

Venator Materials PLC
Annual Report and Financial Statements
For the year ended 31 December 2023

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PARENT COMPANY INFORMATION

Directors

Executive

Simon Turner (resigned 1 September 2024)

Arjen de Leeuw Den Bouter (appointed director 12 October 2023, Chief Transformation Officer 15 December 2023 to 15 October 2024)

E. Bryan Snell (appointed President and Chief Executive Officer 1 September 2024)

Bart de Jong (appointed Chief Financial Officer 16 December 2024)

Non-Executive

Miguel Kohlmann (resigned 18 January 2023)

Stefan Selig (appointed 18 January 2023 and resigned 12 October 2023)

Dr. Barry Bahram Siadat (resigned 12 October 2023)

Peter Riley Huntsman (resigned 12 October 2023)

Daniele Ferrari (resigned 12 October 2023)

Aaron Charles Davenport (resigned 12 October 2023)

Heike Van De Kerkhof (resigned 12 October 2023)

Vir Lakshman (resigned 12 October 2023)

Jame Donath (appointed 18 January 2023, reappointed 12 October 2023)

Katherine Harper (appointed Chairman 12 October 2023, appointed Audit Committee Chair 16 December 2024)

Bart de Jong (appointed 12 October 2023, resigned as non-executive member 16 December 2024)

Fried-Walter Münstermann (appointed 12 October 2023)

E. Bryan Snell (appointed 12 October 2023, resigned as non-executive member 1 September 2024)

Company Secretary

Russell Robert Stolle (resigned on 12th March 2024)

Alexander Paterson (appointed on 21st March 2024)

Registered Office

Titanium House

Hazard Drive

Wynyard Park

Stockton on Tees, England

TS22 5FD

Principal Bankers

J P Morgan Chase Bank

1 Chaseside

Bournemouth

Dorset

BH7 7DA

Principal Solicitors

Womble Bond Dickinson (UK) LLP

St Ann's Wharf

112 Quayside

Newcastle upon Tyne

NE1 3DX

Auditor

Deloitte LLP

Statutory Auditor

2 New Street Square

London, United Kingdom

EC4A 3HQ

Annual Report and Financial Statements, for the year ended 31 December 2023

STRATEGIC REPORT

The directors present their Strategic Report on the Group for the year ended 31 December 2023, which further complies with the requirements of s414CB of the Companies Act 2006 by including certain non-financial information.

Venator Materials PLC is a public limited company incorporated under the laws of England and Wales, and was listed on the New York Stock Exchange prior to 15 May 2023. On 14 May 2023, the Company and certain of its subsidiaries filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas. On 15 May 2023, the Company was notified by the staff of NYSE Regulation that it had suspended trading in the Company's ordinary shares on the NYSE and determined to commence proceedings to delist the Company's ordinary shares from the NYSE after the Company filed the Chapter 11 petition referenced above. Additionally, on 13 February 2023, the Company filed a Notice of Termination of Registration Under Section 12 (g) of the Securities Exchange Act of 1934. On 12 October 2023, the Company filed a Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code, upon which the Company emerged from Chapter 11.

The term "Venator", "Company", "we", "our" and "Group" refer to Venator Materials PLC and its consolidated subsidiaries, unless the context otherwise requires.

I. STRATEGY AND OUTLOOK

Overview

Venator Materials PLC, a public limited company incorporated under the laws of England and Wales, is a global manufacturer and marketer of chemical products that improve the quality of life for downstream customers and promote a sustainable future. Our products comprise a broad range of innovative chemicals and formulations that bring colour and vibrancy to a variety of applications, protect and extend product life, and reduce energy consumption. We market our products globally to a diversified group of industrial customers through two segments: Titanium Dioxide, which consists of our TiO₂ business, and Performance Additives, which consists of our functional additives, colour pigments, and timber treatment businesses. We are a global producer of TiO₂, colour pigments and functional additives, and a leading North American producer of timber treatment products. Headquartered in Wynyard, U.K., we employ approximately 2,700 associates worldwide and sell our products in more than 106 countries.

We operate in a variety of end markets, including industrial and architectural paints and coatings, plastics, construction materials, paper, printing inks, pharmaceuticals, food, cosmetics, fibres and films and personal care. Within these end markets, our products serve approximately 1,250 customers globally. Our production capabilities allow us to manufacture a broad range of high quality functional TiO₂ products as well as speciality and differentiated TiO₂ products that provide critical performance for our customers and sell at a premium for certain end-use applications. Our functional additives, colour pigments and timber treatment products provide essential properties for our customers' end-use applications by enhancing the colour and appearance of construction materials and delivering performance benefits in other applications such as corrosion and fade resistance, water repellence and flame suppression. We believe that our global footprint and broad product offerings differentiate us from our competitors and allow us to better meet our customers' needs.

For the year ended 31 December 2023, we had total revenues of \$1,556 million (2022: \$2,173 million) and a net income (loss) of \$210 million (2022: \$(796) million). Adjusted EBITDA was \$(239) million (2022: \$26 million), which includes \$(212) million (2022: \$33 million) from our Titanium Dioxide segment and \$18 million (2022: \$34 million) from our Performance Additives segment. For a reconciliation of net loss to adjusted EBITDA see Results of Operations beginning at page 34 of this Strategic Report.

Our Titanium Dioxide and Performance Additives segments have evolved in recent years through asset divestitures, certain site closures, reductions in operating costs, new product introductions, and selective divestment of certain businesses. We have a well-established position in each of the industries in which we operate. However, recent market conditions and events related to the liquidity and covenants have raised material uncertainty over our ability to continue as a going concern. In response to these conditions and events, we are taking a number of actions which are intended to mitigate these conditions and events, but we have concluded that our plans do not alleviate the uncertainty about our ability to continue as a going concern.

STRATEGIC REPORT (CONTINUED)

I. STRATEGY AND OUTLOOK (CONTINUED)

Our Values

Our aim is to be the world's best pigments and additives business. Our values reflect behaviours that will help us to become the best and deliver the greatest value to our customers and shareholders. They unite and guide us and reflect the culture of our business.

- Integrity: Winners never cheat
- Zero Harm: We care
- Teamwork: We are stronger together
- Innovation: We make it possible
- Performance: We deliver results

Key Decisions in 2023 and Recent Developments

Sale of Iron Oxide Business

The sale of the Iron Oxide business to Cathay Industries completed on 31 March 2023. The enterprise value of the transaction was \$140 million and cash proceeds were received of \$132 million net of working capital adjustments, taxes, fees and other closing cash adjustments.

Chapter 11 Filing

On 14 May 2023 (the "Petition Date"), the Company and certain of its subsidiaries (collectively, the "Debtors" or "Company Parties") filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors filed a motion with the Bankruptcy Court requesting procedural consolidation and joint administration of their chapter 11 cases under the caption In re Venator Materials PLC, et al., Case No. 23-90301 (the "Chapter 11 Cases"). The Debtors continued to operate their business and manage their properties as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. To ensure the Company Parties' ability to continue operating in the ordinary course of business and minimize the effect of the Recapitalisation (as defined below) on the Company Parties' customers and employees, the Company Parties filed with the Bankruptcy Court motions seeking a variety of "first-day" relief, including authority to pay employee wages and benefits, and pay vendors and suppliers for all goods and services. In addition, the Company filed with the Bankruptcy Court a motion seeking approval ("Interim DIP Order") of debtor-in-possession financing in the form of the DIP Facility. The Company and certain of its subsidiaries (the "DIP Parties") entered into a DIP Credit Agreement (the "DIP Credit Agreement") with the DIP Lenders for the DIP Facility. The facility provided \$100 million upon entry of the Interim DIP Order, and \$175 million upon entry of the final order by the Bankruptcy Court approving the DIP Facility.

On 13 May 2023, the Debtors entered into a Restructuring Support Agreement (the "Restructuring Support Agreement" or "RSA") with certain prepetition creditors (the "Consenting Creditors"). The Consenting Creditors represent holders of an overwhelming majority of the aggregate principal amount of the Company's funded debt obligations under various debt agreements.

Pursuant to the RSA, the Consenting Creditors agreed, subject to certain terms and conditions, to support a prepackaged chapter 11 plan (the "Plan") to implement a comprehensive financial restructuring and recapitalization (the "Recapitalization") of existing debt of, existing equity interests in, and certain other obligations of the Debtors. The Plan was filed on the Petition Date in the Chapter 11 Cases.

On 12 October 2023 (the "Effective Date"), the Debtors filed a Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code, upon which the Plan became effective in accordance with its terms and the Debtors emerged from Chapter 11.

