-average period of approximately two years .

Restricted Stock Awards

The following table presents RSA activity for the years ended December 31, 2023, 2022 and 2021:

	2023		2022		2021	
	# of Shares	Weighted Average Fair Value at Date of Grant	# of Shares	Weighted Average Fair Value at Date of Grant	# of Shares	Weighted Average Fair Value at Date of Grant
Nonvested restricted shares outstanding at January 1	526,961	$ 31.89	377,729	$ 36.78	405,299	$ 34.96
Granted	—	—	678,343	31.17	207,135	39.10
Forfeited	(97,629)	33.46	(49,617)	30.57	(4,345)	33.37
Vested	(292,519)	32.98	(479,494)	34.81	(230,360)	35.71
Converted to RSUs	(136,813)	28.43	—	—	—	—
Nonvested restricted shares outstanding at December 31	—	$ —	526,961	$ 31.89	377,729	$ 36.78

RSUs and PSUs

The following table presents activity of RSUs for the years ended December 31, 2023 and 2022:

	2023		2022	
	# of Shares	Weighted Average Fair Value at Date of Grant	# of Shares	Weighted Average Fair Value at Date of Grant
Outstanding at January 1	343,142	$ 23.41	—	$ —
Granted	277,479	25.33	—	—
Acquired and converted	—	—	472,181	23.41
Converted from RSAs	136,813	28.43	—	—
Forfeited	(69,627)	26.08	(5,172)	23.41
Vested	(125,737)	25.95	(123,867)	23.41
Outstanding at December 31	562,070	$ 24.68	343,142	$ 23.41

The following table presents activity of PSUs for the years ended December 31, 2023 and 2022:

	2023		2022	
	# of Shares	Weighted Average Fair Value at Date of Grant	# of Shares	Weighted Average Fair Value at Date of Grant
Outstanding at January 1	320,732	$ 23.57	—	$ —
Granted	105,867	26.74	320,732	23.57
Forfeited	(151,186)	24.12	—	—
Vested	(2,188)	26.74	—	—
Outstanding at December 31	273,225	$ 24.47	320,732	$ 23.57

Basic and Diluted Shares Reconciliation

The Company uses the two-class method to calculate earnings per share. The Company has granted equity-based compensation awards that contain non-forfeitable rights to dividends or dividend equivalents on unvested shares. Since these unvested shares are considered participating securities under the two-class method, the Company allocates earnings per share to common stock and participating securities according to dividends declared and participation rights in undistributed earnings.

Diluted net income per common share is computed based on net income divided by the weighted average number of common and potential common shares outstanding. Potential common shares during the respective periods are those related to dilutive stock-based compensation, including long-term share-based incentive compensation, and directors' accumulated deferred stock compensation which may be received by the directors in the form of stock or cash.

A reconciliation of the average number of common and potential common shares outstanding used in the calculations of basic and diluted net income per share follows (in millions, shares in thousands):

	Years Ended December 31,		
	2023	2022	2021
Numerator (basic and diluted):			
Net income (loss)	$ (309.5)	$ (6.6)	$ 88.9
Less: Dividends paid to participating securities	(0.7)	(0.9)	(0.6)
Less: Undistributed earnings available to participating securities	—	—	(0.5)
Undistributed and distributed earnings (loss) available to common stockholders	$ (310.2)	$ (7.5)	$ 87.8
Denominator:			
Average number of common shares outstanding	54,506.9	42,442.2	31,030.4
Effect of dilutive stock-based compensation (1)	—	—	369.9
Average number of common and potential common shares outstanding	54,506.9	42,442.2	31,400.3

(1) Diluted loss per share excludes the weighted average potential common shares as their inclusion would be anti-dilutive.

Note 20. Commitments and Contingencies

Other Commitments

As of December 31, 2023, we had contractual obligations to purchase products and services (primarily raw materials), capital projects, and energy totaling $ 79.2 million. These commitments extend beyond 2028.

The Company has certain other letters of credit, guarantees and surety bonds outstanding at December 31, 2023, which are not material either individually or in the aggregate.

In connection with the EP Divestiture, we undertook to indemnify and hold Evergreen Hill Enterprise harmless from claims and liabilities related to the EP business that were identified as excluded or specified liabilities in the related agreements up to an amount not to exceed $ 10 million. As of December 31, 2023, there were no material claims pending under this indemnification.

Litigation

Germany

In January 2015, the Company initiated patent infringement proceedings in Germany against Glatz under multiple low ignition propensity ("LIP") related patents. In December 2017, the Dusseldorf Appeal Court affirmed the German District Court judgment on infringement of EP1482815 against Glatz. The Company filed an action against Glatz in the German District Court to set the amount of damages for the infringement and Glatz filed a counterclaim. Glatz filed an action in the German Patent Court to invalidate the German part of EP1482815. The German Patent Court held that some of the patent claims at issue were invalid and also that another claim at issue was valid. The Company appealed the portion of the decision with respect to the claims held to be invalid. The German Supreme Court held that the claims of German counterpart of EP1482815 relevant to the Glatz infringement action were invalid. This ruling has the effect of nullifying the infringement decision and injunction against Glatz and the Company's claim for damages against Glatz. Glatz's counterclaim against the Company was settled in June 2023. The Company recognized a $ 4.9 million loss during the three months ended June 30, 2023, which was included in Other income (expense), net in the Consolidated Statements of Income (Loss). The settlement was paid in the three months ended September 30, 2023.

Environmental Matters

The Company's operations are subject to various nations' federal, state and local laws, regulations and ordinances relating to environmental matters. The nature of the Company's operations exposes it to the risk of claims with respect to various environmental matters, and there can be no assurance that material costs or liabilities will not be incurred in connection with such claims. While the Company has incurred in the past several years, and will continue to incur, capital and operating expenditures in order to comply with environmental laws and regulations, it believes that its future cost of compliance with environmental laws, regulations and ordinances, and its exposure to liability for environmental claims and its obligation to participate in the remediation and monitoring of certain hazardous waste disposal sites, will not have a material effect on its financial condition or results of operations. However, future events, such as changes in existing laws and regulations, or unknown contamination or costs of remediation of sites owned, operated or used for waste disposal by the Company (including contamination caused by prior owners and operators of such sites or other waste generators) may give rise to additional costs which could have a material effect on its financial condition or results of operations.

General Matters

In the ordinary course of conducting business activities, the Company and its subsidiaries become involved in certain other judicial, administrative and regulatory proceedings involving both private parties and governmental authorities. These proceedings include insured and uninsured regulatory, employment, intellectual property, general and commercial liability, environmental and other matters. At this time, the Company does not expect any of these proceedings to have a material effect on its reputation, business, financial condition, results of operations or cash flows. However, the Company can give no assurance that the results of any such proceedings will not materially affect its reputation, business, financial condition, results of operations or cash flows.

Employees and Labor Relations

As of December 31, 2023, approximately 24 % of our U.S. workforce and 23 % of our Non-U.S. workforce are under collective bargaining agreements. Approximately 0 % of all U.S. employees and 4 % of our Non-U.S. employees are under collective bargaining agreements that will expire in the next 12 months.

For our Non-U.S. workforce, union membership is voluntary and does not need to be disclosed to the Company under local laws. As a result, the number of employees covered by the collective bargaining agreements in some countries cannot be determined.

Note 21. Segment Information

Prior to the completion of the Merger, we operated in two reportable segments: Advanced Materials & Structures and Engineered Papers. Effective with the Merger, the Company reassessed its reportable segments. Management concluded that it had two operating product line segments that are also the reportable segments for financial reporting purposes: Advanced Technical Materials and Fiber-Based Solutions. ATM was comprised of the legacy SWM Advanced Materials & Structures segment and certain legacy Neenah segments allocated to ATM based on performance, market focus, technologies, and reporting structure. FBS was comprised of the legacy Neenah Fine Paper and Packaging segment and the legacy Engineered Papers segment. As such, there were no changes to the historical results of these segments. The merged Neenah segments were allocated to ATM and FBS based on performance, market focus, technologies, and reporting structure. Effective July 1, 2023, and as a result of our ongoing integration efforts, we identified a change in our operating segments to align with our end markets due to changes in segment level management and the related internal review of operating results. The accounting policies of the reportable segments are the same as those described in Note 2.Summary of Significant Accounting Policies.

The ATM reportable segment remains an aggregation of the Company's Industrials, Protective solutions, Filtration, Healthcare, and Release liners operating segments. ATM's end markets provide solutions that filter and purify air and liquids, supports adhesive and protective applications, advances healing and wellness, and solves some of material science’s most demanding performance needs across a number of categories. The FBS reportable segment leverages the company’s extensive natural fiber capabilities to provide specialty solutions for various end-uses, including sustainable packaging, imaging and communications, home and office, consumer goods, and other applications. As a result of the EP Divestiture, the EP business is presented as a discontinued operation and no longer reported in the FBS reportable segment. The FBS segment is now comprised of Packaging and specialty papers end markets and prior year results have been retrospectively revised to reflect such adjustments.

Information about Net Sales and Operating Profit

The Company primarily evaluates segment performance and allocates resources based on operating profit. General corporate expenses that do not directly support the operations of the business segments are unallocated expenses. Assets are managed on a total company basis and are therefore not disclosed at the segment level.

Net sales and operating profit by segments were (in millions):

	Net Sales					
	Years Ended December 31,					
	2023		2022		2021	
ATM	$ 1,610.0	79.5 %	$ 1,396.2	85.3 %	$ 930.7	100.0 %
FBS	416.0	20.5 %	240.7	14.7 %	—	— %
Consolidated	$ 2,026.0	100.0 %	$ 1,636.9	100.0 %	$ 930.7	100.0 %

	Operating Profit (Loss)					
	Years Ended December 31,					
	2023		2022		2021	
ATM	$ (281.5)	68.0 %	$ 98.8	(245.8)%	$ 61.6	(380.2)%
FBS	4.6	(1.1)%	15.0	(37.3)%	1.0	(6.2)%
Unallocated	(137.0)	33.1 %	(154.0)	383.1 %	(78.8)	486.4 %
Consolidated	$ (413.9)	100.0 %	$ (40.2)	100.0 %	$ (16.2)	100.0 %

Capital spending and depreciation by segments were (in millions):

	Capital Spending			Depreciation		
	Years Ended December 31,			Years Ended December 31,		
	2023	2022	2021	2023	2022	2021
ATM	$ 52.1	$ 37.2	$ 19.4	$ 49.5	$ 38.3	$ 25.9
FBS	10.8	7.8	—	30.0	13.1	0.1
Unallocated	3.1	0.6	—	2.2	0.5	0.2
Consolidated	$ 66.0	$ 45.6	$ 19.4	$ 81.7	$ 51.9	$ 26.2

Information about Geographic Areas

Long-lived assets by geographic area were as follows (in millions):

	December 31,	
	2023	2022
U.S.	$ 369.8	$ 386.1
France	32.2	32.1
Germany	174.7	163.7
U.K.	56.6	57.6
Other foreign countries	65.8	84.9
Consolidated	$ 699.1	$ 724.4

Note 22. Subsequent Event

On January 24, 2024, the Company announced an organizational realignment plan (the “Plan”) that is designed to streamline organizational size and complexity and leverage business-critical resources to enhance customer support and reduce overhead cost. As part of the Plan, the Company plans to reorganize into two new segments starting in the first quarter of 2024: Filtration & Advanced Materials, focused primarily on filtration and protective solutions end markets, and Sustainable & Adhesive Solutions, focused primarily on the release liners, industrials, healthcare, and packaging and specialty papers end markets. The Company expects to incur approximately $ 15 million to $ 20 million restructuring and restructuring related charges in 2024, consisting primarily of employee severance payments and termination related benefits.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Mativ Holdings, Inc. and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Mativ Holdings, Inc. and subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of income (loss), comprehensive income, changes in stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2023, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 29, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing a separate opinion on the critical audit matters or on the accounts or disclosures to which it relates.

