Venator Materials PLC

Directors’ Remuneration Report

The information provided in this part of the Directors’ Remuneration Report is not subject to audit.

Statement of the Chair of the Compensation Committee

Welcome to the Directors’ Remuneration Report of the Compensation Committee (the “Committee”) of the Board of Directors of (the “Board”) of Venator Materials PLC (the “company” or "Venator"). This report, as required under UK regulations, covers the remuneration of the executive and non-executive directors of Venator. This report has been prepared solely for the purpose of compliance with the UK Companies Act 2006.

The Committee was formed at the time of the initial public offering of our ordinary shares in August 2017 (our “IPO”). The Committee is responsible for reviewing the remuneration policy for non-executive directors and making a recommendation to the Board for its approval. The Committee is also responsible for setting the remuneration policy for all executives, including any executive director. Our President and Chief Executive Officer, Simon Turner, (the “CEO”) is the only current executive director. The Committee has established the framework for executive and director compensation at Venator as disclosed in the directors’ remuneration policy (which was approved by shareholders at the company’s 2020 annual general meeting and can be found on the company’s website and in the company’s 2020 definitive proxy statement attached as Appendix A). The remuneration policies and practices set out in this report are consistent with these communications.

This report contains the Annual Report on Remuneration, which sets out details of how the directors have been paid in the prior financial year and how the proposed policy will be applied in the year ahead. This report will be subject to an advisory shareholder vote at the 2022 annual general meeting to be held on 6 June 2022 (the "AGM").

We encourage shareholders to read the directors’ remuneration report as set out in this statement. The Board and the Committee believe that the policies and procedures described in this report are effective in achieving our compensation objectives – supporting delivery of our business strategy, serving to attract and retain high-quality directors and, in the case of our executives, promoting alignment between pay and our financial performance and the performance of our ordinary shares. Alignment between pay and performance was achieved in 2021 by tying a portion of the CEO’s compensation to adjusted EBITDA and free cash flow, which made up 75% of the performance metrics under the 2021 STIP award metrics. The Committee also had discretion to award a discretionary amount based on the CEO’s personal performance from 0 to 30% of his 2021 base salary. In addition, 25% of our 2021 long-term incentive plan (“LTIP”) awards are in the form of performance units based on relative total shareholder return over three years (“TSR”) compared to a group of 11 peers. .

We are sensitive to the compensation-related corporate governance practices prevalent in the United Kingdom and recognise that some characteristics of our current program may be more similar to those in the US than to those in the UK. Many of these characteristics differ from typical UK practice but are common among our competitors and reflect the company's heritage as a US-based company and the composition of our shareholder base, over 90% of which is located in the US. The Committee has thoroughly reviewed our remuneration policies and concluded that the policy has operated as intended in terms of Company performance and reward generated in 2021. We consider these features to remain appropriate within the context of our global company and help to support our business strategy and compensation objectives.

Our director compensation program takes into account the unique responsibilities attendant with service on the board of a public limited company that is incorporated under the laws of England and Wales with a sole listing on the New York Stock Exchange and that is subject to SEC reporting.

Our Corporate Governance Guidelines provide for compensation for our non-executive directors’ services in recognition of their time and skills. Directors who are also executive directors or employees do not receive additional compensation for serving on the Board. Maintaining a market-based compensation program for our non-executive directors enables our company to attract qualified members to serve on the Board. We compare our director compensation practices to the practices of our peers as well as against the practices of public company boards generally to ensure they are aligned with market practices.

For our executive directors, the primary objective of our compensation program is shareholder value creation. In support of this objective, our compensation program is designed to: (i) align pay with performance; (ii) attract, motivate and retain executives critical to our long-term success by providing a competitive compensation structure; (iii) align our executives’ interests with those of our shareholders; (iv) encourage long-term focus; and (v) discourage excessive risk taking. The Committee coordinates the annual review of the executive director compensation program. In doing so, it may consult with, and review materials provided by, Meridian Compensation Partners, LLC (“Meridian”), the Committee’s compensation consultant, This annual review includes an evaluation of our the executive director’s performance, our company’s performance, the corporate goals and objectives relevant to compensation, and compensation payable under various circumstances, including upon retirement, or in connection with a severance event or a change in control. In making its decisions regarding executive director compensation, our Committee considers the nature and scope of all elements of the executive director’s total compensation package, responsibilities and his or her effectiveness in supporting our key strategic, operational and financial goals.

This review also includes an evaluation of the executive director’s historical pay and career development, individual and corporate performance, competitive practices and trends, and other information relevant to compensation.

Statement of the Chair of the Compensation Committee (continued)

2021 Compensation Highlights

Our non-executive directors receive an annual retainer for service on the Board, an additional retainer for service on its committees (including service as a committee chair) and fully vested share awards. Our sole executive director, the CEO, is compensated primarily through the following components:

- base salary;
- annual short-term incentive plan ("STIP") award; and
- annual LTIP awards.