STRATEGIC REPORT (CONTINUED)

I. STRATEGY AND OUTLOOK (CONTINUED)

Key Decisions in 2023 and Recent Developments (Continued)

Pursuant to the Plan, the following transactions occurred on the Effective Date

- the RSA entered into between the Debtors and the Consenting Creditors (as defined therein), pursuant to which the parties thereto had agreed to take certain actions to support the prosecution and consummation of the Plan on the terms and conditions set forth in the RSA, was automatically terminated by its terms;
- the debtor-in-possession credit agreement, by and among the Company, certain of its subsidiaries and Wilmington Savings Fund Society, FSB, as administrative agent and collateral agent (the “DIP Facility”), was terminated and the Holders of Claims under the DIP Facility assigned their allowed claims to the Company in return for cash consideration and utilized such cash consideration to subscribe for New Ordinary Shares. The Company subsequently released its claims under the DIP Facility. On the Effective Date, all liens and security interests granted to secure such obligations were automatically terminated and are of no further force and effect;
- all outstanding obligations under the indebtedness set forth below (collectively, the “Existing Debt Instruments”) of the Debtors, including the applicable indentures, credit agreements and guarantees governing such obligations, totaling \$1,289 million, were cancelled in connection with the assignment of the Existing Debt Instruments to the Company and the subsequent offsetting of such Existing Debt Instruments against indebtedness of the Company owed to the borrowers under the Existing Debt Instruments, except to the limited extent expressly set forth in the Plan or the Confirmation Order:
 - Notes Indentures
 - Prepetition ABL Credit Agreement;
 - the Ancillary Facility;
 - the Hedge Agreements; and
 - the Term Loan Credit
- seven of the eight members of the Board of Directors of the Company resigned and six members were appointed as Directors of the Company. See information on the new Board of Directors beginning at page 17.
- the outstanding stock-based awards under the Venator Materials 2017 Stock Incentive Plan were cancelled on the Effective Date. For more information on the stock-based awards, see Note 14. Share based payments.

Additionally, the Company issued 107,941,929,020 shares of New Ordinary Shares to Holders of Claims entitled to receive New Ordinary Shares. The ordinary shares of the Company that were issued and outstanding prior to emergence from the Chapter 11 Cases have not been cancelled and remained issued and outstanding after the issuance of the New Ordinary Shares in connection with the equitization of allowable Claims under the Plan. The Company had 108,050,720,920 ordinary shares issued and outstanding following the dilutive issuance of the New Ordinary Shares in connection with the emergence of the Company from the Chapter 11 Cases.

The New Ordinary Shares issued pursuant to the Plan are issued pursuant to the exemption from the registration requirements of the Securities Act, under Section 1145 of the Bankruptcy Code, which generally exempts from such registration requirements the issuance of certain securities under a plan of reorganization.

On 21 December 2023, the shareholders of the Company approved, at the Company’s General Meeting of Shareholders (the “GM”), a proposal to consolidate 108,050,720,916 ordinary shares of \$0.001 each in the issued share capital of the Company into 785,692 ordinary shares of \$137.523 (the “Share Consolidation”). The Share Consolidation took effect on 9 January 2024 as approved by the Board of Directors of the Company.

STRATEGIC REPORT (CONTINUED)

I. STRATEGY AND OUTLOOK (CONTINUED)

Key Decisions in 2023 and Recent Developments (Continued)

Duisburg Transformation Plan

Following the COVID-19 pandemic and ongoing weak demand in Asia there has been lower demand for our fibres and active materials TiO₂ products which are manufactured at our 50,000 ton Duisburg TiO₂ facility. This manufacturing site has been significantly impacted by higher inflationary costs resulting in unsustainably low TiO₂ contribution margins. We had previously taken steps to reduce the economic impact on our business by shutting down the site during the fourth quarter of 2022 and first quarter of 2023 and by furloughing most of our employees at the site. We began the process of restarting production for both TiO₂ and functional additives in the first quarter of 2023, however it was not economically viable to continue TiO₂ production longer term. On 25 January 2024, the Board approved a transformational project at its Duisburg and Uerdingen manufacturing facilities, pursuant to which, among other actions and subject to relevant works council consultations, (1) the Duisburg functional additives manufacturing facilities will be separated from the Duisburg TiO₂ manufacturing facilities, with the Duisburg central services remaining in operation to the extent required to operate the functional additives manufacturing facilities, (2) know-how for the manufacture of certain differentiated and speciality grade TiO₂ products will be transferred from Duisburg to Uerdingen to permit such products to be manufactured there, and (3) the 50 kt TiO₂ manufacturing facilities at Duisburg that have recently operated at reduced rates will be indefinitely shut down and alternative industrial uses of the relevant portions of the Duisburg site will be considered.

Scarlino Gypsum Developments

In January 2023, it was concluded that, due to a lack of space for future gypsum disposal, the useful life of the Scarlino property, plant and equipment should be reduced to the end of the second quarter of 2023. Venator Italy Srl continues to work with key local stakeholders to secure approvals for both temporary gypsum storage and permanent landfill capacity. Since the third quarter of 2022, TiO₂ production was suspended from two of the three calciner streams at the facility to reduce the rate at which the remaining gypsum capacity both on-site and in the Montioni reclamation project was being used. By the first quarter 2023, as there was no longer sufficient capacity for the gypsum disposal, it was clear it would not be economically viable to operate the site and therefore all remaining production at the Scarlino site was suspended in July 2023. As the site was not operating, following the emergence from Chapter 11, the Company decided to terminate the cash pooling arrangement with Venator Italy Srl, thereby withdrawing financial support. Venator Italy Srl has its own cash reserves and the local board continues independently to explore options for the site future, including the potential of a plant restart if they receive sufficient approvals for the temporary storage of gypsum and commitments to approve projects for longer-term permanent landfill capacity. However, the financial viability of the site depends on the market recovering enough to allow recovery of operating margins, and demand being such to allow for TiO₂ production from at least two of the three calciner streams.

Global Economic Conditions

We have experienced inflationary impacts across our businesses, driven by the impact of general macroeconomic factors, including ongoing conflicts in Ukraine and the Middle East and resulting economic sanctions. These factors have increased our manufacturing costs, particularly in Europe. The conflict in Ukraine has exacerbated existing cost inflation and supply chain issues, most notably in Europe, where we experienced significant increases in energy costs during 2022 and 2023 due in large part to reduced availability of Russian natural gas. While we have seen some relief in the price of energy in recent months, costs of natural gas and electricity remain inflated from historical levels, and we expect them to remain elevated in the near term. Additionally, Houthi rebel attacks on cargo ships and tankers have had a continued impact on shipping and global supply chains. Although we receive materials transported through the Red Sea, we currently do not expect the recent hostilities in that region to have a material impact on our business.

The government lockdowns and restrictions imposed by China in response to COVID-19 have resulted in slower economic growth in China and decreased demand for titanium dioxide in the Chinese market, leading Chinese titanium dioxide manufacturers to export more product to other markets in which we compete. On 6 June 2024, in response to complaints lodged by the European Titanium Dioxide Ad Hoc Coalition, or ETDC, on the influx of Chinese TiO₂, the EU will require the registration of Chinese imports to the European Union, with those imports subject to a 39.7% provisional duty rate. While we are taking actions to respond to the inflationary environment, and global demand dynamics, we may not be able to enact these measures in a timely manner, or the measures may not be sufficient to offset the increase in costs, or drop in demand, which could have a material adverse impact on our profitability and results of operations.

STRATEGIC REPORT (CONTINUED)

I. STRATEGY AND OUTLOOK (CONTINUED)

Key Decisions in 2023 and Recent Developments (Continued)

Outlook for 2025 and Beyond

In 2024, Venator completed a strategic review of the business and commenced implementation on a transformation plan to build a more focused, stronger and sustainable business in 2025 and beyond. The key elements of the transformation plan include:

- **Commercial Revenue Growth** – This program is designed to drive revenue growth through a focus on targeted customer segmentation, more effective account management, sharper pricing strategies and the use of digital tools to grow revenue in the future.
- **Strengthening of Manufacturing Assets** – We are working to optimize our manufacturing processes while improving site performance. This includes increasing TiO₂ pigment production to meet market demand while simultaneously reducing manufacturing costs to improve efficiency and profitability.
- **Transformation of our German Footprint** – This step in the program began with the planned removal of 50kt TiO₂ capacity in Duisburg in Q2 2024, and the related transfer of our specialty production capability to strengthen our Uerdingen facility. At Duisburg, we are continuing to consolidate operations, treating the Functional Additives (FAD), FAD Specialty, and NanoTech plants as a unified business to maximize efficiencies and cash generation. At Uerdingen, we transferred our specialty production capability from Duisburg to strengthen the site's portfolio and increase its focus on high-value products. This realignment enables us to streamline production, reduce costs, and ensure both sites are positioned for long-term growth and profitability.
- **Re-sizing of the Organization** – In Q3 2024 we embarked on a program to establish the appropriate size of central support for our future needs. This program gave us a clear view of the SG&A/Corporate costs attached to the different parts of our business. We will use this information in the future to right size our organizational support roles as needed based on the size of our future organisation.
- **Maximizing Value of the Additives Business** – During 2025 we will continue to progress on maximizing the value of our Additives Business by finding the right strategic buyers to ensure a sustainable future for our Driers, Ultramarine Blue, Mineral Research Development (MRD), FAD, and Timber Treatment businesses.
- **Resolve Discontinued Sites** – We will continue to manage site disposals at minimal cost impacts for the future, specifically those at Calais, Pori. and the former TiO₂ manufacturing facilities at Duisburg.

Our short term priorities are aligned with the transformation plan as we to continue to develop on each of the above elements of the transformation plan which began with the transformation of the Duisburg and Uerdingen facilities during 2024. Our longer term objectives remain focused on maximising shareholder value and the long-term financial stability of the Company by applying our customer-tailored approach, by focusing on speciality and differentiated products, by enhancing our competitive position, improving our free cash flow generations and considering all possible strategic alternatives for the business.