Income Taxes — Refer to Notes 2 and 17 to the consolidated financial statements

Critical Audit Matter Description

The Company operates and is subject to income taxes in the U.S. and numerous foreign jurisdictions with complex tax laws and regulations which resulted in an income tax expense of $26.8 million for the year ended December 31, 2023. The complexity of the Company’s global structure requires technical expertise in determining the allocation of income to each of these jurisdictions and the consolidated provision for income taxes. In addition, the application of tax laws in various jurisdictions require specialized knowledge, skills and judgment.

We identified the accounting for income taxes as a critical audit matter because the complexity of the Company's global structure and the application of tax laws that required an increased extent of effort, including the need to involve our U.S. and international income tax specialists, to evaluate the Company's interpretation and application of tax laws in relevant jurisdictions, the allocation of income to each of these jurisdictions, and the income tax impact of the legal entity ownership structure.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the provision for income taxes included the following, among others:

- Obtained an understanding of the Company's overall legal entity structure by reading and evaluating the Company's organizational charts and associated documentation, including legal documents.

- We read minutes of the meetings of the board of directors and inquired of Company personnel, including legal, to evaluate whether there were any significant changes in the legal entity structure that were relevant to the provision for income taxes.

- Tested the effectiveness of controls over management's application of income tax laws to its global corporate structure and controls related to the allocation of income to the Company's various tax jurisdictions.

- With the assistance of our U.S. and international income tax specialists, we evaluated management's application of relevant tax laws to its legal entity structure and the effect on the Company's income tax provision, including the Company's calculations of current period income tax expense by reviewing and evaluating management's income tax calculations and assessing the Company's compliance with tax laws.

- With the assistance of our U.S. and international income tax specialists, we evaluated management's income reporting to the various tax jurisdictions in which the Company operates based on its global corporate structure.

Goodwill — Advanced Technical Materials — Refer to Notes 2 and 10 to the consolidated financial statements

Critical Audit Matter Description

The Company evaluates goodwill for impairment annually in the fourth quarter or whenever events or changes in circumstances indicate that an evaluation should be completed. The Company determines the fair value of its reporting units using the income approach. The determination of the fair value using the income approach requires management to make significant estimates and assumptions related to forecasts of future cash flows and discount rates. Changes to the forecasted revenue growth, earnings before income taxes, depreciation and amortization ("EBITDA") and discount rate assumptions may result in a significantly different estimate of the fair value of the reporting units, which could result in a different assessment of the recoverability of goodwill or measurement of an impairment charge.

During the year ended December 31, 2023, the Company performed an interim quantitative goodwill impairment test, which resulted in an impairment charge of $401.0 million related to certain reporting units included in the Advanced Technical Materials ("ATM") reportable segment. After recognition of the impairment charge, the remaining goodwill balance related to reporting units included in ATM was $472.5 million as of December 31, 2023.

We identified goodwill attributable to the ATM reportable segment as a critical audit matter because of the significant assumptions required to estimate the fair value of the reporting units included in the ATM reportable segment. The sensitivity of the estimate to changes in assumptions, specifically related to forecasts of future revenue and EBITDA and the selection of the discount rates, required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists, when performing audit procedures to evaluate the reasonableness of management’s estimates and assumptions.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecasts of future revenues and EBITDA, and the selection of the discount rates for the ATM reporting units included the following, among others:

- We tested the effectiveness of controls over management’s goodwill impairment evaluation, including those over the determination of the fair value of the ATM reporting units, such as controls related to management’s forecasts and selection of the discount rates.

- We evaluated management’s ability to accurately forecast by comparing actual results to management’s historical forecasts.

- We evaluated the reasonableness of management’s forecasts by comparing the forecasts to (1) historical results, (2) internal communications to management and the Board of Directors, and (3) forecasted information included in relevant industry reports.

- With the assistance of our fair value specialists, we evaluated the reasonableness of the discount rates:

    - Testing the source information underlying the determination of the discount rates and testing the mathematical accuracy of the calculation

    - Developing a range of independent estimates and comparing those to the discount rates selected by the Company.

/s/ Deloitte & Touche LLP

Atlanta, Georgia
February 29, 2024

We have served as the Company's auditor since 1995.

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15(d)-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time frames specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures.

An evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2023 was made under the supervision and with the participation of our management including our principal executive officer and principal financial officer. Based upon this evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were effective.

Our management, including our Chief Executive Officer and our Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, is designed to provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2023. In making this assessment, our management used the criteria set forth in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013). Based on the Company's evaluation under the framework in *Internal Control - Integrated Framework,* our management has concluded that, as of December 31, 2023, our internal control over financial reporting is effective based on these criteria. As of December 31, 2023, we had no material weaknesses based on our tests using the criteria set forth in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Our independent registered public accounting firm, Deloitte & Touche LLP, has issued an audit report on its assessment of our internal control over financial reporting, which is included herein.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended December 31, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. ***Other Information***

Not applicable.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Mativ Holdings, Inc. and Subsidiaries

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Mativ Holdings, Inc. and Subsidiaries (the “Company”) as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2023, of the Company and our report dated February 29, 2024, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Atlanta, Georgia
February 29, 2024

PART III.

Item 10. ***Directors, Executive Officers and Corporate Governance***

We have posted a copy of our Code of Conduct on our website at *www.mativ.com*. Our Code of Conduct applies to all employees, officers and directors of the Company and its subsidiaries worldwide.

All other information called for by this Item is hereby incorporated by reference to the sections of our proxy statement relating to our 2024 Annual Meeting of Stockholders (the "2024 Proxy Statement") captioned "Proposal One - Election of Directors," "Corporate Governance" and "Section 16(a) Beneficial Ownership Reporting Compliance." Information with respect to our executive officers is set forth in Part I, Item 1 of this Form 10-K under the caption, "Executive Officers of the Registrant."

Item 11. ***Executive Compensation***

The information in the section of the 2024 Proxy Statement captioned "Executive Compensation," including the item captioned "Compensation Discussion and Analysis," is incorporated in this Item 11 by reference.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

Securities Authorized for Issuance under Equity Compensation Plans

The information in the section of the 2024 Proxy Statement entitled "Stock Ownership" is incorporated in this Item 12 by reference. The following table provides information, as of December 31, 2023, with respect to the shares of our Common Stock that may be issued under our existing equity compensation plans:

Plan Category	Number of Securities Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by stockholders:	
Outside Directors Stock Plan (1)	69,176
Long-Term Incentive Plan (2)	2,653,428
Total approved by stockholders	2,722,604
Equity compensation plans not approved by stockholders	—
Grand total	2,722,604

(1) The Outside Directors Stock Plan consists of shares registered for the purpose of issuance to our outside directors for payment of their retainer fees quarterly in advance. Director's stock retainer fees in 2023 consisted of $23,750 quarterly which are payable in our Common Stock. The number of shares issued each quarter is determined based on the then fair market value of the shares, which is determined in accordance with the plan at the closing price on the date one day prior to the date of distribution. Certain directors have elected to defer receipt of quarterly retainer fees under the terms of our Deferred Compensation Plan No. 2 for Non-Employee Directors, resulting in an accumulation of stock unit credits. Upon a change in control, retirement or earlier termination from the Board, these stock unit credits will be distributed in the form of cash or shares of MATV Common Stock. As of the Merger on July 6, 2022, all of the outstanding deferred stock units were converted to common stock in accordance with the plan. While held in the deferred compensation plan account, these stock unit credits carry no voting rights and cannot be traded as Common Stock, although declared dividends create additional stock unit credits. As of December 31, 2023, deferred retainer fees and credited dividends have resulted in 51,752 accumulated stock unit credits.

(2) The Long-Term Incentive Plan is described in Note 19. Stockholders' Equity of the Notes to Consolidated Financial Statements in Part II, Item 8 herein. Awards of restricted stock units under the Long-Term Incentive

Plan are subject to forfeiture and cannot be sold or otherwise transferred until fully vested. As of December 31, 2023, 754,368 shares of Common Stock were subject to outstanding restricted stock units awards under the Long-Term Incentive Plan.

Item 13. ***Certain Relationships and Related Transactions, and Director Independence***

The information in the sections of the 2024 Proxy Statement captioned "Corporate Governance," including the items captioned "Transactions with Related Persons" and "Board of Directors and Standing Committees" is incorporated in this Item 13 by reference.

Item 14. ***Principal Accountant Fees and Services***

The information in the section of the 2024 Proxy Statement captioned "Proposal Two - Ratification of the Selection of the Independent Registered Public Accounting Firm" is incorporated in this Item 14 by reference.

PART IV.

Item 15. ***Exhibits and Financial Statement Schedules***

(a) The consolidated financial statements and financial statement schedules filed as part of this report are listed in the Index to the Consolidated Financial Statements set forth in Part II, Item 8.