The following compensation related decisions impacted the company's CEO in 2021:

The annual salary for the CEO remained unchanged in 2021 from its 2017 level, when it was set at $850,000 (approximately GBP £657,764) at the time of our IPO.

The Committee establishes target annual STIP award guidelines for the CEO, set as a percentage of base salary. The target award eligibility for the CEO was set at 100% of salary to align with competitive levels for comparable executive positions. The STIP award was based on adjusted EBITDA, free cash flow, 2020 Business Improvement Program savings and a discretionary component for personal performance. Details of the targets and performance against them are set out in the Annual Report on Remuneration on page 4. Performance exceeded the adjusted free cash flow target goal but was below the adjusted EBITDA target goal. Cumulative 2020 Business Improvement Program savings nearly reached the maximum goal.

In addition to the performance against targets described in the preceding paragraph, the Compensation Committee reviewed the personal performance of the CEO during 2021 against the backdrop of the continued disruption to the global economy and our business due to the COVID-19 pandemic. In particular, the Compensation Committee noted that the CEO had found a route to deliver adjusted EBITDA and adjusted free cash flow performance near or above targeted levels despite the continued challenges from the COVID pandemic and the impact of constrained capacity in a tight supply environment. The Compensation Committee noted that accomplishments in 2021 had been the result of a true team effort, which required strong leadership with swift and impactful decisions. Specifically, the Compensation Committee considered the following specific achievements:

- Delivered greater than 30% increase in total company EBITDA performance over prior year
- Successfully implemented pricing improvements resulting in a total Company 17% increase in average selling price in the fourth quarter compared to the fourth quarter of the prior year
- Increased titanium dioxide production by more than 5% over the prior year
- Accomplished accelerated delivery of cost reductions under Company's 2020 Business Improvement Program ahead of target timeline
- Advanced efforts to reduce legacy cash uses in pensions and at sites being closed
- Completed refinancing of Company's asset backed loan program
- Published first full Venator Sustainability Report and enhanced Venator's sustainability program
- Divested non-strategic water treatment business

Based on this performance against targets and personal performance during 2021, the Compensation Committee awarded a payout of 135% of target to our CEO under the STIP.

The Committee also approved an LTIP award for the CEO with a fair market value of $3,500,000, comprising 50% restricted stock units, 25% stock options and 25% performance units, the latter of which vest based on relative TSR performance compared to a group of 11 peers. The Committee targeted long-term equity compensation awards for the CEO to align with competitive levels and to reflect the contributions of the CEO. The target award amounts were converted to a number of restricted stock units, stock options and performance units based on the grant date fair value of the respective award.

Statement of the Chair of the Compensation Committee (continued)

Compensation for 2022

Details of the forward-looking compensation remuneration proposals are set out in this report on page 17. No significant changes to the company's approach are proposed for 2022.

We are committed to maintaining an open and transparent dialogue with shareholders and I welcome any comments that you may have.

I hope that you will be able to support the resolutions on remuneration at the AGM.

Kathy Patrick
Chair of the Compensation Committee
April 25, 2022

Annual Report on Remuneration for 2021

This Annual Report on Remuneration sets out details on how the directors were remunerated for the year under review and how the Committee intends to apply the remuneration policy in the forthcoming financial year. This report will be put to an advisory shareholder vote at the forthcoming AGM.

The relevant sections of the report indicated below have been audited by Deloitte LLP.

Compensation Committee members

Kathy Patrick (Chair)
Daniele Ferrari
Heike van de Kerkhof

All members of the Committee are independent non-executive directors.

Responsibilities

The Committee approves the company’s policy on executive remuneration and determines the levels of remuneration for the executive directors. The Committee recommends to the Board the remuneration levels for all non-executive directors. The Committee’s terms of reference, or charter, can be viewed on the company’s website at www.venatorcorp.com and are also available from the company upon request.

Advisors

The Committee receives support from both inside and outside the company. Internal support is provided by the company’s General Counsel and CEO. No executive director or officer is present when matters relating to his/her own remuneration are discussed.

Meridian served as the Committee’s independent advisor during 2021. Meridian was first appointed to act as the independent adviser to the Committee in 2017. The total fees and expenses paid to Meridian for services to the Committee in 2021 was $72,241. This was based on hourly rates for the provision of remuneration advice to the Committee in 2021 and certain expenses in connection with obtaining market remuneration data. Meridian does not provide any services to the company outside of matters pertaining to executive and director remuneration. Meridian reports directly to the Committee, which is solely responsible for determining the scope of services performed by Meridian. The Committee is satisfied that the advice that it receives from Meridian is objective and independent.

The Committee determined that the services provided by Meridian to the Committee during 2021 did not give rise to any conflict of interest. The Committee made this determination by assessing the independence of Meridian using the six independence factors adopted by the SEC and incorporated into the NYSE Corporate Governance Listing Standards. Further, in making this assessment, the Committee considered Meridian’s written correspondence to the Committee that affirmed the independence of Meridian and the partners, consultants and employees who provide services to the Committee on executive and director compensation matters.