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW

Our Business

Venator is a large chemical company dedicated to the development and manufacture of titanium dioxide pigments and performance additives that make a difference to daily life and contribute to a more sustainable future. We have one of the broadest product portfolios in the industry and have built up our leading position in speciality titanium dioxide pigments and differentiated performance additives over many years by satisfying the exacting standards of our customers.

Our products are used as intelligent ingredients in thousands of everyday items including coatings, plastics, cosmetics, paper, pharmaceuticals, fibres, films, inks, catalysts, concrete, building materials and in water purification.

Titanium Dioxide Segment

TiO₂ is derived from titanium-bearing ores and is a white inert pigment that provides whiteness, opacity and brightness to thousands of everyday items, including coatings, plastics, paper, printing inks, fibres, food and personal care products. We own a portfolio of brands, including the TIOXIDE®, HOMBITAN®, HOMBITEC®, UVTITAN® and HOMBIKAT® ranges, the products for which are produced in our seven manufacturing facilities around the globe. We service approximately 1,000 customers in most major industries and geographic regions. Our global manufacturing footprint allows us to service the needs of both local and global customers, including Ampacet group, Avient, PPG, Standridge, Sun Chemicals, Color Tech, AkzoNobel, Jotun, LyondellBasell, and Republic Powdered Metals. Annual industry demand for TiO₂ products tends to correlate with GDP growth rates over time and is seasonal. This seasonality is subject to global and regional economic conditions, as well as demand for end-use applications and other factors.

We are a leading global TiO₂ producer, with nameplate production capacity as of 31 December 2023 of approximately 602,000 metric tons per year. We are able to manufacture a broad range of high quality TiO₂ products for functional, differentiated and speciality applications. Our speciality and differentiated product grades generally sell at a premium into more specialized applications such as fibres, catalysts, food, pharmaceuticals and cosmetics.

There are two manufacturing processes for the production of TiO₂; the sulfate process and the chloride process. We believe that the chloride process accounts for approximately 43% of global production capacity. Most end-use applications can use pigments produced by either process, although there are markets that prefer pigment from a specific manufacturing route—for example, the inks market prefers sulfate products whereas the automotive coatings market prefers chloride products. Regional customers typically favour products that are available locally. The sulfate process produces TiO₂ in both the rutile and anatase forms, the latter being used in certain high-value speciality applications.

	Rutile TiO₂	Anatase TiO₂	Ultrafine TiO₂
Characteristics	Most common form of TiO ₂ . Harder and more durable crystal	Softer, less abrasive pigment, preferred for some specialty applications	Very small particles of either rutile or anatase TiO ₂ (typically less than 100nm in diameter)
Typical Applications	Coatings, printing inks, PVC window frames, plastic masterbatches	Cosmetics, pharmaceuticals, food, polyester fibers, polyamide fibers	Catalysts and cosmetics

Our production capabilities are distinguished from some of our competitors because of our ability to manufacture high quality TiO₂ using both sulfate and chloride manufacturing processes, which gives us the flexibility to tailor our products to meet our customers' needs. By operating both sulfate and chloride processes, we also have the ability to use a wide range of titanium feedstocks, which enhances the competitiveness of our manufacturing operations, by providing flexibility in the selection of raw materials. This mitigates, to some extent, fluctuations in availability for any particular feedstock and allows us to manage our raw material costs.

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW (CONTINUED)

Our Business (Continued)

Titanium Dioxide Segment (Continued)

Once an intermediate TiO₂ pigment has been produced using either the chloride or sulfate process, it is "finished" into a product with specific performance characteristics for particular end-use applications. Certain co-products from both processes which are disposed of require treatment prior to disposal to comply with environmental regulations. In order to reduce our disposal costs and to increase our cost competitiveness, we have developed and marketed the co-products from the manufacture of titanium dioxide at our facilities. We sell approximately 51% of the co-products generated by our TiO₂ business.

We have a broad customer base and have successfully differentiated our business by establishing ourselves as a market leader in a variety of niche end-use applications where the innovation and specialization of our products is rewarded with higher growth prospects and strong customer relationships.

Performance Additives Segment

Functional Additives

Functional additives are barium and zinc based inorganic chemicals used to make colours more brilliant, coatings shine, plastic more stable and alter the flow properties of paints. We are a leading global manufacturer of zinc and barium functional additives. The demand dynamics of functional additives are closely aligned with those of functional TiO₂ products given the overlap in applications served, including coatings and plastics.

Our products are sold under a portfolio of brands that are targeted to the construction sector such as BLANC FIXE™, SACTHOLITH® and ECOLIFE® focused predominantly on the coatings and plastics sectors.

	Barium and Zinc Additives
Characteristics	Specialty pigments and fillers based on barium and zinc chemistry
Typical Applications	Coatings, films, paper and glass fiber reinforced plastics

Colour Pigments

On 31 March 2023, we completed the sale of our Iron Oxide business to Cathay Industries.

We produce coloured inorganic pigments for the construction, coatings, plastics and speciality markets. We also sell carbon black and metal carboxylate driers. We produce a wide range of colour pigments and are the world's second largest manufacturer of technical grade ultramarine blue pigments, which have a unique blue shade and are widely used to correct colours, giving them a desirable clean, blue undertone. These attributes have resulted in ultramarine blue being used world-wide for polymeric applications such as construction plastics, food packaging, automotive polymers, consumer plastics, as well as coatings and cosmetics.

Our products are also used by manufacturers of colourants, rubber, paper, cosmetics, pet food, digital ink, toner and other industrial uses delivering benefits in other applications such as corrosion protection and catalysis.

Our construction customers value our broad product range and benefit from our custom blending, colour matching and colour dosing systems. Our coatings customers benefit from a consistent and quality product.

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW (CONTINUED)

Our Business (Continued)

Performance Additives Segment (Continued)

	Ultramarines	Driers
Characteristics	Range of ultramarine blue and violet and also manganese violet pigments	A range of metal carboxylates and driers
Typical Applications	Predominantly used in plastics and also coatings and cosmetics	Predominantly coatings

Made from clay, our ultramarine blue pigments are non-toxic, weather resistant and thermally stable. Ultramarine blue pigments are used world-wide for food contact applications and are used extensively in plastics and the paint industry. Our ultramarine pigments are permitted for unrestricted use in certain cosmetics applications. We focus on supplying our customers with technical grade ultramarine blues and violets to high specification markets such as the cosmetics industry.

Timber Treatment

We manufacture wood protection chemicals used primarily in residential, commercial and industrial applications to prolong the service life of wood through protection from decay and fungal or insect attack. Wood that has been treated with our products is sold to consumers through major branded retail outlets. We sell our industrial products to customers who use our products for treating wood in industrial applications.

We manufacture our timber treatment chemicals in the US and market our products primarily in North America through Viance, LLC ("Viance"), our 50%-owned joint venture with Lanxess. Our residential construction products such as ECOLIFE™, ACQ, and Copper Azole are sold for use in decking, fencing and other residential outdoor wood structures. Our industrial construction products such as ULTRAPOLE™ Chromated Copper Arsenate are sold for use in telephone poles and salt water piers and pilings.

Customer, Sales, Marketing and Distribution

Titanium Dioxide Segment

We serve approximately 1,000 customers through our Titanium Dioxide segment. These customers produce paints and coatings, plastics, paper, printing inks, fibres and films, pharmaceuticals, food and cosmetics.

Approximately 86% of our TiO₂ sales are made directly to customers through our own global sales and technical services network. This network enables us to work directly with our customers and develop a deep understanding of our customers' needs resulting in valuable relationships. The remaining 14% of sales are made through our distribution network. We maximise the reach of our distribution network by utilising speciality distributors in selected markets.

Larger customers are typically served via our own sales network and these customers often have annual volume targets with associated pricing mechanisms. Smaller customers are served through a combination of our global sales teams and a distribution network, and the route to market decision is often dependent upon customer size and end-use application.

Our focus is on marketing products and services to higher growth and higher value applications. For example, we believe that our Titanium Dioxide segment is well-positioned to benefit from sectors such as fibres and films, catalysts, cosmetics, pharmaceuticals and food, where customers' needs are complex resulting in fewer companies that have the capability to support them. We maximize reach through speciality distributors in selected markets. Our focused sales effort, technical expertise, strong customer service and local manufacturing presence have allowed us to achieve leading market positions in a number of countries.

Annual Report and Financial Statements, for the year ended 31 December 2023

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW (CONTINUED)

Customer, Sales, Marketing and Distribution (Continued)

Performance Additives Segment

We serve over 400 customers through our Performance Additives segment. These customers produce materials for the automotive industry, as well as electronics, coatings, plastics, pharmaceutical, personal care and catalyst applications.

Performance Additives segment sales are made directly to customers through our own global sales and technical services network, in addition to utilising distributors. Our focused sales effort, technical expertise, strong customer service and local manufacturing presence have allowed us to achieve leading market positions in a number of the countries where we manufacture our products. Our ultramarine sales are predominantly through distributors. Whereas we sell our timber treatment products to consumers and industrial customers via the sales force of our joint venture, Viance.