(b) The exhibits filed as part of this report are listed below:

Exhibit Number	Exhibit
2.1	Agreement and Plan of Merger, dated March 28, 2022, by and between Neenah, Inc, Mativ Holdings, Inc. (f/k/a Schweitzer-Mauduit International, Inc.) and Samurai Warrior Merger Sub, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on March 28, 2022).***
2.2	Equity Interest Purchase Agreement, dated December 14, 2016, by and among DelStar Technologies, Inc., Baldwin Enterprises, Inc., Conwed Plastics LLC, and, solely for certain limited purposes as set forth therein, Schweitzer-Mauduit International, Inc. and Leucadia National Corporation (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed December 14, 2016).***
2.3	Equity Interest Purchase Agreement, dated February 17, 2020, by and among DelStar Technologies, Inc., EIS Buyer, LLC, Tekra, LLC, Trient, LLC, certain other parties identified therein and solely for certain limited purposes as set forth therein, Schweitzer-Mauduit International, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed February 18, 2020).***
2.4	Rule 2.7 Announcement dated January 27, 2021 (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on January 27, 2021).
2.5	Co-operation Agreement, dated January 27, 2021, between AMS Holdco 2 Limited and Scapa Group plc (incorporated by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K filed on January 27, 2021).
2.6	Sale and Purchase and Assignment Agreement, dated March 1, 2021, by and among Neenah, Inc., Barbel, S.À R.L. and Uzturre Capital, S.L. (filed as Exhibit 2.1 to the Neenah, Inc. Current Report on Form 8-K filed April 7, 2021 and incorporated herein by reference).
2.7	Offer Letter, dated August 1, 2023, by and among Mativ Holdings, Inc. and Evergreen Hill Enterprise Pte. Ltd. (filed as Exhibit 2.1 to the Company's Current Report on 8-K filed August 2, 2023 and incorporated herein by reference).***
2.8	Purchase Agreement, dated as of August 1, 2023, by and between Mativ Holdings, Inc. and Evergreen Hill Enterprise Pte. Ltd. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on October 5, 2023).***
*2.9	First Amendment to Purchase Agreement, dated November 29, 2023, to the Purchase Agreement, dated as of August 1, 2023, by and between Company and Evergreen Hill Enterprise Pte. Ltd.***
3.1	Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 10-Q for the quarter ended September 30, 2009).
3.2	Certificate of Amendment of the Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on July 6, 2022).
3.3	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on September 22, 2023).
4.1	Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to Form 10-Q for the quarter ended September 30, 2000).
4.2	Indenture, dated September 25, 2018, by and among Schweitzer-Mauduit International, Inc., the guarantors listed therein and Wilmington Trust, National Association (including the form of Note attached as an exhibit thereto) (incorporated by reference to Exhibit 4.1 to the Company's Current report on Form 8-K filed on September 25, 2018).
*4.3	Description of registrant's securities.

Exhibit Number	Exhibit
10.1	Schweitzer-Mauduit International, Inc. 2015 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities Exchange Commission on April 29, 2015).**
10.2	Outside Directors' Stock Plan (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009).**
10.3	Annual Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 22, 2019).**
10.4	Short-Term Incentive Plan for Eligible Employees effective January 1, 2023 (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2023).**
10.5.1	Deferred Compensation Plan (incorporated by reference to Exhibit 10.8.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2000).**
10.5.2	Deferred Compensation Plan for Non-Employee Directors (incorporated by reference to Exhibit 10.8.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2000).**
10.6	Amended and Restated Deferred Compensation Plan No. 2 for Non-Employee Directors, dated as of January 1, 2023 (incorporated by reference to Exhibit 10.5 of the Company's Quarterly Report on Form 10-Q filed on March 10, 2023). **
10.7	Amended and Restated Deferred Compensation Plan No. 2, dated as of January 1, 2023 (incorporated by reference to Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q filed on March 10, 2023).**
10.8	Summary of Non-Management Director Compensation (incorporated by reference to Exhibit 10.9 to the Company's Annual Report on Form 10-K for the year ended December 31, 2021).**
10.9.1	Restricted Stock Award Agreement (2015 Long-Term Incentive Plan - Cliff Vesting Shares) (incorporated by reference to Exhibit 10.16.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2015).**
10.9.2	Restricted Stock Award Agreement (2015 LTIP I & II - Service-Based Shares Grant 1) (incorporated by reference to Exhibit 10.16.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2015).**
10.9.3	Restricted Stock Award Agreement (2015 LTIP I & II - Service-Based Shares Grant 2) (incorporated by reference to Exhibit 10.16.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 2015).**
10.9.4	Performance Award Agreement (2015 Long-Term Incentive plan - Performance Shares) (incorporated by reference to Exhibit 10.16.4 to the Company's Annual Report on Form 10-K for the year ended December 31, 2015).**
10.9.5	Performance Award Agreement (2015 Long-Term Incentive plan - Performance Shares with Cliff Vesting) (incorporated by reference to Exhibit 10.16.5 to the Company's Annual Report on Form 10-K for the year ended December 31, 2015).**
10.10	Credit Agreement, dated September 25, 2018, between Schweitzer-Mauduit International, Inc., certain subsidiaries of the borrower from time to time party thereto, the lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, J.P. Morgan Chase Bank, N.A., Barclays Bank PLC, Merrill Lynch, Pierce, Fenner & Smith, Incorporated, SunTrust Robinson Humphrey, Inc. and AgFirst Farm Credit Bank as joint lead arrangers and Barclays Bank PLC, Merrill Lynch, Pierce, Fenner & Smith, Incorporated, SunTrust Robinson Humphrey, Inc. and AgFirst Farm Credit Bank as co-syndication agents (incorporated by reference to Exhibit 10.1 to the Company's Current report on Form 8-K filed on September 25, 2018).
10.11	First Amendment, dated as of February 9, 2021, to the Credit Agreement, dated September 25, 2018, by and among Schweitzer-Mauduit International, Inc., SWM Luxembourg, the other loan parties party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 10, 2021).
10.12	Employment Agreement, dated October 18, 2019, between Schweitzer-Mauduit International, Inc. and Omar Hoek (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on October 18, 2019).**

Exhibit Number	Exhibit
10.13	Form of Director Deed of Irrevocable Undertaking (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 27, 2021).
10.14	Backstop Credit Agreement, dated as of January 27, 2021, among Schweitzer-Mauduit International, Inc., the lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and JPMorgan Chase Bank, N.A., as bookrunner and lead arranger (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on January 27, 2021).
10.15	Letter of Agreement, dated April 25, 2022, between the Company and Cheryl Allegri (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 26, 2022).
10.16	Fifth Amendment, dated as of May 6, 2022, to the Credit Agreement, dated September 25, 2018 (as amended as of February 9, 2021, March 8, 2021, April 20, 2021 and February 22, 2022), by and among the Company, SWM Luxembourg, the other loan parties thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 9, 2022).
10.17	Sixth Amendment, dated as of June 5, 2023, to the Credit Agreement, dated September 25, 2028 (as amended as of February 9, 2021, March 8, 2021, April 20, 2021, February 22, 2022 and May 6, 2022), by and among Mativ Holdings, Inc. (f/k/a Schweitzer-Mauduit International, Inc.), SWM Luxembourg, the other loan parties thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K filed on June 7, 2023).***
10.18	Seventh Amendment, effective as of September 19, 2023, to the Credit Agreement, dated September 25, 2018 (as amended as of February 9, 2021, March 8, 2021, April 20, 2021, February 22, 2022, May 6, 2022 and June 5, 2023), by and among Mativ Holdings, Inc. (f/k/a Schweitzer-Mauduit International, Inc.), SWM Luxembourg, the other loan parties party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K filed on September 29, 2023).***
10.19	Performance Share Unit Award Agreement (2015 Long-Term Incentive Plan) (incorporated by reference to Exhibit 10.2 to the Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2022).
10.20	Separation, Waiver and Release Agreement, by and between Tracey Peacock and the Company, dated as of July 6, 2022 (incorporated by reference to Exhibit 10.3 to the Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2022).
10.21	Transition Services Agreement, by and between Jeffrey Kramer and the Company, dated as of July 6, 2022 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 6, 2022).
10.22	Neenah Paper, Inc. Amended and Restated 2004 Omnibus Stock and Incentive Compensation Plan (filed as Annex A to the Neenah Paper, Inc. Definitive Proxy Statement on Schedule 14A filed April 12, 2013 and incorporated herein by reference).**
10.23	Neenah, Inc. 2018 Omnibus Stock and Incentive Compensation Plan (filed as Appendix A to the Neenah, Inc. Definitive Proxy Statement on Schedule 14A filed on April 13, 2018 and incorporated herein by reference).**
10.24**	Neenah, Inc. Amended and Restated Neenah Executive Severance Plan (filed as Exhibit 10.1 to the Neenah, Inc. Current Report on Form 8-K filed on April 25, 2017 and incorporated herein by reference).
10.25**	Form of Performance Share Unit Award Agreement (2015 Long-Term Incentive Plan) (filed as Exhibit 10.2 to the Company’s Quarterly Report on Form 10-Q filed March 10, 2023 and incorporated herein by reference).
10.26**	Form of Restricted Stock Unit Award Agreement (2015 Long-Term Incentive Plan) (filed as Exhibit 10.3 to the Company’s Quarterly Report on Form 10-Q filed March 10, 2023 and incorporated herein by reference).
10.27**	Form of Restricted Stock Unit Award Agreement (B - standard award) (filed as Exhibit 10.3 to the Neenah, Inc. Quarterly Report on Form 10-Q, filed August 7, 2019 and incorporated herein by reference).
10.28**	Form of Performance Share Unit Award Agreement (filed as Exhibit 10.2 to the Neenah, Inc. Quarterly Report on Form 10-Q, filed May 11, 2020 and incorporated herein by reference).

Exhibit Number	Exhibit
10.29**	Form of Restricted Stock Unit Award Agreement (filed as Exhibit 10.3 to the Neenah, Inc. Quarterly Report on Form 10-Q, filed May 11, 2020 and incorporated herein by reference).
10.30**	Form of Restricted Stock Unit Award Agreement (filed as Exhibit 10.4 to the Neenah, Inc. Quarterly Report on Form 10-Q, filed May 11, 2020 and incorporated herein by reference).
10.31**	Neenah Paper Amended and Restated Supplemental Retirement Contribution Plan, effective as of January 1, 2016 (filed as Exhibit 10.5 to the Neenah Paper, Inc. Annual Report on Form 10-K for the year ended December 31, 2016, filed on February 24, 2017 and incorporated herein by reference).
10.32**	Consulting and Services Agreement, effective as of March 1, 2023, by and between SWM Luxembourg SARL and Mr. Omar Hoek (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K/A filed on December 27, 2022 and incorporated herein by reference.)
10.33	Mutual Agreement for the Termination of Employment, dated as of December 21, 2022, by and between SWM Luxembourg SARL and Mr. Omar Hoek filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on December 27, 2022 and incorporated herein by reference.)
10.34	Receivables Purchase Agreement, dated as of December 23, 2022, by and among the Company, Mativ Receivables LLC, PNC Bank, National Association, as administrative agent, PNC Capital Markets LLC, as structuring agent, and the purchasers party thereto (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 27, 2022 and incorporated herein by reference).***
10.35	Sale and Contribution Agreement, dated as of December 23, 2022, by and among the Company, Mativ Receivables LLC and the originators party thereto (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on December 27, 2022 and incorporated herein by reference).***
10.36	Separation Waiver and Release Agreement, by and between Andrew Wamser and the Company, dated as of April 3, 2023 (filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2023).
10.37	Separation Waiver and Release Agreement, by and between Ricardo Nuñez and the Company, dated as of September 1, 2023 (filed as Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on November 9, 2023).
10.38	Amendment No. 1, dated as of October 20, 2023, to Receivables Purchase Agreement, dated as of December 23, 2022, by and among the Company, Mativ Receivables LLC, PNC Bank, National Association, as administrative agent, PNC Capital Markets LLC, as structuring agent, and the purchasers party thereto (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 25, 2023).
10.39	Amendment No. 1, dated as of October 20, 2023, to Sale and Contribution Agreement, dated as of December 23, 2022, by and among the Company, Mativ Receivables LLC and the originators party thereto (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on October 25, 2023).
*21.1	Subsidiaries of the Company.
*23.1	Consent of Independent Registered Public Accounting Firm.
*24.1	Powers of Attorney.
*31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a)/15(d)-14(a) of the Securities Exchange Act of 1934, as amended.
*31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a)/15(d)-14(a) of the Securities Exchange Act of 1934, as amended.
*32	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. ‡
99.2	Form of Indemnification Agreement (incorporated by reference by Exhibit 99.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009).
*97	Mativ Holdings, Inc. Clawback Policy, effective as of October 2, 2023 .