Annual Report on Remuneration for 2021 (continued)

The information provided in this part of the Directors' Remuneration Report is subject to audit.

Directors' remuneration for 2021

The table below shows the remuneration paid to or receivable by the executive and non-executive directors of the company in 2021 (in thousands).

Single total figure table		Executive	Non-executive[8]					
		Simon Turner[7]	Peter R. Huntsman[9]	Vir Lakshman[9]	Heike van de Kerkhof[9]	Daniele Ferrari[9]	Kathy Patrick[9]	**Total**
Salary and fees	**2021**	$914	$75	$95	$95	$80	$100	$1,359
	2020	$763	$100	$0	$0	$100	$95	$1,058
Taxable benefits[1]	**2021**	$24	—	—	—	—	—	$24
	2020	$18	—	—	—	—	—	$18
Pension[2]	**2021**	$144	—	—	—	—	—	$144
	2020	$135	—	—	—	—	—	$135
Other[3]	**2021**	—	$120	$120	$120	$120	$120	$600
	2020	—	$120	$0	$0	$120	$120	$360
Total Fixed	**2021**	$1082	**$195**	**$215**	**$215**	**$200**	**$220**	$2127
	2020	$916	**$220**	**$0**	**$0**	**$220**	**$215**	$1,571
Annual STIP award[4]	**2021**	$1,234	—	—	—	—	—	$1,234
	2020	$1,125	—	—	—	—	—	$1,125
Annual LTIP award[5]	**2021**	$2,625	—	—	—	—	—	$2,625
	2020	$2,063	—	—	—	—	—	$2,063
Total Variable	**2021**	$3,859	—	—	—	—	—	$3,859
	2020	$3,188	—	—	—	—	—	$3,188
Total Before Pension Settlement Arrangement	**2021**	$4,941	**$195**	**$215**	**$215**	**$200**	**$220**	$5,986
	2020	$4,104	**$220**	**$0**	**$0**	**$220**	**$215**	$4,759
Pension Settlement Arrangement[6]	**2021**	$4,729	—	—	—	—	—	$4,729
	2020	$2,203	—	—	—	—	—	$2,203
Total	**2021**	$9,670	**$195**	**$215**	**$215**	**$200**	**$220**	$10,715
	2020	$6,307	**$220**	**$0**	**$0**	**$220**	**$215**	$6,962

1. For the CEO, taxable benefits relate to use of a company car and payment of medical benefits. For the non-executive directors, there are no taxable benefits.
2. Pension amounts for 2021 and 2020 relate to pension cash contributions paid to the CEO in 2021 and 2020, respectively (see section entitled "*Pension*" on page 7 for further details).
3. Other amounts for the CEO relate to a tax gross-up on his pension scheme. For non-executive directors, amounts relate to annual equity awards under the 2017 Stock Incentive Plan ("LTIP").

4. Annual STIP award amounts for 2021 and 2020 relate to the bonus for the financial years ending 31 December 2021 and 31 December 2020, respectively (see section entitled "*Annual STIP Award"* below for further details).
5. Details of outstanding equity awards granted to the CEO under the LTIP are set out on pages 9 to 10. The values included in the table above relate to the grant date fair values of awards granted under the LTIP. In accordance with the regulations, the fair value of the restricted stock unit and stock option awards are included in the single figure of total remuneration for the year. The value of performance units will be reported in the single figure for the year in which the performance period ends.
6. The payment in 2020 represents one of four payments under the arrangement to terminate the CEO's pension top up agreement. The payment in 2021 represents payment of the remaining £3,400,000 under that arrangement, which was accelerated by the closing of the acquisition of just under 40% of our outstanding shares by SK Capital in December 2020, which constituted a change in control under the Top-Up Amendment. Please see "Pension Top-Up Arrangement" on page 7 for more information.
7. The CEO is the only executive director of the company. He is remunerated by our wholly-owned subsidiary, Venator Materials UK Limited. The CEO voluntarily elected to temporarily reduce his salary by 25% (£493,323 annualized) from May 2020 to September 2020 in response to the impact of COVID-19. Details of the CEO's historical compensation can be found in Venator's filings and communications with the SEC. Amounts paid under the Annual LTIP award represent the grant date fair value of such awards. Amounts paid to the CEO in GBP have been converted using an exchange rate of 1 GBP to 1.39 USD, being the exchange rate as of 16 February 2021, the date on which 2021 compensation was approved.
8. Non-executive directors Barry Siadat and Aaron Davenport waived their rights to compensation for 2021.
9. Please see "Non-executive Director Compensation on page 11 for an explanation of these fees.