Manufacturing and Operations

Titanium Dioxide Segment

As of 31 December 2023, our Titanium Dioxide segment had seven manufacturing facilities operating in six countries with a total nameplate production capacity of approximately 602,000 metric tons per year.

Production nameplate capacities of our TiO₂ manufacturing facilities are listed below.

Site	EMEA ⁽¹⁾	North America	APAC ⁽²⁾	Total	Process
Greatham, UK	150,000			150,000	Chloride TiO ₂
Uerdingen, Germany ⁽⁴⁾	107,000			107,000	Sulfate TiO ₂
Huelva, Spain	80,000			80,000	Sulfate TiO ₂
Scarlino, Italy	80,000			80,000	Sulfate TiO ₂
Duisburg, Germany ⁽⁴⁾	50,000			50,000	Sulfate TiO ₂
Lake Charles, Louisiana ⁽³⁾		75,000		75,000	Chloride TiO ₂
Teluk Kalung, Malaysia			60,000	60,000	Sulfate TiO ₂
Total	467,000	75,000	60,000	602,000	

⁽¹⁾ "EMEA" refers to Europe, the Middle East and Africa.

⁽²⁾ "APAC" refers to the Asia- Pacific region including India.

⁽³⁾ This facility is owned and operated by Louisiana Pigment Company L.P. ("LPC"), a manufacturing joint venture that is owned 50% by us and 50% by Kronos. The capacity shown reflects our 50% interest in LPC, which was sold in July 2024.

⁽⁴⁾ The Company is currently completing a transformational project at its Duisburg and Uerdingen manufacturing facilities, pursuant to which the manufacture of certain differentiated and speciality grade TiO₂ products will be transferred from Duisburg to Uerdingen, and the 50 kt TiO₂ manufacturing facilities at Duisburg will be indefinitely shut down.

As of 31 December 2023, our Performance Additives segment had 5 manufacturing facilities operating in seven countries with a total nameplate production capacity of approximately 190,000 metric tons per year.

Product Area	Annual Capacity (metric tons)		
	EMEA	North America	Total
Functional additives	50,000		50,000
Timber treatment		140,000	140,000
Total	50,000	140,000	190,000

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW (CONTINUED)

Joint Ventures

Louisiana Pigments Company, L.P. ("LPC") was our 50%-owned joint venture with Kronos. LPC manufactures TiO₂ pigments. We shared production off-take and operating costs of the plant with Kronos, though we marketed our share of the production independently. The operations of the joint venture were under the direction of a supervisory committee on which each partner has equal representation. Our investment in LPC was accounted for using the equity method. We disposed of our share of LPC in July 2024. For more information, see Note 6 Critical accounting judgements and key sources of estimation uncertainty - Classification of Louisiana Pigment Company as a Joint Venture and Note 36 Post balance sheet events in the Consolidated Financial Statements.

Viance is our 50%-owned joint venture with Lanxess. Viance markets our timber treatment products. The joint venture sources all of its products through a contract manufacturing arrangement at our Harrisburg, North Carolina facility, and we bear a disproportionate amount of working capital risk of loss due to the supply arrangement whereby we control manufacturing on Viance's behalf. As a result, we concluded that we are the primary beneficiary and as a result, we consolidate the assets, liabilities and operating results of Viance into our consolidated financial statements.

Pacific Iron Products Sdn Bhd ("PIP") is our 50%-owned joint venture with Coogee Chemicals Pty. Ltd. ("Coogee Chemicals") that manufactures products for Venator. It was determined that the activities that most significantly impact its economic performance are raw material supply, manufacturing and sales. In this joint venture we supply all the raw materials through a fixed cost supply contract, operate the manufacturing facility and market the products of the joint venture to customers. Through a fixed price raw materials supply contract with the joint venture we are exposed to the risk related to the fluctuation of raw material pricing. We concluded that we are the primary beneficiary and as a result we consolidate the assets, liabilities and operating results of PIP into our consolidated financial statements.

Properties

We own or lease chemical manufacturing and research facilities in the locations indicated in the list below which we believe are adequate for our short-term and anticipated long-term needs. We own or lease office space and storage facilities throughout the world. Our headquarters and principal executive offices are located at the Wynyard location, with the address of Titanium House, Hanzard Drive, Wynyard Park, Stockton-On-Tees, TS22 5FD, United Kingdom.

Annual Report and Financial Statements, for the year ended 31 December 2023

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW (CONTINUED)

Properties (continued)

The following is a list of our principal owned or leased properties as of 31 December 2023 where manufacturing, research and main office facilities are located.

Location ⁽²⁾	Business Segment ⁽⁴⁾	Description of Facility
Duisburg, Germany	Various	TiO ₂ , Functional Additives, Research Facility and Administrative Offices
Greatham, UK	TiO ₂	TiO ₂ Manufacturing Facility
Huelva, Spain	TiO ₂	TiO ₂ Manufacturing Facility
Lake Charles, Louisiana ⁽³⁾	TiO ₂	TiO ₂ Manufacturing Facility
Scalino, Italy	TiO ₂	TiO ₂ Manufacturing Facility
Teluk Kalung, Malaysia ⁽¹⁾	TiO ₂	TiO ₂ Manufacturing Facility
Uerdingen, Germany ⁽¹⁾	TiO ₂	TiO ₂ Manufacturing Facility
Birtley, UK	Additives	Color Pigments Manufacturing Facility
Comines, France	Additives	Color Pigments Manufacturing Facility
Freeport, Texas	Additives	Timber Treatments Manufacturing Facility
Harrisburg, North Carolina	Additives	Timber Treatments Manufacturing Facility
Everberg, Belgium ⁽¹⁾	Various	Shared Services Centre and Administrative Offices
Kuala Lumpur, Malaysia ⁽¹⁾	Various	Shared Services Centre and Administrative Offices
Wynyard, UK ⁽¹⁾	Various	Headquarters & Administrative Offices, Research Facility and Shared Services Centre

(1) Leased land and/or building.

(2) Excludes plant in Calais, France which was closed in 2017 and the plant in Pori, Finland which was closed in 2022.

(3) Owned by LPC, our unconsolidated manufacturing joint venture which is owned 50% by us and 50% by Kronos. We sold our 50% ownership in July 2024.

(4) Solely for the purposes of this column, "TiO₂" and "Additives" represent the Titanium Dioxide and Performance Additives segments, respectively.

ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

General

We are subject to extensive federal, state, local and international laws, regulations, rules and ordinances relating to occupational health and safety, process safety, pollution, protection of the environment and natural resources, product management and distribution, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. In the ordinary course of business, we are subject to frequent environmental inspections and monitoring and occasional investigations by governmental enforcement authorities. In the U.S., these laws include the Resource Conservation and Recovery Act ("RCRA"), the Occupational Safety and Health Act, the Clean Air Act (the "CAA"), the Clean Water Act, the Safe Drinking Water Act, and Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), as well as the state counterparts of these statutes.

In the EU, we are subject to numerous environmental, health and safety related provisions. EU regulations are automatically applicable to EU Member States from the date they enter into force, while directives become binding upon incorporation into member states' national legislation. Incorporation of directives into national law must take place by the deadline set by the relevant directive, usually within two years. Applicable laws include Directive 2004/35/CE on environmental liability with regard to the prevention and remedying of environmental damage, Directive 2008/98/EC on waste ("Waste Framework Directive"), Directive 1999/31/EC on the landfill of waste, the Seveso-III Directive on prevention of major accident hazards involving dangerous substances, Directive 2000/60/EC known as the EU Water Framework Directive, Directive 2010/75/EU on industrial emissions and Regulation (EC) 1907/2006 on REACH. Additionally, member states operate their own domestic legislation where not prescribed by EU law, including in the core areas of health and safety in the workplace, statutory nuisance and land contamination legislation, which are subject to national jurisdiction.

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW (CONTINUED)

ENVIRONMENTAL, HEALTH AND SAFETY MATTERS (CONTINUED)

General (continued)

In addition, our production facilities require operating permits that are subject to renewal, modification and, in certain circumstances, revocation. Actual or alleged violations of safety laws, environmental laws or permit requirements could result in restrictions or prohibitions on plant operations or product distribution, substantial civil or criminal sanctions, or injunctions limiting or prohibiting our operations altogether. In addition, some environmental laws may impose liability on a strict, joint and several basis. Moreover, changes in environmental regulations could inhibit or interrupt our operations, or require us to modify our facilities or operations and make significant environmental compliance expenditures. Accordingly, environmental or regulatory matters may cause us to incur significant unanticipated losses, costs or liabilities. Information related to EHS matters may also be found in Note 26. Commitments and contingencies.

We are subject to a wide array of laws governing chemicals, including the regulation of chemical substances and inventories under TSCA in the U.S., and REACH, and the CLP regulation in Europe. Analogous regimes exist in other parts of the world, including the U.K., China, South Korea, and Taiwan. Several other countries have announced that they will be introducing similar systems in the future. In addition, a number of countries where we operate, including the U.K., have adopted rules to conform chemical labelling in accordance with the globally harmonised system. Many of these foreign regulatory regimes are in the process of a multi-year implementation period for these rules. For example, the GHS established a uniform system for the classification, labelling and packaging of certain chemical substances. The current REACH and CLP regimes are also under review in Europe.