Exhibit Number	Exhibit
101	The following materials from the Company's Annual Report on Form 10-K for the year ended December 31, 2023, formatted in Inline eXtensible Business Reporting Language ("iXBRL"): (i) the Consolidated Statements of Income (Loss), (ii) the Consolidated Statements of Comprehensive Income, (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Changes in Stockholders' Equity, (v) the Consolidated Statements of Cash Flow, and (vi) Notes to Consolidated Financial Statements (furnished herewith).
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

*** Schedules omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company agrees to furnish a supplemental copy of any omitted schedule to the SEC upon request.

‡ These Section 906 certifications are not being incorporated by reference into the Form 10-K filing or otherwise deemed to be filed with the SEC.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

		Mativ Holdings, Inc.	
		By:	
Dated:	February 29, 2024		/s/ Julie Schertell
			Julie Schertell
			President and Chief Executive Officer
			(principal executive officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Position	Date
/s/ Julie Schertell Julie Schertell	President, Chief Executive Officer, and Director (principal executive officer)	February 29, 2024
/s/ Greg Weitzel Greg Weitzel	Executive Vice President and Chief Financial Officer (principal financial officer)	February 29, 2024
/s/ Cheryl Allegri Cheryl Allegri	Corporate Controller and Chief Accounting Officer (principal accounting officer)	February 29, 2024
* Bill Cook	Director	February 29, 2024
* Shruti Singhal	Director	February 29, 2024
* Tony Thene	Director	February 29, 2024
* Jeffrey Keenan	Director	February 29, 2024
* Marco Levi	Director	February 29, 2024
* Kimberly Ritrievi	Director	February 29, 2024
* John D. Rogers	Director	February 29, 2024
* Anderson D. Warlick	Director	February 29, 2024
*By:		
/s/ Mark W. Johnson Mark W. Johnson *Attorney-In-Fact*		February 29, 2024

Exhibit 2.9
Execution Version

FIRST AMENDMENT
TO
PURCHASE AGREEMENT

This **FIRST AMENDMENT TO PURCHASE AGREEMENT** (this "**Amendment**") is entered into as of November 29, 2023, by MATIV HOLDINGS, INC., a Delaware corporation ("**Parent**") and EVERGREEN HILL ENTERPRISE PTE. LTD., a corporation established under the laws of Singapore ("**Buyer**"). Each of Parent and Buyer is individually referred to herein as a "**Party**," and collectively, the "**Parties**". Unless otherwise indicated herein, words and terms which are defined in the Purchase Agreement (as defined below) shall have the same meaning where used in this Amendment.

WHEREAS, Parent and Buyer are parties to that certain Purchase Agreement dated as of August 1, 2023 (the "**Purchase Agreement**") pursuant to which, *inter alia*, Parent has agreed to sell and assign, or to cause the Sellers to sell and assign, to Buyer, and Buyer has agreed to purchase from Sellers, the Equity Interests, upon the terms, and subject to the conditions, set forth in the Purchase Agreement;

WHEREAS, pursuant to Section 9.14 of the Purchase Agreement, any provision of the Purchase Agreement may be amended or supplemented at any time by written agreement of the Parties; and

WHEREAS, in accordance with Section 9.14 of the Purchase Agreement, the Parties desire to amend the Purchase Agreement as set forth herein.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Amendment to Purchase Agreement. Subject to the terms and conditions of this Amendment, the Purchase Agreement is hereby amended as follows:

(a) Section 1.1.

(i) The following definitions shall be added alphabetically to Section 1.1 of the Purchase Agreement:

"China Employees" shall mean the "Service Personnel" (as defined in the China Services Agreement).

"China Newco Formation Matters" shall mean all matters related to the formation and establishment of China Newco, including, for the avoidance of doubt, preparing and, if applicable, filing all organizational and other documents required under applicable Law, opening bank accounts, obtaining any required Approvals for establishing China Newco and effecting the transactions contemplated by this Agreement and the Ancillary Agreements (including the China Services Agreement and the matters contemplated by Section 6.25 and Exhibit 6.25), registration with the State Administration for Market Regulation, the appointment of legal representatives and the taking of all similar actions.

"China Services Agreement" shall mean that certain Service Agreement to be entered into by Delstar China and Buyer (or an entity designated by Buyer) at or prior to the Closing.

"Delstar International" means Delstar International Limited, a legal entity registered under the laws of the United Kingdom.

"Revonex IP" means any and all Intellectual Property (other than Trademarks) (a) owned by the Parent or any of its Affiliates (including the Companies) as of immediately prior to the Closing Date and (b) used prior to the Closing Date to manufacture, produce, market, distribute or sell any product that is or was marketed, distributed or sold by or on behalf of the Parent or any of its Affiliates under the "Revonex" Trademark (or any variation or derivation thereof or predecessor thereto). For clarity, the Revonex IP expressly excludes the "Revonex" Trademark, which is an Excluded Asset that Parent and its Affiliates (other than the Companies) are retaining as part of the Pre-Closing Restructuring.

"U.S. Secondment Agreement" means that certain Employee Lease Agreement to be entered into between Buyer and Parent at or prior to the Closing.

(ii) The definition of "Ancillary Agreement" in Section 1.1 of the Purchase Agreement shall be amended and restated in its entirety as follows:

"Ancillary Agreements" means the Transition Services Agreement, the China Services Agreement, the U.S. Secondment Agreement, the Supply Agreement, the Sublease, the IP License Agreement, the IP Assignment Agreements and the Offer Letter.

(iii) The definition of "Current Assets" shall be amended by deleting the period at the end of the definition and replacing it with the following: "which, for the avoidance of doubt, will include a net receivable or liability equal to the amount of the Lux Collateral and the Poland Collateral." Further, Exhibit 1.1(d) to the Purchase Agreement shall be amended by adding "and a net receivable or liability equal to the amount of the Lux Collateral and the Poland Collateral" before the period in item 11 under "Specific asset/liability policies".

(iv) The definition of "Sales Agency Agreement" shall be deleted and removed from Section 1.1 of the Purchase Agreement in its entirety and all references to the Sales Agency Agreement throughout the Purchase Agreement shall be deleted.

(v) The definition of "Supply Agreement" in Section 1.1 of the Purchase Agreement shall be amended and restated in its entirety as follows:

"Supply Agreement" means a tolling agreement, to be entered into at the Closing between Parent or one or more of its Affiliates (other than the Companies), on the one hand, and Buyer or one or more of its Affiliates (including, as of the Closing, the Companies), on the other hand.

(b) Exhibit 1.1(a). Exhibit 1.1(a) to the Purchase Agreement shall be amended and restated in its entirety as set forth on Annex A hereto.

(c) Section 2.2(b).

(i) The following shall be added as subsections 2.2(b)(v)(F) and (G):

(F) to the extent directly resulting from, arising out of or relating to actions taken pursuant to the Termination Agreement entered into by and between Parent, SWM Holdings, SWM Lux and the other parties thereto, dated as of the Closing Date, or any other terminations of Related Party Contracts or intercompany balances pursuant to Section 6.12 of the Purchase Agreement; or

(G) to the extent directly resulting from, arising out of or relating to any sale, exchange, transfer, monetization or other disposition of any EU Emissions Trading System emission allowances effected by Parent or any of its Affiliates before the Closing.

(ii) The period at the end of subsection 2.2(b)(xi) is hereby deleted and replaced with a semicolon and the following shall be added as subsections 2.2(b)(xii) and (xiii) of the Purchase Agreement:

(xii) any Liability to the extent directly resulting from, arising out of or relating to (A) the secondment of the employees of SWM Lux or Delstar International, as applicable, to Lux Newco (as defined on Exhibit 1.1(a)) and/or (B) the transfer of the Business Employees of Delstar International to Lux Newco (in each case, unless such Liability is the result of Buyer's or any of its Affiliates action or inaction); and

(xiii) any Liability to the extent resulting from, arising out of or relating to (A) the China Newco Formation Matters, (B) any breach of the Services Agreement by, or willful misconduct of, Delstar China (excluding actions taken or not taken by the China Employees, other than pursuant to the direction or request of or by Delstar China or any of its Affiliates) or any action taken or not taken by any China Employees at the request or direction of Delstar China or one of its Affiliates that constituted a breach of the Services Agreement or willful misconduct, (C) the transfer of the China Employees to China Newco or the third party agency engaged by China Newco as designated by the Buyer ("Third Party Agency") and/or (D) any liability in connection with (x) paying China Employees' salary, tax remittances, social insurance contributions and housing fund contributions at any time during the period commencing prior to the Closing and ending three months following the formation of China Newco ("Post-Closing Period") or (y) claims in connection with illegal outsourcing or labor dispatching during the Post-Closing Period.