Annual STIP award

The CEO was entitled to participate in an annual bonus arrangement referred to as the "STIP" (short-term incentive plan) for the year ending 31 December 2021. The bonus opportunity for target performance was 100% of base salary. Achievement levels between threshold and target result in award payouts from 0% to 100% of target. Achievement levels between target and maximum result in award payouts from 100% to 200% of target for the CEO. The STIP award was based on:

Performance measure	**Weighting (% salary at target)**	**Performance require at: Threshold**	**Target**	**Stretch**	**Actual performance**	**Payout (% salary)**
Adjusted free cash flow (1)	45%	$(75)	$(55)	$(35)	$(43)	72%
Adjusted EBITDA	30%	$170	$190	$210	$180	15%
2020 Business Improvement Plan benefit	10%	$38	$45	$52	$51	19%
Discretionary for personal performance	15%	—	—	—	29%	29%
Total	100%					135%

1. Adjusted free cash flow is a non-GAAP financial measure that the Compensation Committee uses as a component of the STIP for executive officers, including Mr. Turner. Adjusted free cash flow is defined as cash provided from operating activities and cash required for certain investing and financing activities, which for 2021 includes net cash investments in LPC, proceeds from the sales of our Water Treatment business and portions of our Pori, Finland facility and cash paid under our tax matters agreement. The Compensation Committee seeks to include these items within the definition of adjusted free cash flow as it seeks to focus and incentivize executive officers on the most controllable elements of cash flow.

Based on performance during 2021, the Compensation Committee awarded a payout of 135% of target to our CEO. This included a payout of 29% for the discretionary component for the personal performance of the CEO during 2021. The Compensation Committee considered the CEO's performance against the backdrop of the continued disruption to the global economy and our business due to the COVID-19 pandemic. In particular, the Compensation Committee noted that the CEO had found a route to deliver adjusted EBITDA and adjusted free cash flow performance near or above targeted levels despite the continued challenges from the COVID pandemic and the impact of plant shutdowns reducing available capacity in a tight supply environment. The Compensation Committee noted that accomplishments in 2021 had been the result of a true team effort, which required strong leadership with swift and impactful decisions.

The STIP award was paid in cash.

Pension

Whilst at Huntsman prior to our IPO, the CEO participated in defined benefit pension arrangements through the tax-qualified Tioxide Pension Fund and, for service with Huntsman through 2010, the Huntsman Global Pension Scheme. The Tioxide Pension Fund was largely maintained to provide benefits for employees in Huntsman's Pigments and Additives segment. Sponsorship of the plan was transferred to Venator in connection with our IPO. At the beginning of 2018, Huntsman transferred sponsorship of the Huntsman Global Pension Scheme to Venator and Venator continues to maintain the plan for applicable participants. Normal retirement age under these pension schemes is age 60 for the CEO and he is not entitled to additional benefits if he retires early.

The company did not make any contributions under either of these plans for the CEO in 2021 and will not make further contributions in future years. In lieu of making contributions to these plans, the company makes monthly cash payments to the CEO that are approximately equivalent to amounts that he would have been eligible to receive as an active plan participant, although the amounts are not directly calculated pursuant to the terms of the pension plan documents and equate to approximately 15% of the CEO's salary. As of 31 December 2021, the CEO had approximately 32 years of service in the UK and is fully vested in benefits from these plans.

Pension Top-Up Arrangement

During 2012, Huntsman entered into a pension top-up agreement with the CEO that was put in place to make up for benefits lost due to regulatory restrictions in the U.K. and which was intended to provide additional benefits based on the CEO's uncapped final salary. The present value for the CEO under this pension top-up agreement varied based on his salary for the preceding 12 months and then-current actuarial and other assumptions. Our company assumed this agreement in connection with our IPO. The benefits payable pursuant to the pension top-up agreement were calculated and determined under the same terms and conditions as the applicable pension plans.

Effective 13 November 2019, we terminated the pension top-up agreement with the CEO pursuant to an amendment to his Terms and Conditions of Employment with our wholly-owned subsidiary that employs the CEO, the Top-Up Amendment. Prior to the termination of the arrangement pursuant to the Top-Up Amendment, the present value of the CEO's accumulated benefit under the pension top-up agreement had continued to increase beyond the $15,821,394 disclosed in our 2019 proxy statement. The CEO was fully vested in all benefits provided under the pension top-up agreement prior to its termination.

Pursuant to the Top-Up Amendment, the pension top-up agreement was terminated and our obligations under the pension top-up agreement were fully satisfied by payment to the CEO of an aggregate amount totalling £6,800,000 ($8,810,080), the approximate value of the pension top-up obligation at the date of Venator's separation from Huntsman, and which pursuant to the Top-Up Amendment was payable in four equal instalments. The first two instalments were paid on 20 December 2019 and 20 December 2020, The closing of the acquisition of just under 40% of our outstanding shares by SK Capital in December 2020 constituted a change in control under the Top-Up Amendment and accelerated payment of the remaining £3,400,000 to January 2021.