On 14 October 2020, the European Commission published a Chemical Strategy for Sustainability. This is part of the EU's zero pollution ambition, which is a key commitment of the European Green Deal. The strategy aims to protect citizens and the environment by reforming chemicals regulation in Europe and regulating substances classified as hazardous, including, but not limited to, carcinogenic, mutagenic or toxic for reproduction in consumer products. The strategy may introduce new regulatory categories and impact the future regulation of our products.

The classification or restriction of our products could negatively impact sales. On 4 October 2019, the European Commission published a regulation, which classified certain forms of TiO₂ (in a powder form containing 1% or more of particles with aerodynamic diameter $\leq 10 \mu\text{m}$) as a category 2 carcinogen, which is a suspected human carcinogen based on evidence obtained from human and/or animal studies but which is not sufficient for a category 1 classification. The regulation applied from 1 October 2021. Following the U.K.'s withdrawal from the EU, the same classification of TiO₂ as a suspected carcinogen was also published in the U.K.'s mandatory classification and labelling list and applied from 1 October 2021.

We have evaluated our TiO₂ products using internationally recognized tests methods and determined that these are not subject to classification in the EU or U.K. as the products do not contain 1% or more of particles with aerodynamic diameter $\leq 10 \mu\text{m}$.

On 13 May 2020, we and a number of other applicants filed a legal challenge seeking the annulment of the Commission Delegated Regulation of 2019, in so far as it concerns the classification of TiO₂ as a carcinogenic substance by inhalation, in the General Court of the EU. On 23 November 2022, the Court annulled the classification concluding that the European Commission made a manifest error in its assessment of the reliability and acceptability of the study on which the classification is based, and that it had infringed the criterion according to which classification can relate only to a substance that has the intrinsic property to cause cancer. On 8 February 2023 an appeal was filed by the EU Member State France. The effects of the judgement of the General Court of 23 November 2022 annulling the classification are suspended pending the outcome of the appeal.

On 6 May 2021 the EFSA published an opinion regarding the use of TiO₂ (E171) as a food additive. The EFSA Opinion did not identify any immediate health concern linked to E171, however it identified uncertainties regarding the genotoxic effects of E171 used in food with a need for further investigation and concluded that TiO₂ (E171) can no longer be considered safe when used as a food additive.

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW (CONTINUED)

ENVIRONMENTAL, HEALTH AND SAFETY MATTERS (CONTINUED)

General (continued)

Following the EFSA opinion, the European Commission published a regulation on 18 January 2022 removing E171 from the list of approved food additives in the EU and requiring an assessment of the approval of the use of E171 in pharmaceutical products within three years of the publication of the regulation. The European Commission is also assessing the use of TiO₂ in other consumer products including toys, cosmetics, pharmaceuticals and food contact applications to determine whether to implement restrictions on the use of TiO₂ in these applications following the EFSA Opinion.

The adoption of the category 2 carcinogen classification in the EU or U.K. and the EFSA Opinion may negatively impact on public perception, market demand and prices of products containing TiO₂. The EFSA Opinion has triggered assessments in other countries outside the EU and a number of other jurisdictions such as Switzerland have imposed restrictions on the use of TiO₂ in food which may increase our compliance obligations, impact consumer sentiment and decrease market demand. This may also impact powdered products with different chemistries but similar particle characteristics from our Performance Additives segment.

In July 2021, ECHA published its final decision regarding the substance evaluation of TiO₂ pursuant to article 46 of the REACH Regulation, the Community rolling action plan ("CoRap"). Following the decision, the registrants of TiO₂ are required to conduct and submit the results of a number of toxicological studies carried out on various forms of TiO₂ to ECHA, and provide an updated REACH registration dossier, within 30 months of the date of the decision.

Environmental, Health and Safety Systems

We are committed to achieving and maintaining compliance with all applicable EHS legal requirements, and we have developed policies and management systems that are intended to identify the multitude of EHS legal requirements applicable to our operations, enhance compliance with applicable legal requirements, improve the safety of our employees, contractors, community neighbours and customers and minimize the production and emission of wastes and other pollutants. We cannot guarantee, however, that these policies and systems will always be effective or that we will be able to manage EHS legal requirements without incurring substantial costs. Although EHS legal requirements are constantly changing and are frequently difficult to comply with, these EHS management systems are designed to assist us in our compliance goals while also fostering efficiency and improvement and reducing overall risk to us.

Environmental Remediation

We have incurred, and we may in the future incur, liability to investigate and clean up waste or contamination at our current or former facilities or facilities operated by third parties at which waste or other materials may have been disposed. Similarly, we may incur costs for the clean-up of waste that was disposed of prior to the purchase of our businesses. Under some circumstances, the scope of our liability may extend to damages to natural resources. At the current time, we are unable to estimate the total cost to remediate contaminated sites. For a discussion of remediation matters, see Note 28. Commitments and Contingencies - Environmental Liabilities.

We are undertaking detailed assessments of the environmental status of three facilities in the EU and one in the U.S. as part of detailed site investigations. The assessment of the environmental status of these facilities may lead to a requirement for environmental remediation.

Under CERCLA and similar laws in other jurisdictions, a current or former owner or operator of real property may be liable for remediation costs regardless of whether the release or disposal of hazardous substances was in compliance with law at the time it occurred or whether it owned or operated the facility at the time of the release. Outside the U.S., analogous contaminated property laws, such as those in effect in the EU, can hold past owners and/or operators liable for remediation at former facilities. We have not been notified by third parties of claims against us for clean up liabilities at former facilities or third-party sites, including, but not limited to, sites listed under CERCLA.

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW (CONTINUED)

ENVIRONMENTAL, HEALTH AND SAFETY MATTERS (CONTINUED)

Environmental Remediation (continued)

Under RCRA in the U.S. and similar laws in other jurisdictions, we may be required to remediate contamination originating from our properties. Similar laws exist in a number of locations in which we currently operate, or previously operated, manufacturing facilities. Some of our manufacturing sites have an extended history of industrial chemical manufacturing and use, including on-site waste disposal. We are aware of soil, groundwater or surface contamination from past operations at some of our sites, and we may find contamination at other sites in the future. See Note 28: Commitments and Contingencies for details of the contamination from past operations and related cost estimates / provisions.

Climate change

Globally, our operations are increasingly subject to regulations that seek to reduce emissions of GHGs, such as carbon dioxide and methane, which may be contributing to changes in the earth's climate. Increasing presence of climate change at the top of the global political and media agenda may lead to further domestic regulations and international agreements and commitments to restrict GHG emissions, all of which can lead to the necessity for increased investment in innovative energy sources and increased capital expenditure.

Recent developments in climate change related policy and regulations include the Green Deal in the EU, mandatory disclosures in the U.K. by the CFD, the U.K. commitment to becoming carbon neutral by 2050, and similar policy changes and commitments in other nations worldwide. These changes could affect us in a number of ways including potential requirements to decarbonise manufacturing processes and increased costs of GHG allowances. As with other jurisdictions, our operations in the U.S. may become subject to increasing climate change regulations and we continue to monitor these developments closely while investigating appropriate climate change strategies to enable us to comply with the new regulations and disclosure requirements as they are released.

U.S. efforts to curb GHG emissions are being led by the EPA's GHG regulations and similar programs of certain states. To the extent that our domestic operations are subject to the EPA's GHG regulations, we may face increased capital and operating costs associated with new or expanded facilities. Significant expansions of our existing facilities or construction of new facilities may be subject to the CAA requirements for pollutants regulated under the Prevention of Significant Deterioration and Title V programs. After the sale of our interest in LPC in 2024, our further exposure to EPA GHG regulations such as the EPA's Mandatory Reporting of Greenhouse Gases rule, will be limited.

We are already managing and reporting GHG emissions, to varying degrees, at our sites worldwide. These locations are subject to a number of existing GHG related laws and regulations. Potential consequences of such restrictions include capital requirements to modify assets to meet GHG emission restrictions and/or increases in energy costs above the level of general inflation, as well as direct compliance costs. Currently, however, it is not possible to estimate the likely financial impact of potential future regulation on any of our sites.

Increasing concentrations of GHGs in the earth's atmosphere may produce climate changes that have significant physical effects, such as increased frequency and severity of storms, droughts, floods and other extreme climatic events. The potential severity of the changes varies in accordance with the Representative Concentration Pathway ("RPC") used to predict the changes, however, they could have adverse effects on our assets and operations. For example, we have a number of operations in low lying areas that may be at increased risk due to flooding, rising sea levels or disruption of operations from more frequent and severe weather events. We are assessing the potential impact of climate change on our business and manufacturing facilities.

Annual Report and Financial Statements, for the year ended 31 December 2023

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW (CONTINUED)

Information about our Board of Directors

The following table sets forth certain information regarding the individuals who are members of our Board, including their ages, who served during the year and to the date of this report.