(d) Section 2.3. Section 2.3(a) of the Purchase Agreement shall be deleted and replaced with the following:

Notwithstanding any other provision of this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer any of the Transferred Assets or Transferred Liabilities pursuant to the Pre-Closing

Restructuring if an attempted assignment or transfer thereof, without the approval, authorization or consent of, filing with, notification to, or granting or issuing of any License, Order waiver or permit by, any third party or Governmental Entity (including, in the case of Contracts, all actions or filings necessary to update any import, export, VAT or other similar registrations required by applicable Law in connection with such Contract) (collectively, "Approvals" and such Transferred Assets or Transferred Liabilities, collectively, the "Non-Assignable Assets"), would constitute a breach or other contravention thereof or result in any acceleration of obligations of any Seller or the exercise or rights or remedies by any counterparty or would be a violation of Law, be ineffective, void or voidable or would materially adversely affect the rights of Buyer thereunder; provided that this Section 2.3(a) shall not affect whether any such asset shall be deemed a Transferred Asset for any other purpose under this Agreement. Without limitation of the obligations set forth in Section 6.3(a), prior to the completion of the Pre-Closing Restructuring, Parent will use its commercially reasonable efforts, and Buyer will cooperate with such efforts as reasonably requested by Parent, to provide notices and to obtain, or cause to be obtained, any Approval from a third party required to assign or transfer any Transferred Asset; provided, however, that Parent shall not be required to pay any consideration in order to obtain any such Approval. If a Non-Assignable Asset cannot be assigned or transferred prior to the completion of the Pre-Closing Restructuring because of the failure to obtain any such Approval (including, for the avoidance of doubt and without limitation, with respect to the matters set forth on Section FIN24, FIN26 and FIN27 of the Schedules to the Transition Services Agreement), (i) Parent shall have the continuing obligation until twelve (12) months after the Closing Date to, and to cause its Affiliates to, use its reasonable best efforts to secure such Approval, as promptly as practicable, and Buyer will cooperate with Parent with such efforts, as reasonably requested by Parent, (ii) Parent shall collect payments in respect of such Non-Assignable Assets in the ordinary course using no less effort than Parent and its Affiliates have historically used for such collections and (iii) each Party will otherwise cooperate in any lawful and commercially reasonable arrangement under which (A) Buyer would, in compliance with Law, receive the economic claims, rights and benefits under such Non-Assignable Asset (including, if applicable, the right to terminate such Non-Assignable Asset in accordance with the terms thereof upon the Buyer's request), (B) to the extent the Buyer receives the economic claims, rights and benefits under such Non-Assignable Asset, the Buyer shall be responsible and bear all Transferred Liabilities associated with such Non-Assignable Asset in accordance with this Agreement, including by means of subcontracting, sublicensing or subleasing arrangement (provided that Buyer shall not be responsible for Liabilities that constitute Excluded Liabilities), and (C) Parent would enforce for the benefit of Buyer any and all of its rights against a third party associated with such Non-Assignable Asset, and Parent would promptly pay to Buyer when received all monies received by Parent under any Non-Assignable Asset or any claim, right or benefit arising thereunder. If the Approval for the transfer and assignment of any such Non-Assignable Asset is thereafter obtained, Parent shall, or shall cause its applicable Affiliate to, promptly assign and transfer such Non-Assignable Asset to Buyer at no additional cost to Buyer.

(e) Schedule 6.12. Schedule 6.12 shall be amended to add the following, which, as such, shall not be Excluded Liabilities: "All intercompany balances or other loans, Contracts or advances between a Company or any Subsidiary of a Company, on the one hand, and any other Company or Subsidiary of a Company, on the other hand."

(f) Section 6.11. Section 6.11 of the Purchase Agreement shall be amended by adding the following as new subsections 6.11(c) and (d):

(c) Prior to the Closing, SWM Holdco Luxembourg SARL ("SWM Holdco") shall pay to SWM Lux an amount equal to €66,214.88 (the "Lux Collateral") by wire transfer of immediately available funds to the account designated by SWM Lux, such funds to be held by SWM Lux as cash collateral for the Lux Bonds (as defined on Exhibit 6.11(a)). At such time as the Lux Bonds have been naturally released through performance, SWM Lux shall promptly return the full amount of the Lux Collateral to SWM Holdco; provided that SWM Lux shall not be required to return to SWM Holdco any amount of the Lux Collateral that SWM Lux was required to pay to a third party in connection with any amounts that were drawn on the Lux Bonds.

(d) Prior to the Closing, SWM Poland shall pay to SWM Lux an amount equal to €568,541.41 (the "Poland Collateral") by wire transfer of immediately available funds to the account designated by SWM Lux, such amount to be held by SWM Lux as cash collateral for the Letter of Credit with respect to the Poland lease (the "Poland LOC"). At such time as the Parent guaranty in effect with respect to the Poland LOC has been transferred to Buyer or one of its Affiliates pursuant to Section 6.11(a), SWM Lux shall promptly return the full amount of the Poland Collateral to SWM Poland; provided that SWM Lux shall not be required to return to SWM Poland any amount of the Poland Collateral that SWM Lux was required to pay to a third party in connection with any amounts that were drawn on the Poland LOC.

(g) Exhibit 6.11(a). Exhibit 6.11(a) shall be amended to add the following:

4. The following SWM International JPM Chase Letters of Credit for Tunisia Tenders (the "Lux Bonds"):

Tender No.	Release Date	Maturity Date	Beneficiary	Balance
32/2023	8/16/2023	1/23/2024	BANQUE INTERNATIONALE ARABE DE	€6,800.00
28/2022	1/13/2023	7/1/2024	BANQUE INTERNATIONALE ARABE DE	€6,800.00
21/2022	12/1/2022	11/30/2024	BANQUE INTERNATIONALE ARABE DE	€3,615.36
21/2022	9/22/2022	2/28/2024	SOCIETE GENERALE	€1,300.00
36/2021 lot no. 2	2/15/2022	7/30/2024	SOCIETE GENERALE	€12,690.00
36/2021 lot no. 1	12/30/2021	5/30/2024	SOCIETE GENERALE	€25,119.36
32/2021	11/22/2021	4/1/2024	SOCIETE GENERALE	€9,890.16

(h) Exhibit 6.12. Exhibit 6.12 shall be amended to add the following: "All intercompany balances or other loans, Contracts or advances between a Company or any Subsidiary of a Company, on the one hand, and any other Company or Subsidiary of a Company, on the other hand, shall not be terminated prior to the Closing and shall remain in place and be settled in the ordinary course following the Closing."

(i) Section 6.25. The following shall be added as Section 6.25 of the Purchase Agreement:

Section 6.25 China Newco; China Employees; Transfer of China Equity Interests.

(a) The amount of each monthly Service Fee (as defined in the China Services Agreement) payable by Party B to Party A (as each such party is defined in the China Services Agreement) pursuant to the China Services Agreement shall be equal to the monthly employment costs incurred by such Party A in connection with the Service Personnel (as defined in the China Services Agreement), including each Service Personnel's monthly base salary, bonus/commission payment, applicable taxes, social insurance and housing fund contributions, allowances, reimbursements, benefits and any other cost incurred in connection with the Service Personnel.

(b) Promptly following the Closing Date, Parent will form a legal entity established under the laws of China ("China Newco"). All Liabilities incurred as a result of or in connection with (or that would be incurred as a result of or in connection with) the China Newco Formation Matters (including all Taxes incurred in connection therewith) shall be borne solely by Parent (and which, for the avoidance of doubt, shall be Excluded Liabilities).

(c) Not later than ten (10) Business Days following the formation of China Newco by Parent in accordance with the foregoing Section 6.25(a), Parent shall, in accordance with applicable Law and in consultation with Buyer, (i) cause Delstar China to transfer the China Employees to China Newco or the Third Party Agency in accordance with the steps described in Exhibit 6.25, and (ii) cause China Newco (itself or through the Third Party Agency) to assume all rights, liabilities and obligations of Delstar China with respect to the China Employees (excluding any Liabilities that are Excluded Liabilities pursuant to this Agreement). To the extent Delstar China fails to transfer any China Employees to China Newco or the Third Party Agency as contemplated by this Section 6.25 for any reason, such China Employee will remain in employment with Delstar China, unless such China Employee resigns from employment with Delstar China or is otherwise terminated by Delstar China, and all Liabilities incurred as a result of or in connection with (or that would be incurred as a result of or in connection with) such failures shall be borne solely by Parent (and which, for the avoidance of doubt, shall be Excluded Liabilities).

(d) Immediately following the date that the China Employees commence employment with China Newco or the Third Party Agency (provided all China Employees have either accepted or rejected an offer of employment from China Newco or the Third Party Agency, or China Employees have resigned from employment with Delstar China or otherwise have been terminated by Delstar China), Parent and Buyer shall effect the transfer of the Equity Interests of China Newco to Buyer or its designated Affiliate for no additional consideration. For the avoidance of doubt, "China Newco" shall be deemed a Company for all purposes hereunder and the transfer of the Equity Interests of China Newco shall be governed by the applicable provisions related to Local Transfer Agreements (including Section 2.6(a) and Section 6.20), *mutatis mutandis*. The instruments of transfer with respect to the China Equity Interests shall be in a form and substance reasonably acceptable to Parent and Buyer.

(j) Exhibit 6.25. The following shall be added to the Purchase Agreement as Exhibit 6.25:

(i) China Newco will engage the Third Party Agency by signing an outsourcing or dispatching service agreement (if applicable), (ii) each China Employee will be asked to agree to terminate their employment agreement with Delstar China by signing a mutual termination and transfer agreement, whereby employees must agree to waive any notice or severance entitlement and accept employment from China NewCo or the Third Party Agency on the same terms and conditions of employment ("MTTA"), (iii) China Newco or the Third Party Agency will enter into a new employment agreement with China Employees containing a commitment that their prior service years with Delstar China will be honored by China Newco or the Third Party Agency ("New Employment Agreement"), and (iv) any China Employee who does not sign the MTTA and New Employment Agreement will not transfer to China NewCo or the Third Party Agency.

(k) Section 6.26. The following shall be added as Section 6.26 of the Purchase Agreement:

Section 6.26 Revonex IP.

(a) The Parties acknowledge and agree that (i) notwithstanding anything to the contrary in this Agreement or any Ancillary Agreement, after consummation of the Pre-Closing Restructuring, the Parent and its Affiliates (other than the Companies), on the one hand, and Lux IPCo (as defined in Exhibit 1.1(a)), on the other hand, will each have an equal and undivided joint ownership interest in and to all Revonex IP, and (ii) in furtherance of the foregoing, effective as of the Closing, each Party and its Affiliates (including, in the case of the Buyer, the Companies) shall have the right to exercise its ownership rights in, to and under the Revonex IP, including the rights to license, transfer, encumber or otherwise exploit the Revonex IP, without the duty to account or any other obligation to, and without any consent required from, the other Party or any of its Affiliates.

(b) Each Party agrees that at any time and from time to time, without further consideration, it will (or will cause its Affiliates to) promptly execute and deliver all further instruments and documents and take all further actions reasonably requested by the other Party (and at the other Party's sole expense) to perfect, protect, secure or more fully evidence such first Party's and its successors or assignees' respective joint ownership interest in, to and under the Revonex IP.

(c) For clarity, following the Closing, (i) neither the Buyer nor any of its Affiliates (which include, following the Closing, the Companies) shall have any obligation to manufacture for, or distribute or supply to, the Parent or any of its Affiliates (or any customer thereof) any products that utilize or are otherwise based (in whole or in part) on any of the Revonex IP; provided that the Buyer shall in good faith seek to fulfill orders for such products from the Parent or any of its Affiliates that were in effect as of immediately prior to the Closing Date (as notified by the Parent in writing to the Buyer prior to the Closing Date) and entered into in the ordinary course of business consistent with past practice, which fulfillment, if applicable, shall be on terms and conditions (including as it relates to pricing and payment terms) consistent with the historical practice of the Business; provided, further that nothing herein shall obligate the Buyer or any of its Affiliates to fulfill any such orders, and the Buyer may, and may cause its Affiliates to, cancel without penalty or liability any and all such orders, in each case, if deemed advisable in the Buyer's (or its applicable Affiliates') reasonable, good faith business judgment and (ii) neither Parent nor any of its Affiliates shall have any obligation to purchase, order or procure from Buyer or its Affiliates (which include, following the Closing, the Companies) any products that utilize or are otherwise based (in whole or in part) on any of the Revonex IP.