Annual Report on Remuneration for 2021 (continued)

Long-term incentive plans (supplemental equity award)

Details of the supplemental equity granted to the CEO under the LTIP in 2021 are set forth below. Other than as indicated below, the awards are not subject to performance conditions.

Awards to the CEO	Fair value[1] ($'000)	Award date	No. of shares granted	Exercise price ($)	Date of vesting/exercise	Expiry Date
Restricted stock units	1,750	17 February 2021	423,729	—	The award vests in three equal annual instalments beginning 17 February 2022	—
Stock options	875	17 February 2021	366,109	4.13	The award vests in three equal annual instalments beginning 17 February 2022	17 February 2031
Performance Units[2]	875	17 February 2021	Target: 211,864 Max: 423,728	—	The award vests on 31 December 2023 and is based on relative TSR performance	—

1. Based on the fair value of the awards at the date of grant. The fair value of the restricted stock units and the performance units on the date of grant is the same as the face value. The fair value of each stock option on the date of grant was $2.39 using the Black Scholes valuation method. If the stock options were shown based on the face value at the date of grant of $4.13, which is not considered by the Committee in determining the value of such awards, then the value of the stock options would be $1,512,030. In accordance with the regulations, the fair value of the restricted stock unit and stock option awards are included in the single figure of total remuneration for the year. The ultimate value realized for the performance units will depend upon the performance units awarded and the value of our shares at that time and will be reported in the single figure for the year in which the performance period ends.
2. Performance units are paid \based on relative performance against a group of peers over three years as follows:

Percentile Rank Relative TSR[a]	Payout Percentage of Target Number of Shares[b]
90th percentile or better	200%
75th percentile or better	175%
50th percentile or better	100%
25th percentile or better	50%
Less than 25th percentile	0%

a. The peer group comprises the following companies:

Albemarle Corporation	Chemours Company	Mineral Technologies Inc.
Ashland Global Holdings Inc.	Croda International Plc	Tronox td
Axalta Coating Systems	Element Solutions Inc.	WR Grace & Co.
Cabot Corporation	Ferro Corporation	

b. Payout for performance between points determined using straight-line interpolation. The Committee may reduce the payout of performance units if absolute TSR is negative.

Annual Report on Remuneration for 2021 (continued)

Long-term incentive plans (supplemental equity award) (continued)

As of 31 December 2021, the CEO had outstanding the awards set forth below under the LTIP. Other than as indicated below, the awards are not subject to performance conditions.

Awards to the CEO	Award date	No. of shares outstanding	Exercise price ($)	Date of vesting/exercise	Expiry Date
Stock option	16 August 2017	57,496	15.81	The award vests in three equal annual instalments beginning 1 February 2018[1]	1 February 2027
Stock option	16 August 2017	54,268	6.67	The award vests in three equal annual instalments beginning 1 February 2018[1]	1 February 2027
Stock option	16 August 2017	11,145	17.13	The award vests in three equal annual instalments beginning 1 February 2018[1]	1 February 2027
Stock options	27 September 2017	41,494	22.83	The award vests in three equal annual instalments beginning 27 September 2018[1]	27 September 2027
Stock options	14 February 2018	109,409	21.86	The award vests in three equal annual instalments beginning 14 February 2020[1]	14 February 2028
Restricted stock units	13 February 2019	65,217	—	The award vests in three equal annual instalments beginning 13 February 2020	—
Performance units	13 February 2019	97,826	—	The award vests on 31 December 2021, subject to the achievement of relative TSR performance metrics during the performance period from January 1, 2019 to December 31, 2021	—
Stock options	13 February 2019	223,214	5.75	The award vests in three equal annual instalments beginning 13 February 2020	13 February 2029
Restricted stock units	11 February 2020	443,548	—	The award vests in three equal annual instalments beginning 11 February 2021	—
Performance units	11 February 2020	221,774	—	The award vests on 31 December 2022, subject to the achievement of relative TSR performance metrics during the performance period from January 1, 2020 to December 31, 2022	—
Stock options	11 February 2020	455,298	3.10	The award vests in three equal annual instalments beginning 11 February 2021[1]	11 February 2030
Restricted stock units	17 February 2021	423,729	—	The award vests in three equal annual instalments beginning 17 February 2022	—

Performance units	17 February 2021	211,864	—	The award vests on 31 December 2023, subject to the achievement of relative TSR performance metrics during the performance period from January 1, 2021 to December 31, 2023	—
Stock options	17 February 2021	366,109	4.13	The award vests in three equal annual instalments beginning 17 February 2021[1]	17 February 2031
Total		2,782,391			

Annual Report on Remuneration for 2021 (continued)

Long-term incentive plans (supplemental equity award) (continued)

1. Each option may not be exercised on or after the earliest of the following: (i) the date that is ten (10) years following the date of grant (which is tied to the original grant date of the parent award); (ii) the expiry of the period of six months following termination or certain changes of control; and (iii) the expiry of the period during which any person or groups of persons is bound or entitled under Sections 979 to 982 or Sections 983 to 985 of the Companies Act 2006 (or similar law of another jurisdiction) to acquire shares of the same class as the ordinary shares.
2. Upon vesting of restricted stock units and performance units, ordinary shares are delivered to the CEO net of shares withheld for taxes. The net ordinary shares issued to the CEO are included below in the Statement of directors' shareholding and share interests –Beneficially owned shares.