Name	Age	Position(s) at Venator
Katherine Harper	62	Chairman of the Board of Directors
Simon Turner	61	Director, President and Chief Executive Officer (resigned as President and Chief Executive Officer 1 September 2024)
Jame Donath	50	Director
Bart de Jong	67	Director
Arjen de Leeuw Den Bouter	59	Director
Fried-Walter Münstermann	61	Director
E. Bryan Snell	68	Director, (appointed President and Chief Executive Officer 1 September 2024)

Biographical information concerning the members of our Board is set forth below.

Katherine Harper was appointed Chairman of the Board of Directors of Venator in October 2023, and Audit Committee Chair beginning in December 2024. Ms. Harper also serves as a non-executive director at Modine Manufacturing Company, a thermal management leader in the commercial, industrial, and vehicular markets, and Sasol, a global chemicals and energy company. Ms. Harper has extensive leadership experience having formerly served as the CFO for BDP International and ArgoFresh. From 2013 to 2016, Ms. Harper served as SVP and CFO at Tronox, Inc., a global leader in the mining, production, and marketing of inorganic minerals and chemicals. From 2006 to 2013, she held various senior roles at Rio Tinto, a global mining group. Ms. Harper holds a Bachelor of Science in Industrial Management and an MBA from Carnegie Mellon University.

Simon Turner served as President and Chief Executive Officer and as a director from the second quarter of 2017 through 1 September 2024. Mr. Turner served as Division President, Pigments & Additives, at Huntsman Corporation from November 2008 to August 2017, Senior Vice President, Pigments & Additives, from April 2008 to November 2008, Vice President of Global Sales from September 2004 to April 2008 and General Manager Co-Products and Director Supply Chain and Shared Services from July 1999 to September 2004. Prior to joining Huntsman Corporation, Mr. Turner held various positions with Imperial Chemical Industries PLC ("ICI").

Jame Donath was appointed as a director of Venator in January 2023 and was re-appointed to the board of directors in October 2023. He has over 20 years of experience with high-quality financial services firms sourcing and executing credit and private equity investments and has provided advisory services and has served as an independent director for a number of U.S. and European companies, including Nordic Aviation Capital, Vice Media Group, Railsbank, and Keter Group Holdings. Mr. Donath holds a Bachelor of Arts in Economics from Yale University and a Master of Business Administration from Harvard Business School.

Bart de Jong was appointed as a director of Venator in October 2023, served as Audit Committee Chair from October 2023 to December 2024 when appointed Chief Financial Officer. Mr. de Jong is the former CFO at TPC Group, a petrochemicals company based in Houston, Texas. In that position, Mr. de Jong oversaw the successful restructuring of TPC Group throughout its chapter 11 proceedings in 2022. From 2001 through 2009, prior to his involvement with TPC Group, Mr. de Jong worked at LyondellBasell Industries, a developer and supplier of chemical materials for packaging, health, and transportation solutions, in a variety of roles, including as the President of the company's TiO2 division from 2005 until its divestiture in 2007, and, most recently, as the President of the Americas division. Mr. de Jong holds a Master of Science in business economics from Erasmus University and is a Chartered Accountant.

Arjen de Leeuw Den Bouter was appointed as a director of Venator in October 2023 and Chief Transformation Officer from December 2023 to October 2024. Arjen de Leeuw den Bouter was until recently a senior client partner and global account leader at Korn Ferry, a global organizational consulting firm based in Los Angeles, California. From 2018 to 2020, Mr. de Leeuw den Bouter served as a director at AlixPartners, LLP. From 2011 to 2018, Mr. de Leeuw den Bouter also served in various roles at Azko Nobel N.V., a coating supplier active in over 150 countries, including as business director for industrial coatings, integration director, and global transformation manager for performance coatings. He has also held various roles at Roland Berger LP, Tricon Energy, and DSM. Mr. de Leeuw Den Bouter holds a Master of Science in Chemical Engineering from Technical University Delft.

STRATEGIC REPORT (CONTINUED)

II. BUSINESS OVERVIEW (CONTINUED)

Information about our Board of Directors (continued)

Fried-Walter Münstermann was appointed as a director of Venator in October 2023. Mr. Münstermann is a managing director at KMH Optimum GmbH, a private equity and consulting services firm. Mr. Münstermann also currently serves as an advisory board member at Steag GmbH, a German power company, and GIG Holding GmbH, a global facility management and industrial services company. From 1992 to 2022, he held various roles at BASF SE, a leading chemical company, most recently serving as Chief Procurement Officer. Mr. Münstermann holds a degree in economics and business administration from the University of Münster.

E. Bryan Snell was appointed as a director of Venator in October 2023 and President, Chief Executive Officer and Executive Director effective 1 September 2024. Mr. Snell is the former President of Titanium Technologies at Chemours, a chemistry company and one of the world's largest producers of titanium dioxide for coatings, plastics, and laminates, a position he held from 2015 to 2021. For over 40 years, Mr. Snell served in a variety of senior level management and operational roles at Chemours (previously DuPont), including sales and marketing and plant management and, in his most recent role, revamped the Titanium Technologies commercial strategy. Mr. Snell holds a Bachelor of Science in Chemical Engineering from the University of Delaware.

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES

Our business is subject risk and uncertainties. On the following pages we have identified risks we regard as among the most relevant for our business and among the most material to our performance at this time. Our business is subject to additional risks, and new risks could emerge in the future.

We also constantly assess risks, including regarding whether the level of risk associated with each of our principal risks is increasing or decreasing for our business. The principal risks that we believe have an increased level of risk for our business compared to last year are:

- our credit rating and perceived liquidity impacting relationships with other companies.
- the impact of climate change regulations that seek to reduce emissions of GHGs on our operations.

Compared to last year, the impact of climate change regulations that seek to reduce emissions of GHGs on our operations, described below in more detail, have resulted in new risks to our business.

We set out below certain mitigating actions intended to help us to manage important risks. However, we may not be successful in deploying some or all of these mitigating actions. As a result, our cash flow, operating results, financial position, business, and reputation could be materially adversely affected.

Principal Risks related to the Economy

Risk	Risk description	Management of risk	Level of risk
Economy	<p>The market for many of our TiO2 products is cyclical and volatile, and we may experience depressed market conditions for such products.</p> <p>Historically, the market for large volume TiO2 applications, including coatings, paper and plastics, has experienced alternating periods of tight supply, causing prices and margins to increase, followed by periods of lower capacity utilization resulting in declining prices and margins. The volatility in this market is unpredictable and can be caused by a number of factors including, but not limited to changes in demand for products as a consequence of global and regional economic activity, changes in the customer’s requirements, capacity additions or reductions, including unplanned outages, that result in changes of utilization rates, and significant changes in major input costs such as titanium bearing ores, energy and other feedstocks.</p> <p>The cyclical and volatility of the TiO2 industry results in significant fluctuations in profits and cash flow from period to period and over industry cycles. Our ability to successfully implement price increases or to manage falling TiO2 prices depends on the current economic factors regionally and globally, including industry operating rates.</p> <p>In addition, the demand for TiO2 and certain of our other products during a given year are subject to seasonal fluctuations. Because TiO2 is widely used in paint and other coatings and construction, demand is higher in the construction seasons of spring and summer in the Northern Hemisphere. We may also be adversely affected by anticipated or unanticipated changes in regional weather conditions</p>	<p>We monitor closely the TiO2 market from macro-economic trends and market fundamentals to operating rate and inventory trends for the main economic regions (EMEA, Americas and APAC). We look at long-term and short-term market dynamics which feeds into our regular demand and price forecast review.</p> <p>Over the years, we have adopted a customer tailored approach with respect to pricing, including implementing monthly reviews to react to market conditions and recover in a timely manner some of the direct cost headwinds.</p> <p>With respect to operating rates, we have implemented business improvement programs addressing latent capacity within the network and reduced excess capacity by closing less cost-effective manufacturing locations.</p> <p>We have made efforts to acquire and develop a more resilient product portfolio to reduce exposure to the cyclical and volatile TiO2 market with a primary focus on speciality and differentiated products.</p>	No change

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Principal Risks related to the Economy (continued)

Risk	Risk description	Management of risk	Level of risk
Economy	<p>Price inflation for materials, labour, and services, further exacerbated by volatility in energy and commodity markets by ongoing conflicts including the war in Ukraine and hostilities in the Middle East, could adversely affect our business, results of operations and financial condition.</p> <p>We have experienced considerable price inflation in costs for energy, materials, labour, and services beginning in 2022 and continuing through 2023. We may not be able to pass through inflationary cost increases and, if inflationary pressures are sustained, we may only be able to recoup a portion of our increased costs in future periods. Our ability to raise prices to reflect increased costs may also be limited by competitive conditions in the markets for our products. The war in Ukraine, hostilities between Israel and Hamas, Houthi rebel attacks on cargo ships and tankers, and prolonged geopolitical and economic conflict may continue to result in increased inflation, escalating energy and commodity prices and increasing costs of materials and services (together with shortages or inconsistent availability of materials and services).</p>	<p>Given our European-centric footprint, we have established a European Risk Management Committee which principally deals with the energy procurement strategy of the Company. The remit of the committee is to better understand the fundamentals of the energy markets dynamics, to perform risk assessments and to develop potential risk mitigation strategies, to develop and approve an annual energy procurement plan and to regularly monitor performance against the plan.</p> <p>We have worked more recently with third party experts in the energy market to formulate recommendations to the European Risk Management Committee to help short-term and long-term decision making.</p> <p>We work closely with energy suppliers and proactively tender and renew our energy contracts in an effort to take advantage of market conditions via forward buying.</p>	No change