2. Effect of the Amendment. The Purchase Agreement as amended by this Amendment comprises the entire agreement and understanding between the Parties with respect to the subject matter hereof and thereof, and the Purchase Agreement as amended by this Amendment is in all respects ratified and confirmed, and all of the terms and conditions of the Purchase Agreement as amended by this Amendment shall be and remain in full force and effect.

3. Continued Validity of Purchase Agreement. Except as specifically amended by this Amendment, the Purchase Agreement shall remain in full force and effect as originally constituted.

4. Successors and Assigns. The terms and conditions of this Amendment shall be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns.

5. Governing Law; Disputes; Waiver of Jury Trial. The provisions of Sections 9.8, 9.9 and 9.10 of the Purchase Agreement are hereby incorporated reference as if fully set forth herein, *mutatis mutandis*.

6. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by email transmission (including any electronic signature) shall be as effective as delivery of a manually executed counterpart of the Amendment.

[*Remainder of page intentionally left blank*.]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

PARENT:

MATIV HOLDINGS, INC.

By: __
Name:
Title:

[Signature Page to First Amendment to Purchase Agreement]

BUYER:

EVERGREEN HILL ENTERPRISE PTE. LTD.

By: __
Name:
Title:

Exhibit 4.3

DESCRIPTION OF SECURITIES REGISTERED
PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

Mativ Holdings, Inc., a Delaware corporation (the “Company,” “Mativ,” “we,” “our” or “us”), has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: our common stock, $0.10 par value. The following description of the material terms of our capital stock and the relevant provisions of our certificate of incorporation and amended and restated by-laws (our “by-laws”) are summaries thereof and are qualified by reference to our certificate of incorporation and by-laws, each of which is included as an exhibit to our Annual Report on Form 10-K, and to all applicable provisions of the General Corporation Law of the State of Delaware (the “DGCL”).

General Matters

The Company has two authorized classes of capital stock under its certificate of incorporation consisting of 100,000,000 shares of common stock, $0.10 par value per share, and 10,000,000 shares of preferred stock, $0.10 par value per share.

Common Stock

Subject to the prior rights of the holders of any preferred stock which may hereafter be issued, holders of common stock are entitled (i) to receive such dividends as and when declared by our board of directors (our “board”) from funds legally available therefor, and (ii) upon any liquidation, dissolution or winding up of the affairs of the Company, to share ratably in all assets available for distribution to stockholders. Each share of common stock is entitled to one vote on all matters submitted to a vote of stockholders. There are no redemption, conversion or sinking fund provisions applicable to the common stock, and the holders of common stock do not have any preemptive rights. The shares of common stock outstanding or held in the Company’s treasury are fully paid and nonassessable.

Preferred Stock

The preferred stock is issuable from time to time in one or more series, for such consideration and with such distinctive serial designations, dividend rates, redemption prices, liquidation rights, conversion rights, if any, voting rights, if any, sinking fund provisions, if any, dividend preferences, if any, and other special rights and qualifications, limitations or restrictions, all as may be determined by our board consistent with our certificate of incorporation and with the laws of the State of Delaware.

Anti-Takeover Effects of Certain Provisions

Certain provisions of our certificate of incorporation and by-laws summarized in the following paragraphs may have an anti-takeover effect and could make the following transactions more difficult: acquisition of the Company by means of a tender offer; acquisition of the Company by means of a proxy contest or otherwise; or removal of the Company’s incumbent officers and directors. It is possible that these provisions could deter transactions that stockholders may otherwise consider to be in their best interest or in the best interests of the Company, including transactions that might result in a premium over the market price for shares of our common stock.

Classified Board of Directors. Our by-laws provide for a classified board of directors consisting of three classes with the number of directors in each class divided as nearly equal in number as possible, each serving staggered three-year terms. Only one class of directors will be elected at each annual meeting of stockholders, with the other classes continuing for the remainder of their respective three-year terms.

Blank Check Preferred Stock. Our certificate of incorporation provides that our board may, without further action by our stockholders, provide for the issuance of shares of preferred stock in one or more series and fix the designations, voting powers, preferences, rights and qualifications, limitations or restrictions of such series.

Removal of Directors; Vacancy. Our by-laws provide for the removal of any of the Company's directors only for cause and only by the affirmative vote of at least 80% of the voting power of all the Company's capital stock then entitled to vote generally in the election of directors, subject to the rights of the holders of any preferred stock. Furthermore, subject to the rights of the holders of any preferred stock, any vacancy on our board resulting from an increase in the size of our board or from death, resignation, disqualification, removal or other cause shall only be filled by our board acting by the affirmative vote of a majority of the remaining directors then in office, although less than a quorum, and any directors so elected shall hold office until the next election of the class to which such director was appointed and until their successors are elected and qualified or the earlier of such director's death, resignation or removal.

Special Stockholder Meetings. Our certificate of incorporation provides that a special meeting of stockholders may be called only by our board pursuant to a resolution adopted by a majority of the whole board, by the chairman of the board or by the Chief Executive Officer. Stockholders are not permitted to call a special meeting.

No Stockholder Action by Written Consent. Our certificate of incorporation provides that stockholder actions may not be taken without a meeting and may not be taken by written consent in lieu of a meeting.

Advance Notification of Stockholder Nominations and Proposals. Under our by-laws, to be properly brought before an annual meeting of stockholders, any stockholder proposal or nomination for election to our board must be delivered to the Company's Secretary and received at the principal executive officers not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting; *provided*, *however*, that in the event that the date of the annual meeting is more than 30 days prior to or more than 30 days after such anniversary date, notice by a stockholder must be delivered by the later of the close of business on (i) the date 90 days prior to such annual meeting or (ii) the 10^{th} day following the day on which public announcement of the date of such meeting is first made. Such notice must contain information specified in our by-laws, including the director nominee or proposal of other business, information about the stockholder making the nomination or proposal and the beneficial owner, if any, on behalf of whom the nomination or proposal is made.

Amendments to Certificate of Incorporation. Our certificate of incorporation provides that an affirmative vote of at least 80% of the voting power of all classes of stock entitled to vote in elections of directors is required to amend, alter, change, repeal, or adopt any provision or provisions inconsistent with certain sections of our certificate of incorporation, voting together as a single class, unless such amendment, alteration, change, repeal or adoption of any inconsistent provision or provisions is declared advisable by the affirmative vote of at least 75% of our board.

Forum for Adjudication of Disputes. Our by-laws provide that the Court of Chancery of the State of Delaware is generally the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the stockholders, (iii) any action asserting a claim against Company or any of its directors, officers or other employees arising pursuant to any provision of the DGCL, our certificate of incorporation or by-laws or (iv) any action asserting a claim against Company or any of its directors, officers or other employees governed by the internal affairs doctrine of the State of Delaware. The Company may consent in writing to alternative forums.

Delaware Business Combination Statute. We are subject to the "business combination" provisions of Section 203 of the DGCL. In general, such provisions prohibit us from engaging in various "business combination" transactions with any interested stockholder for a period of three years after the date of the transaction in which the person became an interested stockholder, unless:

- the transaction is approved by our board prior to the date the interested stockholder obtained such status;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced; or
- on or subsequent to such date, the business combination is approved by our board and authorized at an annual or special meeting of stockholders by the affirmative vote of at least 66 2/3% of the outstanding voting stock which is not owned by the interested stockholder.

A “business combination” is defined to include mergers, asset sales and other transactions resulting in financial benefit to a stockholder. In general, an “interested stockholder” is a person who, together with affiliates and associates, owns (or within three years, did own) 15% or more of a corporation’s voting stock. The statute could prohibit or delay mergers or other takeover or change in control attempts with respect to Mativ and, accordingly, may discourage attempts to acquire us even though such a transaction may offer our stockholders the opportunity to sell their stock at a price above the prevailing market price.

Limitation of Liability and Indemnification Matters

Our certificate of incorporation provides, generally, that a director of Mativ will not be liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except in certain cases where liability is mandated by the DGCL. Our by-laws provide for indemnification by Mativ of any person made or threatened to be made a party to, or who is involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or officer of Mativ, or at the request of Mativ, serves or served as a director or officer of any other enterprise, against all expenses, liabilities, losses and claims actually incurred or suffered by such person in connection with the action, suit or proceeding. Our by-laws also provide that, to the extent authorized from time to time by our board, Mativ may provide indemnification to any one or more employees and other agents of Mativ to the extent and effect determined by our board to be appropriate and authorized by the Delaware General Corporation Law. Our by-laws also permit us to purchase and maintain insurance for the foregoing, and we currently have and expect to maintain such insurance. We have also entered into indemnification agreements with each of our current directors and executive officers. The indemnification agreements provide that we indemnify each of our directors and executive officers to the fullest extent permitted by DGCL. The indemnification agreements also provide that we maintain a minimum level of insurance coverage for claims against our directors and executive officers and that we pay our directors’ and executive officers’ expenses relating to claims against them in advance.

Listing

Our common stock is listed on the New York Stock Exchange under the symbol “MATV.”

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Equiniti Trust Company, LLC.

Exhibit 21.1

SUBSIDIARIES OF MATIV HOLDINGS, INC.