Non-executive Director Compensation

The fee policy for the non-executive directors in 2021 was as follows:

Annual retainer	$60,000
Additional retainer:	
Chairman of the Board[1]	$40,000
Vice Chairman/Lead Independent Director[1]	$25,000
Audit Committee: Chair	$20,000
Audit Committee: Member[2]	$15,000
Compensation Committee: Chair	$15,000
Compensation Committee: Member[2]	$10,000
Nominating & Governance Committee: Chair	$15,000
Nominating & Governance Committee: Member[2]	$10,000

1. Dr. Siadat served as Chairman of the Board and Lead Independent Director throughout 2021 and waived any compensation payable for these roles.
2. The chair of each committee was eligible to receive the additional retainer applicable to committee members in addition to the retainer applicable to the committee chair.

In addition to the cash compensation, the non-executive directors were eligible to receive annual equity-based compensation with an aggregate grant date value equal to $120,000. These share units, granted under the LTIP, were fully vested upon grant and no exercise price will be payable (other than the nominal value of $.001 per share). Details of the share awards granted in 2021 to the non-executive directors are set out in the table below:

	Award type	**Value**[1] ($'000)	**Award date**	**No. of shares granted**
Peter R. Huntsman	Equity	$120	17 February 2021	29,056
Vir Lakshman	Equity	$120	17 February 2021	29,056
Daniele Ferrari	Equity	$120	17 February 2021	29,056
Heike van de Kerkhof	Equity	$120	17 February 2021	29,056
Kathy Patrick	Equity	$120	17 February 2021	29,056
Total		$600		145,280

1. Based on the share price on the date of grant of $4.13 on 17 February 2021.

Payments to past directors

There were no payments to past directors during the period.

Payments for loss of office

There were no payments for loss of office during the period.

Annual Report on Remuneration for 2021 (continued)

Statement of directors' shareholding and share interests

The table below sets out details of the directors' shareholdings and share interests at 31 December 2021.

		Interests in shares[2]					
Director	**Beneficially owned shares**	**Vested Stock Options**	**Unvested Stock Options**	**Unvested restricted stock units**	**Unvested performance units[3]**	**Vested and undelivered share units**	**Total**
Executive							
Simon Turner	280,285	574,389	744,044	784,644	433,638	—	2,817,000
Non-Executive							
Barry B. Siadat[1]	42,429,807	—	—		—	—	42,429,807
Aaron Davenport	—	—	—		—	—	—
Daniele Ferrari	—	—	—		—	99,381	99,381
Peter R. Huntsman	32,938	—	—		—	70,325	103,263
Heike van de Kerkhof	17,639	—	—		—	—	17,639
Vir Lakshman	17,707	—	—		—	—	17,707
Kathy Patrick	95,000	—	—		—	99,435	194,435

1. Dr. Siadat's interest in the 42,429,807 shares reported herein is more fully described in a Schedule 13D and a Form 3, each filed with the SEC on December 23, 2020. Dr. Siadat disclaims beneficial ownership of all interests reported herein except to the extent of his pecuniary interest.
2. Other than the unvested performance units held by the CEO, the interests in shares are not subject to any performance conditions.
3. Does not include PSUs that were forfeited upon vesting on 31 December 2021.

Annual Report on Remuneration for 2021 (continued)

Statement of directors' shareholding and share interests (continued)

Pursuant to our share ownership guidelines, both executive and non-executive directors must own a number of shares equalling at least 500% of his or her applicable salary or annual retainer whilst employed or retained by Venator. Shares counting toward the guideline include shares held outright by a participant, shares held in trust or under similar arrangements, restricted stock units and share units issued as part of long-term compensation and net shares acquired upon exercise of stock options. Shares acquired by the participant prior to becoming subject to the guidelines are not subject to the retention restriction. Once the guideline is achieved, a participant will not be deemed to have failed to achieve the guideline as a result of a subsequent decline in the market price of Venator’s ordinary shares.

As of 31 December 2021, Messrs. Siadat and Huntsman and Ms. Patrick have achieved the ownership requirement. While Mr. Huntsman’s holdings do not meet the ownership guideline as of 31 December 2021, based on the closing share price of $2.54 on that date, he previously achieved the guideline and, pursuant to the terms of the guidelines, is deemed to be in compliance notwithstanding the subsequent decline in market price.

Until such guideline is met, the CEO is required to retain at least 50% of net shares delivered through the company’s stock incentive plans. Executive and non-executive directors will not be deemed to be out of compliance with the ownership guidelines until five years after the initial measurement date following such participant’s initial appointment. The measurement date is June 30 of each year and a participant is not subject to the guidelines until he or she receives and accepts an equity grant following his or her appointment as a director.