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Principal Risk related to Competition

Risk	Risk description	Management of risk	Level of risk
Competition	<p>The industries in which we operate are highly competitive, and we may not be able to compete effectively with our competitors.</p> <p>The global TiO₂ market is highly competitive, with the top producers accounting for a significant portion of the world's production capacity. Competition is based on a number of factors, such as price, product quality and service. Some of our competitors may be able to drive down prices for our products if their costs are lower than our costs. In addition, our TiO₂ business competes with numerous regional producers, including producers in China, who have significantly expanded their sulfate production capacity during the past several years and have continued to develop the commercial production of TiO₂ via chloride technology. The risk of our customers substituting our products with those made by Chinese producers could increase as the Chinese producers improve their quality levels and increase production capacity.</p> <p>We also implement various restructuring initiatives to improve our operating efficiency and competitiveness, which have included in some instances the planned or completed closure of sites within our manufacturing network, including manufacturing sites in Pori (Finland), Calais (France) and the transformation of our Duisburg and Uerdingen facilities (Germany). Restructuring and site closures are complex and involve multiple aspects including environmental, government, regulatory, contractual and workforce matters. It is possible that we may exceed projected costs and timeframes or not achieve targeted costs savings. Any material increase in restructuring or plant closure costs or timeframes could have a material impact on our consolidated financial statements.</p>	<p>We operate in mature markets with a leadership position in Europe. To face increasing competition from Asian producers, we have made efforts to acquire and develop a more resilient product portfolio to reduce exposure to the cyclical and volatile TiO₂ market with a primary focus on speciality and differentiated products. Today, we believe that more than half of our sales are in high-value TiO₂ categories.</p> <p>On 6 June 2024, in response to complaints lodged by the European Titanium Dioxide Ad Hoc Coalition, or ETDC, the EU will require the registration of Chinese imports of titanium dioxide in the European Union, with those imports subject to a 39.7% provisional duty rate.</p> <p>Our innovation teams focus on applications with demanding technical requirements which fewer competitors produce. We develop product ideas both in-house or with a selected partners.</p> <p>We continue to leverage the experience acquired from successfully completing closure of manufacturing sites including Pori (Finland) and Calais (France). This allows us to create reliable expectations in our cost forecasts and probable timelines.</p> <p>We also maintain good working relationships with the local governments and Works Councils proactively working with them to minimize external impacts to the process.</p>	No change

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Principal Risk related to Supply Chain

Risk	Risk description	Management of risk	Level of risk
Supply Chain	<p>Our business depends on purchasing materials, efficient manufacturing and timely distribution of products to our customers.</p> <p>We incur substantial costs for raw materials, energy and shipping. These costs are subject to worldwide supply and demand as well as other factors beyond our control and we have experienced significant increases in all of these costs in recent years. Volatility in the cost for raw materials and energy have significantly affected our operating results.</p> <p>Manufacturing facilities in our industry are subject to planned and unplanned production shutdowns, turnarounds, outages and other disruptions. Any disruption at our facilities could impair our ability to use our facilities and have a material adverse impact on our revenues, increase our costs and expenses and negatively impact liquidity.</p> <p>We ship a significant portion of our products to our customers through our distributor network as well as independent third-party delivery companies. If any of our key distributors or third-party delivery providers experiences a significant disruption our products may not be delivered in a timely fashion.</p>	<p>Given our European-centric footprint, we have established a European Risk Management Committee which principally deals with the energy procurement strategy of the Company. Please refer to principal risks on price inflation for materials, labour, and services.</p> <p>We have contingency plans designed to enable us to share or transfer materials across our facilities in case of production outages, although those actions could increase our cost to manufacture relevant products.</p> <p>We have enhanced production capabilities at some facilities enabling the production of larger range of products.</p> <p>We work closely with our distribution network and customers to anticipate any downstream supply chain challenges.</p>	No change

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Principal Risk related to Liquidity

Risk	Risk description	Management of risk	Level of risk
Liquidity	<p>As a result of a history of operating losses and negative cash flows, together with other factors, including the effect on our ability to borrow and events of default under our debt obligations following the filing of the Chapter 11 Cases (as defined below), we may not have sufficient liquidity to sustain operations and to continue as a going concern.</p> <p>As further described above, we began to experience global inflationary pressures during 2021, particularly in Europe, where we experienced significant increases in our energy costs during periods subsequent to the COVID-19 pandemic shutdowns. The inflationary pressures on European energy were exacerbated in 2022 after Russia's invasion of Ukraine while other operating costs also remained inflated. Beginning in the third quarter of 2022, we began to experience a significant reduction in demand for our TiO₂ products sold in Europe and APAC while energy market prices reached record highs and other cost inflation continued to increase.</p> <p>Our capital requirements will depend on many factors, including acceptance of, and demand for, our products, the extent to which we invest in new technology and research and development projects, and the status and timing of these developments. Obtaining such financing is more challenging under current market conditions. Disruptions in the capital and credit markets, including the increases in interest rates by the U.S. Federal Reserve to counteract inflation, as well as other factors, have caused some lenders to increase interest rates, enact tighter lending standards which we may not satisfy as a result of our debt level or otherwise, refuse to refinance existing debt at maturity on favorable terms, or at all, and in certain instances have reduced or ceased to provide funding to borrowers.</p>	<p>In order to mitigate the liquidity risk described herein, we reached agreement on the terms of a comprehensive recapitalisation plan (the "Plan") with an overwhelming majority of the aggregate principal amount of our funded debt obligations under various debt agreements (the "Support Agreement"). In accordance with the Plan, on emergence, all outstanding obligations under the Term Loan Facility, Senior Secured Notes, and Senior Unsecured Notes (collectively, the "Existing Debt Instruments"), totalling approximately \$1,270 million, including the applicable indentures, credit agreements and guarantees governing such obligations, were cancelled in return for New Ordinary Shares of the Company. As a result, the Company has emerged successfully from Chapter 11 with a significantly deleveraged balance sheet as compared to 31 December 2022, and with a new exit term loan and exit facility in place.</p> <p>Additionally, during 2024 the Company negotiated amendments to the Term Loan Credit Agreement for an additional \$200 million in outstanding loans, subject to compliance with the existing Term Loan covenants.</p>	No change

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Principal Risk related to Liquidity (continued)

Risk	Risk description	Management of risk	Level of
Credit rating and payment terms	<p>Our credit rating and perceived liquidity can impact relationships with our customers, prospective customers, suppliers or other companies with whom we conduct business as they may require modifications in our arrangements, further impacting our liquidity.</p> <p>The credit rating agencies periodically review our ratings, considering factors such as our capital structure, earnings profile, and the condition of our industry and the credit markets generally. Credit ratings are subject to revision or withdrawal at any time by the assigning rating organization. We received a reduction in our credit ratings following the issuance of an audit opinion with an explanatory paragraph regarding going concern with respect to our 2022 audited financial statements and filing for and emergence from chapter 11 bankruptcy.</p> <p>The downgrade of our credit ratings has resulted in shorter payment terms from vendors, including instances where vendors have required prepayments, causing additional liquidity restrictions.</p>	<p>Management has proactively engaged with credit rating agencies to understand the steps to be taken and what information needs to be provided to improve our standing with the credit agencies.</p> <p>Management has focused on a targeted improvement in payment terms from vendors post emergence from Chapter 11. Management expects to return to recent historical DPO averages of mid 50 days. Recent negotiations with vendors support the Company’s ability to return to more normalised payment terms.</p>	Increased

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES

Principal Risk related to Liquidity (continued)

Risk	Risk description	Management of risk	Level of risk
Climate change	<p>Our operations are increasingly subject to climate change regulations that seek to reduce emissions of GHGs.</p> <p>We operate in regions in which our businesses, as well as many of our customers, are exposed to the adverse impacts of climate change, as well as uncertainties related to future climate change regulations.</p> <p>Recent developments in climate change-related policy and regulations include the Green Deal in the EU, mandatory Climate-related Financial Disclosures ("CFD") disclosures in the U.K., the U.K. commitment to becoming carbon neutral by 2050, and similar policy changes and commitments in other nations worldwide including the announcement that the U.S. is rejoining the Paris Agreement. These changes could affect us in a number of ways including potential requirements to decarbonize manufacturing processes and increased costs of carbon emissions credits.</p> <p>As with other jurisdictions, our operations become subject to increasing climate change regulations and we are currently monitoring these developments closely whilst continuing to develop appropriate climate change strategies to enable us to comply with the new regulations and conform to new disclosure requirements such as CFD.</p>	<p>We are currently managing and reporting GHG emissions, to varying degrees, at our sites worldwide. These locations are subject to a number of existing GHG-related laws and regulations. Potential consequences of GHG-related laws and regulations include capital requirements to modify assets to meet GHG emission restrictions and/or increases in energy costs above the level of general inflation, as well as direct compliance costs. Currently, however, it is not possible to estimate the likely financial impact of potential future regulation on any of our sites.</p> <p>As a chemical manufacturer, our scope 1 and 2 carbon emissions are significant. While our value chain emissions are being targeted for reduction through our procurement teams, it is essential that we also focus on adapting our infrastructure to reduce the carbon intensity of our operations. As such, we have committed to a 50% emissions reduction target for our absolute scope 1 and 2 emissions by 2030. Ambitious short-term emissions reductions are essential to put us on a trajectory to achieve net zero emissions by 2050.</p> <p>Following the development of our decarbonization strategy in 2022, in 2023 we set out our staged approach to developing plans for each manufacturing site. Beginning with Greatham, one of our largest manufacturing sites, we created a decarbonization plan that outlines our planned actions to decarbonize our scope 1 and 2 emissions. In 2024, we plan to develop decarbonization plans for our Huelva site to continue our efforts to reduce emissions.</p>	Increased