The subsidiaries of the Company at December 31, 2023 were as follows:

Name	Jurisdiction of Incorporation or Organization	Percentage of Voting Power
Schweitzer-Mauduit Canada, BCULC.	British Columbia (Canada)	100%
DelStar Technologies (Shanghai) Trading Corp. Ltd.	People’s Republic of China	100%
DelStar Technologies (Suzhou) Co. Ltd.	People’s Republic of China	100%
Schweitzer-Mauduit Spain, S.L.	Spain	100%
Coretec Tubing, Inc.	Delaware	100%
DelStar Technologies, Inc.	Delaware	100%
Trient, LLC	Delaware	100%
Schweitzer-Mauduit Holding S.A.S.	France	100%
Papeteries de Malaucène S.A.S	France	100%
Malaucène Industries S.N.C.	France	100%
Groupe Scapa France S.A.S.	France	100%
SWM Europe S.a.R.L.	Luxembourg	100%
SWM HoldCo 1 S.à.R.L.	Luxembourg	100%
SWM HoldCo 2 S.à.R.L.	Luxembourg	100%
SWM HoldCo 3 S.A.	Luxembourg	100%
SWM Luxembourg S.à.R.L.	Luxembourg	100%
Mativ Holdco Luxembourg S.à.R.L.	Luxembourg	100%
PDM Philippines Industries, Inc.	Philippines	100%
Mativ Poland Sp. zo.o.	Poland	100%
DelStar International, Limited	United Kingdom	100%
SWM-Argotec, LLC	Delaware	100%
Argotec LLC	Delaware	100%
Argotec Asia Pacific Limited	Singapore	100%
Argotec Deutschland GmbH	Germany	100%
Conwed Plastics B.V.	Belgium	100%
SWM AMS, LLC	Delaware	100%
Scapa North America, Inc.	Delaware	100%
Scapa Tapes North America (Carlstadt), Inc.	New Jersey	100%
Scapa Tapes North America, LLC	Connecticut	100%
EuroMed, Inc.	Delaware	100%
BioMed Laboratories LLC	Texas	100%
SWM Holdings No. 1, Inc.	Delaware	100%
SWM Asia Holdings Limited	Hong Kong, China	100%
AMS Holdco 1 Ltd.	United Kingdom	100%
AMS Holdco 2 Ltd.	United Kingdom	100%
Scapa Group Ltd.	United Kingdom	100%
First Water Ltd.	United Kingdom	100%
Scapa Blackburn Ltd.	United Kingdom	100%
First Water Ramsbury Ltd.	United Kingdom	100%

Scapa Healthcare Ltd.	United Kingdom	100%
Systagenix Wound Management Manufacturing Ltd.	United Kingdom	100%
Crawford Manufacturing Ltd.	United Kingdom	100%
Scapa Denver (North) Ltd.	United Kingdom	100%
HiMedica Ltd.	United Kingdom	100%
Porritts & Spencer Ltd.	United Kingdom	100%
Scapa (No. 2) Ltd.	United Kingdom	100%
Scapa General Partner Ltd.	United Kingdom	100%
Scapa UK Ltd.	United Kingdom	100%
Scapa Pension Trustees Ltd.	United Kingdom	100%
Scapa Scottish Limited Partnership	United Kingdom	100%
Scapa Tapes North America, BCULC	British Columbia (Canada)	100%
Scapa Italia SpA	Italy	100%
Scapa Group Holdings GmbH	Austria	100%
Scapa Holdings GmbH	Germany	100%
Scapa Deutschland GmbH	Germany	100%
Scapa HK Holdings Limited	Hong Kong, China	100%
Scapa Hong Kong Limited	Hong Kong, China	100%
Scapa Tapes Malaysia Sdn Bhd	Malaysia	100%
Scapa (Shanghai) International Trading Co. Ltd.	People's Republic of China	100%
Scapa Tapes India Private Limited	India	100%
Scapa Brasil Ltda.	Brazil	100%
Mativ Receivables LLC	Delaware	100%
Neenah, Inc.	Delaware	100%
NPCC Holding Company, LLC	Delaware	100%
Neenah Paper Company of Canada	Nova Scotia	100%
Neenah Paper International Holding Company, LLC	Delaware	100%
Neenah Paper Michigan, Inc.	Delaware	100%
Neenah and Menasha Water Power Company	Wisconsin	80%
Neenah Paper International, LLC	Delaware	100%
Neenah Gessner GmbH	Germany	100%
Neenah Germany GmbH	Germany	100%
Neenah Services GmbH&Co. KG	Germany	100%
Leiss GMBH Co. KG	Germany	55%
Neenah Gessner Unterstützungskasse GmbH	Germany	100%
Neenah Gessner Grundstücksverwaltungsgesellschaft mbH & Co. KG	Germany	100%
Neenah Paper FVC, LLC	Delaware	100%
Neenah Paper FR, LLC	Delaware	100%
Neenah Filtration, LLC	Delaware	100%
Neenah Technical Materials, Inc.	Massachusetts	100%
Neenah Filtration Appleton, LLC	Delaware	100%
Neenah FMK Holdings, LLC	Delaware	100%
ASP FiberMark, LLC	Delaware	100%
Neenah Northeast, LLC	Delaware	100%
Neenah International UK Limited	United Kingdom	100%
Neenah Red Bridge International Limited	United Kingdom	100%

Neenah Global Holdings BV	Netherlands	100%
Neenah Coldenhove Holding BV	Netherlands	100%
Neenah Coldenhove BV	Netherlands	100%
Coldenhove Know How BV	Netherlands	100%
Neenah Hong Kong Limited	Hong Kong	100%
Neenah GRL Holdings, LLC	Delaware	100%
Neenah Spain Holdings, SLU	Spain	100%
Global Release Liners, SLU	Spain	100%
Industrias de Transformación de Andoain, SAU	Spain	100%
Itasa Americas, SA de CV	Mexico	100%
Itasa Asia SDN BHD	Malaysia	100%

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-105986, No. 333-179933, No. 333-204120 and No. 333-266025 on Form S-8 of our reports dated February 29, 2024, relating to the financial statements of Mativ Holdings, Inc. and subsidiaries (“the Company”) and the effectiveness of the Company's internal control over financial reporting appearing in this Annual Report on Form 10-K of the Company for the year ended December 31, 2023.

/s/ Deloitte & Touche LLP

Atlanta, Georgia
February 29, 2024

Exhibit 24.1

POWER OF ATTORNEY

The undersigned, William Cook, hereby constitutes and appoints Mark Johnson and Greg Weitzel, or either of them, his true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the Annual Report on Form 10-K of Mativ Holdings, Inc. for the fiscal year ended December 31, 2023, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated this 29th day of February 2024

/s/ William Cook

William Cook

Exhibit 24.1

POWER OF ATTORNEY

The undersigned, Jeffrey Keenan, hereby constitutes and appoints Mark Johnson and Greg Weitzel, or either of them, his true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the Annual Report on Form 10-K of Mativ Holdings, Inc. for the fiscal year ended December 31, 2023, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated this 29th day of February 2024

/s/ Jeffrey Keenan
Jeffrey Keenan

Exhibit 24.1

POWER OF ATTORNEY

The undersigned, Marco Levi, hereby constitutes and appoints Mark Johnson and Greg Weitzel, or either of them, his true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the Annual Report on Form 10-K of Mativ Holdings, Inc. for the fiscal year ended December 31, 2023, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated this 29th day of February 2024

/s/ Marco Levi

Marco Levi

Exhibit 24.1

POWER OF ATTORNEY

The undersigned, John D. Rogers, hereby constitutes and appoints Mark Johnson and Greg Weitzel, or either of them, his true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the Annual Report on Form 10-K of Mativ Holdings, Inc. for the fiscal year ended December 31, 2023, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated this 29th day of February 2024

/s/ John D. Rogers

John D. Rogers

Exhibit 24.1

POWER OF ATTORNEY

The undersigned, Anderson D. Warlick, hereby constitutes and appoints Mark Johnson and Greg Weitzel, or either of them, his true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the Annual Report on Form 10-K of Mativ Holdings, Inc. for the fiscal year ended December 31, 2023, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated this 29th day of February 2024

/s/ Anderson D. Warlick

Anderson D. Warlick

Exhibit 24.1

POWER OF ATTORNEY

The undersigned, Shruti Singhal, hereby constitutes and appoints Mark Johnson and Greg Weitzel, or either of them, his true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the Annual Report on Form 10-K of Mativ Holdings, Inc. for the fiscal year ended December 31, 2023, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated this 29th day of February 2024

/s/ Shruti Singhal

Shruti Singhal

Exhibit 24.1

POWER OF ATTORNEY

The undersigned, Tony Thene, hereby constitutes and appoints Mark Johnson and Greg Weitzel, or either of them, his true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign the Annual Report on Form 10-K of Mativ Holdings, Inc. for the fiscal year ended December 31, 2023, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated this 29th day of February 2024

/s/ Tony Thene

Tony Thene

Exhibit 24.1

<u>POWER OF ATTORNEY</u>

The undersigned, Dr. Kimberly Ritrievi, hereby constitutes and appoints Mark Johnson and Greg Weitzel, or either of them, her true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for her and in her name, place and stead, in any and all capacities, to sign the Annual Report on Form 10-K of Mativ Holdings, Inc. for the fiscal year ended December 31, 2023, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated this 29th day of February 2024

/s/ Kimberly Ritrievi

Kimberly Ritrievi

Exhibit 24.1

POWER OF ATTORNEY

The undersigned, Julie Schertell, hereby constitutes and appoints Mark Johnson and Greg Weitzel, or either of them, her true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for her and in her name, place and stead, in any and all capacities, to sign the Annual Report on Form 10-K of Mativ Holdings, Inc. for the fiscal year ended December 31, 2023, and any and all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated this 29th day of February 2024

/s/ Julie Schertell

Julie Schertell

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Julie Schertell, certify that:

1. I have reviewed this annual report on Form 10-K of Mativ Holdings, Inc. (the “Registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: February 29, 2024

/s/ Julie Schertell

Julie Schertell
President and Chief Executive Officer

A signed original of this written statement required by Section 302 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Greg Weitzel, certify that:

1. I have reviewed this annual report on Form 10-K of Mativ Holdings, Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: February 29, 2024

/s/ Greg Weitzel

Greg Weitzel
Chief Financial Officer

A signed original of this written statement required by Section 302 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32

CERTIFICATION OF PERIODIC FINANCIAL REPORTS
UNDER SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, in their respective capacities as chief executive officer and chief financial officer of Mativ Holdings, Inc. (the “Company”), hereby certify to the best of their knowledge following reasonable inquiry that the Annual Report of the Company on Form 10-K for the period ended December 31, 2023, which accompanies this certification, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such periodic report fairly presents, in all material respects, the financial condition of the Company at the end of such period and the results of operations of the Company for such period. The foregoing certification is made pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350) and no purchaser or seller of securities or any other person shall be entitled to rely upon the foregoing certification for any purpose. The undersigned expressly disclaim any obligation to update the foregoing certification except as required by law.

By:	/s/ Julie Schertell	By:	/s/ Greg Weitzel
	Julie Schertell President and Chief Executive Officer		Greg Weitzel Chief Financial Officer
	February 29, 2024		February 29, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 1350 of Title 18 of the United States Code and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 97

MATIV HOLDINGS, INC.
CLAWBACK POLICY

1 . **Purpose**. The purpose of this Policy is to describe the circumstances in which Executive Officers will be required to repay or return Erroneously Awarded Compensation to members of the Company Group. This Policy is designed to comply with, and will be interpreted in a manner that is consistent with, Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Section 10D of the Securities Exchange Act of 1934 and the listing standards of the New York Stock Exchange ("***NYSE***") or any other national securities exchange on which the Company's securities are listed. Each Executive Officer shall be required to sign and return to the Company the Acknowledgement Form attached hereto as Exhibit A pursuant to which such Executive Officer will agree to be bound by the terms and comply with this Policy.

2 . **Administration**. This Policy shall be administered by the Committee. Any determinations made by the Committee shall be final and binding on all affected individuals.

3. **Definitions**. For purposes of this Policy, the following capitalized terms shall have the meanings set forth below.

(a) "***Accounting Restatement***" shall mean an accounting restatement (i) due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial restatements that is material to the previously issued financial statements, or (ii) that corrects an error that is not material to previously issued financial statements, but would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

(b) "***Board***" shall mean the Board of Directors of the Company.