Executive Directors’ outside appointments

Executive directors may accept outside appointments with prior Board approval, provided that these opportunities do not negatively impact on their ability to fulfil their duties to the company. Whether any related fees are retained by the individual or are remitted to the company will be considered on a case-by-case basis. The CEO does not currently have any outside appointments.

End of the information provided in this Directors’ Remuneration Report that is subject to audit.

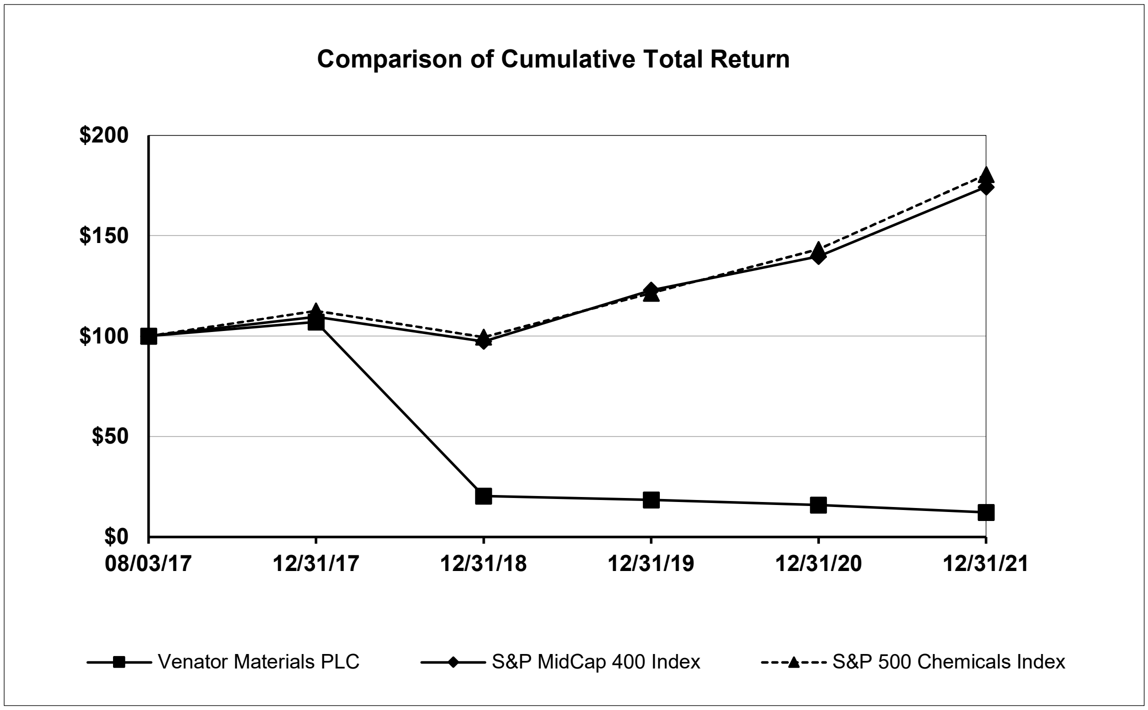
Venator Materials PLC

Directors’ Remuneration Report

Annual Report on Remuneration for 2021 (continued)

Performance graph and table

The chart below shows the total shareholder return performance of the company for the period since the Separation to 31 December 2021, compared to the following indices: the S&P Midcap 400 Index; and the S&P 500 Chemicals Index. These comparators have been chosen as they are broad equity indices comprised of entities of comparable size and complexity.



The table below shows the total remuneration of the CEO over the same period, showing full year compensation for the years 2019 through 2021.

Remuneration of the President & CEO	2021	2020	2019
Total Remuneration ($'000)[1]	4,941	4,104	3,554
Annual STIP award payable (% maximum)[2]	67.5%	66%	50.8%
Restricted stock units and stock options granted (% maximum)[3]	17.5%	13.8%	11%
Performance shares vesting (% maximum)	n/a	n/a	n/a

1. Amounts for years 2019 and 2020 have been updated to include taxable health and dental benefits, which were excluded from reported amounts in prior years.
2. Pursuant to the terms of the STIP, the maximum award opportunity for the relevant years was 200% of base salary.
3. Pursuant to the terms of the LTIP, the maximum amount of dollar-denominated awards that may be granted to any individual during any calendar year may not exceed $15 million.

Annual Report on Remuneration for 2021 (continued)

Percentage change in remuneration of directors versus employees

In the table below, values in column ‘a’ represent the percentage change in annualised salary and fees; values in column ‘b’ represent the percentage change in taxable benefits; and values in column ‘c’ represent the percentage change in STIP outcomes for performance periods in respect of each financial year.