(c) "***Clawback Eligible Incentive Compensation***" shall mean, in connection with an Accounting Restatement and with respect to each individual who served as an Executive Officer at any time during the applicable performance period for any Incentive-based Compensation (whether or not such Executive Officer is serving at the time the Erroneously Awarded Compensation is required to be repaid to the Company Group), all Incentive-based Compensation Received by such Executive Officer (i) on or after the Effective Date, (ii) after beginning service as an Executive Officer, (iii) who served as an Executive Officer at any time during the performance period for the Incentive-based Compensation, (iv) while the Company has a class of securities listed on a national securities exchange or a national securities association and (v) during the applicable Clawback Period.

(d) "***Clawback Period***" shall mean, with respect to any Accounting Restatement, the three completed fiscal years of the Company immediately preceding the Restatement Date and any transition period (that results from a change in the Company's fiscal year) of less than nine months within or immediately following those three completed fiscal years.

(e) "***Committee***" shall mean the Compensation Committee of the Board.

(f) "***Company***" shall mean Mativ Holdings, Inc., a Delaware corporation.

(g) "***Company Group***" shall mean the Company, together with each of its direct and indirect subsidiaries.

(h) "***Effective Date***" shall mean October 2, 2023.

(i) “***Erroneously Awarded Compensation***” shall mean, with respect to each Executive Officer in connection with an Accounting Restatement, the amount of Clawback Eligible Incentive Compensation that exceeds the amount of Incentive-based Compensation that otherwise would have been Received had it been determined based on the restated amounts, computed without regard to any taxes paid.

(j) “***Executive Officer***” shall mean (i) the Company’s current and former president, principal financial officer, principal accounting officer (or if there is no principal accounting officer, the controller), any vice-president in charge of a principal business unit, division or function (such as sales, administration, or finance), any other officer who performs a policy-making function for the Company, or any other person who performs similar policy-making functions for the Company, as determined by the Committee in accordance with Federal securities laws, SEC rules or the rules of any national securities exchange or national securities association on which the Company’s securities are listed. Identification of an executive officer for purposes of this Policy includes at a minimum executive officers identified pursuant to 17 C.F.R. 229.401(b).

(k) “***Financial Reporting Measures***” shall mean measures that are determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and all other measures that are derived wholly or in part from such measures. Stock price and total shareholder return (and any measures that are derived wholly or in part from stock price or total shareholder return) shall for purposes of this Policy be considered Financial Reporting Measures. For the avoidance of doubt, a Financial Reporting Measure need not be presented in the Company’s financial statements or included in a filing with the SEC.

(l) “***Incentive-based Compensation***” shall mean any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure. Incentive-based Compensation does not include: (i) bonuses paid solely at the discretion of the Board or the Committee that are not paid from a bonus pool that is determined by satisfying a financial reporting measure performance goal or solely upon satisfying one or more subjective standards and/or completion of a specified employment period, (ii) non-equity incentive plan awards earned solely upon satisfying one or more strategic or operational measures, (iii) equity awards not contingent upon achieving any financial reporting measure performance goal and vesting is contingent solely upon the completion of a specified employment period and/or attaining one or more non-financial reporting measures or (iv) any Incentive-based Compensation received before the Company had a class of securities listed on a national securities exchange.

(m) “***Policy***” shall mean this Clawback Policy, as the same may be amended and/or restated from time to time.

(n) “***Received***” shall, with respect to any Incentive-based Compensation, mean actual or deemed receipt, and Incentive-based Compensation shall be deemed received in the Company’s fiscal period during which the Financial Reporting Measure specified in the Incentive-based Compensation award is attained, even if payment or grant of the Incentive-based Compensation occurs after the end of that period.

(o) “***Restatement Date***” shall mean the earlier to occur of (i) the date the Board, a committee of the Board or the officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the issuer is required to prepare an Accounting Restatement, or (ii) the date of court, regulator or other legally authorized body directs the issuer to prepare an Accounting Restatement.

(p) “***SEC***” shall mean the U.S. Securities and Exchange Commission.

4. **Repayment of Erroneously Awarded Compensation**.

(a) In the event of an Accounting Restatement, the Committee shall determine the amount of any Erroneously Awarded Compensation for each Executive Officer in connection with such Accounting Restatement and thereafter, provide each Executive Officer with a written notice containing the amount of Erroneously Awarded Compensation and a demand for repayment or return, as applicable. For Incentive-based Compensation based on (or derived from) stock price or total shareholder return where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in the applicable Accounting Restatement, the amount shall be determined by the Committee based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return upon which the Incentive-based Compensation was Received (in which case, the Company shall maintain documentation of such determination of that reasonable estimate and provide such documentation to the NYSE). Notwithstanding the foregoing, in the event the Accounting Restatement is as a result of misconduct, then, in addition to any other recoupment obligations set forth in this Policy, the Company's chief executive officer and chief financial officer shall reimburse the Company for (i) any bonus or other incentive-based or equity-based compensation received by such person from the Company during the 12-month period following the public issuance or filing of the Accounting Restatement and (ii) any profits realized from the sale of securities of the Company during such 12-month period, in accordance with the requirements of the Sarbanes-Oxley Act of 2022.

(b) The Committee shall take such action as it deems appropriate to recover Erroneously Awarded Compensation reasonably promptly after such obligation is incurred and shall have broad discretion to determine the appropriate means of recovery of such Erroneously Awarded Compensation based on all applicable facts and circumstances. The Committee may seek recoupment in the manner it chooses, in its sole discretion, which may include, without limitation, one or a combination of the following: (i) direct reimbursement from the Executive Officer of Incentive-based Compensation previously paid, (ii) deduction of the recouped amount from unpaid compensation otherwise owed by the Company to the Covered Executive, (iii) set-off, (iv) rescinding or cancelling vested or unvested equity or cash based awards, and (v) any other remedial and recovery action permitted by law, as determined by the Committee. For the avoidance of doubt, except as set forth in Section 4(d) below, in no event may the Company Group accept an amount that is less than the amount of Erroneously Awarded Compensation in satisfaction of an Executive Officer's obligations hereunder.

(c) To the extent that an Executive Officer fails to repay all Erroneously Awarded Compensation to the Company Group when due (as determined in accordance with Section 4(b) above), the Company shall, or shall cause one or more other members of the Company Group to, take all actions reasonable and appropriate to recover such Erroneously Awarded Compensation from the applicable Executive Officer. The applicable Executive Officer shall be required to reimburse the Company Group for any and all expenses reasonably incurred (including legal fees) by the Company Group in recovering such Erroneously Awarded Compensation in accordance with the immediately preceding sentence.

(d) Notwithstanding anything herein to the contrary, the Company shall not be required to take the actions contemplated by Section 4(b) above if the following conditions are met and the Committee determines that recovery would be impracticable:

(i) The direct expenses paid to a third party to assist in enforcing the Policy against an Executive Officer would exceed the amount to be recovered, after the Company has made a reasonable attempt to recover the applicable Erroneously Awarded Compensation, documented such attempts and provided such documentation to the NYSE.

(ii) Recovery would violate home country law where that law was adopted prior to November 28, 2022, provided that, before determining that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law, the Company has obtained an opinion of home country counsel, acceptable to the NYSE, that recovery would result in such a violation and a copy of the opinion is provided to the NYSE; or

(iii) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company Group, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

5. **Reporting and Disclosure**. The Company shall file all disclosures with respect to this Policy in accordance with the requirement of the Federal securities laws, including the disclosure required by the applicable SEC filings.

6. **Indemnification Prohibition**. No member of the Company Group shall be permitted to indemnify any Executive Officer against (i) the loss of any Erroneously Awarded Compensation that is repaid, returned or recovered pursuant to the terms of this Policy, or (ii) any claims relating to the Company Group's enforcement of its rights under this Policy. Further, no member of the Company Group shall enter into any agreement that exempts any Incentive-based Compensation from the application of this Policy or that waives the Company Group's right to recovery of any Erroneously Awarded Compensation and this Policy shall supersede any such agreement (whether entered into before, on or after the Effective Date).

7. **Interpretation**. The Committee is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy. This Policy shall be binding and enforceable against all Executive Officers and their beneficiaries, heirs, executors or other legal representatives.

8. **Effective Date**. This Policy shall be effective as of the Effective Date.

9. **Amendment**; **Termination**. The Committee may amend this Policy from time to time in its discretion and shall amend this Policy as it deems necessary, including as and when it determines that it is legally required by any Federal securities laws, SEC rules or the rules of any national securities exchange or national securities association on which the Company's securities are listed. The Committee may terminate this Policy at any time. Notwithstanding anything in this Section 9 to the contrary, no amendment or termination of this Policy shall be effective if such amendment or termination would (after taking into account any actions taken by the Company contemporaneously with such amendment or termination) cause the Company to violate any Federal securities laws, SEC rules or the rules of any national securities exchange or national securities association on which the Company's securities are listed.

10. **Other Recoupment Rights**; **No Additional Payments**. The Committee intends that this Policy will be applied to the fullest extent of the law. This Policy shall be incorporated by reference into and shall apply to all incentive, bonus, equity, equity-based and compensation plans, agreements, and awards outstanding as of the Effective Date or entered into on or after the Policy's Effective Date. The Committee may require that any employment agreement, equity award agreement, or any other agreement entered into on or after the Effective Date shall, as a condition to the grant of any benefit thereunder, require an Executive Officer to agree to abide by the terms of this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company Group under applicable law, regulation or rule or pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement and any other legal remedies available to the Company Group.

11. **Entire Agreement.** This Policy supersedes, replaces and merges any and all previous agreements and understandings regarding the Company's policy on the recovery of compensation, and this Policy constitutes the entire agreement between the Company and the Executive Officers with respect to such terms and conditions.

12. **Successors**. This Policy shall be binding and enforceable against all Executive Officers and their beneficiaries, heirs, executors, administrators or other legal representatives.

* * *

<u>Exhibit A</u>

MATIV HOLDINGS, INC.
CLAWBACK POLICY

ACKNOWLEDGEMENT FORM

By signing below, the undersigned acknowledges and confirms that the undersigned has received and reviewed a copy of the Mativ Holdings, Inc. Clawback Policy (the "***Policy***"). Capitalized terms used but not otherwise defined in this Acknowledgement Form (this "***Acknowledgement Form***") shall have the meanings ascribed to such terms in the Policy.

By signing this Acknowledgement Form, the undersigned acknowledges and agrees that the undersigned is and will continue to be subject to the Policy and that the Policy will apply both during and after the undersigned's employment with the Company Group. Further, by signing below, the undersigned agrees to abide by the terms of the Policy, including, without limitation, by returning any Erroneously Awarded Compensation (as defined in the Policy) to the Company Group to the extent required by, and in a manner permitted by, the Policy.

____
Signature

____
Print Name

____
Date