	2021 vs. 2020		
	a	b	c
Employees	5.9%	(3)%	5.8%
Simon Turner	20%	30%	9.7%
Peter R. Huntsman	(25%)	n/a	n/a
Vir Lakshman	n/a	n/a	n/a
Heike van de Kerkhof	n/a	n/a	n/a
Daniele Ferrari	(20%)	n/a	n/a
Kathy Patrick	(5%)	n/a	n/a

	2020 vs. 2019		
	a	b	c
Employees	(7.3)%	(15)%	(22.9)%
Simon Turner	(10.5)%	(11%)	29.8%
Peter R. Huntsman	0%	n/a	n/a
Vir Lakshman	n/a	n/a	n/a
Heike van de Kerkhof	n/a	n/a	n/a
Daniele Ferrari	0%	n/a	n/a
Kathy Patrick	0%	n/a	n/a

CEO pay ratio

The table below shows the ratio of the CEO’s pay to that of the 25th percentile, 50th percentile and 75th percentile total remuneration of the company’s employees in the UK.

	25th %	50th %	75th %
2021 CEO Pay Ratio	97:1	74:1	58:1
2020 CEO Pay Ratio	86:1	65:1	50:1

We selected Option A as the pay ratio methodology for 2020 and 2019, as it is the most statistically accurate method available. Under Option A, we have calculated these figures with actual compensation data for our UK employees. The 25th, 50th and 75th percentile employees were determined based on the remuneration as of 31 December 2020 of all UK employees employed for the full 2020 fiscal year.

The table below shows the breakdown of remuneration for each percentile employee:

2021	Salary (£)	Benefits (£)	STIP (£)	Pension (£)	Total (£)
25th Percentile	32,097	713	0	3,849	36,659
50th Percentile	40,983	713	0	6,056	47,752
75th Percentile	53,040	713	0	7,291	61,044

2020	Salary (£)	Benefits (£)	STIP (£)	Pension (£)	Total (£)
25th Percentile	33,740	0	309	2,699	36,748

50th Percentile	42,808	604	0	4,920	48,332
75th Percentile	54,399	0	2,431	6,528	63,358

In reliance on paragraph 19D(6), we omitted LTIP awards because these are less common among the general UK employee population.

Annual Report on Remuneration for 2021 (continued)

Relative importance of the spend on pay

The table below shows the company's spend on pay compared with distributions to shareholders.

	2021	2020	Percentage Change
Remuneration paid to or receivable by all employees ($'000)	345,575	325,800	6.1%
Distributions to shareholders by way of dividends	Nil	Nil	Nil
Distributions to shareholders by way of share buy-backs ($'000)	Nil	Nil	n/a

The lower amount spent on pay for all employees in 2020 resulted in part from staff reductions and other measures taken as a result of the COVID-19 pandemic and the resulting economic slowdown.

Votes on Remuneration in 2021

At the Annual General Meeting held on 10 June 2021, votes cast by proxy and the meeting in respect of the directors' remuneration were as follows:

		Votes	%
Approval of the remuneration report	For	78,606,983	89.6%
	Against	327,465	0.4%
	Abstain	575,294	0.1%
	Broker Non-Votes	8,264,820	9.4%

Annual Report on Remuneration for 2021 (continued)

Application of the remuneration policy for 2022

A summary of how the directors’ remuneration policy (which was approved by shareholders at the company’s 2020 annual general meeting and can be found on the company’s website in the Annual Report and Accounts, attached as Appendix A to the company’s 2020 definitive proxy statement) will be applied during the forthcoming year is set out below.

CEO	
Salary for CEO	CEO: £701,573 Salary was initially set as on 1 July 2017 and was unchanged for 2018, 2019, 2020 and 2021. In the remuneration table above, amounts paid to the CEO in GBP have been converted using an exchange rate used in the applicable year to determine salary and bonuses.
Benefits and pension	No change
2022 STIP eligibility	STIP award will be based on a mixture of corporate objectives and personal performance, which will be confirmed following the publication of this report. It is broadly intended that at least 65% of the objectives will be based on financial metrics with the remainder based on non-financial metrics.
2022 LTIP grant	Awards with a fair value of $3,500,000 delivered 50% in restricted stock units, 25% in stock options and 25% in performance units based on performance in relative TSR as compared to a group of 11 peers, each granted in February 2022.
Adjustments and Clawbacks	The Committee retains the right to make adjustments to actual performance results to take into account the occurrence of any material event, for example, in light of significant changes in the business that would impact the calculation of STIP or LTIP performance metrics. Pursuant to our Incentive Repayment (Clawback) Policy for executive officers, including the CEO, subject to certain exceptions, our company may recover performance-based compensation that was based on achievement of quantitative performance targets if an executive officer engaged in fraud or intentional illegal conduct resulting in a financial restatement.
Chairman and non-executive directors	
Fees	The Chairman and non-executive director fees have not been increased for 2022.

By order of the Board

Kathy D. Patrick
Chair of the Compensation Committee
April 25, 2022