STRATEGIC REPORT (CONTINUED)

Section 172 Companies Act Statement

The directors of Venator, and all directors of UK companies must act in accordance with a set of general duties. A director's duty is to promote the success of the Company for the benefit of its stakeholders and wider members and in doing so must have regard to a number of broader guidelines. These wider guidelines are set out in Section 172 of the UK Companies Act 2006 and are summarised as follows:

- a). The likely consequences of any decision in the long-term;
- b). The interest of the Company's employees;
- c). The need to foster the Company's business relationships with suppliers, customers and others;
- d). The impact of the Company's operations on the community and the environment;
- e). The desirability of the Company maintaining a reputation for high standards of business conduct; and
- f). The need to act fairly between members of the Company.

At Venator the directors perform their duties through a governance framework that delegates day-to-day decision making to employees of the Company. The directors recognise that such a framework requires careful management and further detail can be found in Venator Corporate Governance Guidelines on our website at www.venatorcorp.com. The Corporate Governance Guidelines is an internal corporate policy and does not follow a specific adopted Corporate Governance code. The paragraphs below summarise Venator's culture, values and expectations of its employees so that the directors can promote the success of Venator and achieve the guidelines set out in section 172 and 414CZA of the UK Companies Act 2006.

The directors believe our passion for who we are and what we do gives us a competitive advantage in all our business endeavours. Our commitment to our values of integrity, zero harm, teamwork, innovation and performance unites us globally and fosters our high ethical standards in our relationships with each other, our customers and all with whom we do business. It is important for all associates to support our Company's values so that we continue to make the right decisions every day.

Our Business Conduct Guidelines and corporate policies reaffirm our commitment to do the right thing and act with integrity, transparency and honesty in all circumstances. Everyone at Venator is responsible for acting in compliance with laws and regulations, maintaining high ethical standards and conducting business with integrity.

Venator is committed to sound principles of corporate governance in order to enhance the long-term value of the Company for the benefit of its stockholders. The Company believes that the long-term interests of its stockholders are advanced by responsibly addressing the concerns of stakeholders and interested parties. The Board and management recognise that it is their joint responsibility to ensure compliance with all applicable regulatory requirements and company compliance policies.

Venator's Business Conduct Guidelines apply across our operations and geographical locations. We hold annual training sessions with all our associates to discuss and promote the strong ethics and compliance practices that should be upheld. Our Corporate Governance Guidelines detail procedures taken in relation to conflicts of interest, Board leadership and general oversight, communications between shareholders and directors, annual performance reviews of the board and an annual review of governance policies.

Our Financial Code of Ethics details compliance procedures, ethical principles, waivers and violations. We operate an Ethics and Compliance reporting service 'Speak Up' that allows all associates and external stakeholders to anonymously raise any questions or concerns directly with our Ethics and Compliance (E&C) Team. Topics raised are thoroughly investigated, with the findings reported to the Board of Directors each quarter. This is treated with the upmost importance to the Company.

Further information can be found in Venator's Business Conduct Guidelines including a section on 'Upholding Our Values for...our customers and business associates' at www.venatorcorp.com and also in the statement of engagement with suppliers, customers and others in a business relationship with the Company which can be found in the Directors' Report on page 44.

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Section 172 Companies Act Statement (continued)

Venator's directors believe that the long-term interests of the shareholders are advanced by responsibly addressing the concerns of stakeholders and interested parties. This is achieved through having a standing Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee, each consisting of independent directors. These committees oversee and are responsible for each aspect of our compliance and regulatory programs. The board and management recognise that it is their joint responsibility to ensure compliance with all applicable regulatory requirements and company compliance policies. The board also considers the principal risks and uncertainties facing the Company when making its decisions. More information on the principal risks and uncertainties can be found above in the Strategic Report on pages 19 to 32. Also see pages 4 and 5 of the Strategic Report for the key decisions in 2023.

Venator's values of integrity, zero harm, teamwork, innovation and performance unite and guide us, they reflect the culture of the business and by following these principles the directors believe they will help us deliver the greatest value to our customers and associates.

Our key stakeholders include our shareholders and debt providers, our customers and suppliers, our employees, and our community and environment.

Shareholders and Debt Providers

2023 was a tumultuous year for Venator as on 14 May 2023, the Company and certain of its subsidiaries filed voluntary petitions for relief under chapter 11 of the United States Code in the Bankruptcy Court. On 12 October 2023 (the "Effective Date"), the Company filed a Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code (the "Plan"), upon which the Plan became effective in accordance with its terms and the Debtors emerged from Chapter 11. In accordance with the Plan, on emergence, outstanding obligations totalling approximately \$1,289 million were legally discharged in return for New Ordinary Shares of the Company. As a result, the Company has emerged successfully from Chapter 11 with a significantly deleveraged balance sheet and with a new term loan and ABL facility in place. Additionally, on the Effective Date, seven of the members of the Board of Directors of the Company resigned and six members were appointed as Directors of the Company. This reorganization left the Company in a more sound financial position, allowing us to better deliver on our financial plan and to provide value to our key stakeholders, including our shareholders and debt providers.

The Company engages with its shareholders and debt providers through periodic meetings and quarterly financial reporting packages. Additionally, the Company continues to receive favourable support from their shareholders and debt providers. This support is evidenced through engagement with the lenders during 2024 to put in place an additional \$200 million in term loans due July 2026, bringing the total balance of outstanding term loans to \$375 million (\$175 million due October 2028 and \$200 million due July 2026). The Company also initiated a program of divestment of non-core assets which has provided additional liquidity generating \$153 million in cash proceeds during 2024, all of which the Company would be required to repay in accordance with the Term Loan Credit Agreement, however lenders have granted waivers allowing the Company to retain the proceeds.

Customers and Suppliers

We are a large chemical manufacturer, and guaranteeing the safety of our products is paramount. It directly impacts the health and well-being of consumers, workers, and the environment. To ensure this safety, we must also ensure that our products are of the highest quality. Our commitment to product safety reflects our dedication to our values of ZERO Harm and Integrity in everything we do.

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Section 172 Companies Act Statement (continued)

Customers and Suppliers (continued)

As a business that deals with critical minerals such as titanium ore and other metal ores, we must ensure that we do not source any materials from regions at risk of conflict. In line with the Dodd-Frank Act and the EU's Regulation 2017/821 requirements, Venator is committed to and supports international efforts to identify the sourcing of certain conflict minerals whose extraction may support the violent conflict in conflict-affected and high-risk areas. The current macroeconomic environment with ongoing conflicts around the world only reinforces this. Venator's Conflict Minerals Policy guides our approach to preventing the sourcing of conflict minerals. We are committed to Extended Minerals Reporting on tin, tantalum, tungsten and gold (collectively, the 3TGs), as well as cobalt and mica. We ensure that their sourcing is consistently monitored and addressed, and we work with our suppliers to make certain that conflict minerals are not found within the products and materials they supply to Venator. From our due diligence in 2023, Venator identified that no conflict minerals were being sourced within our supply chain.

We ensure that all products are safe and compliant with relevant laws and regulations. By adhering to stringent safety standards and rigorous quality control measures, we instill trust and confidence in our offerings, fostering long-term relationships with customers and stakeholders. Our Product EHS team upholds our product safety and compliance standards, which are governed by our Sustainability, Quality, and Product Stewardship Policy. This outlines our approach to product quality and safety and demonstrates our commitment to operating using manufacturing excellence principles, robust quality control, and continual development and improvement of our products. We ensure that all our products comply with safety and quality requirements and are ready for distribution worldwide. All our sites are accredited to ISO 9001 for Quality Management Systems, demonstrating sound processes to ensure that all manufactured products adhere to our high internal standards.

While vendors are independent entities from Venator, a vendor's business practices and actions when conducting business with or on behalf of Venator may significantly impact and reflect upon our company. To ensure that Venator operates ethically and in compliance with all applicable regulations, it is crucial to hold our suppliers to the same standards as our associates. To do so, we want to ensure that all our suppliers reflect our commitment to our values by requiring them to adhere to our Vendor Code of Conduct, which mirrors our Business Conduct Guidelines. As set in our Code, we expect our suppliers to adhere to the scheduled business practices and comply with all applicable laws explicitly concerning human rights. In 2023, our Vendor Code of Conduct was updated with new references to our Sustainable Supplier Assessment.

Employees

Our people are at the core of our business, be that engaging with our customers or communicating with our suppliers and other key stakeholders. Because of this, we strongly believe in fostering the development, well-being, safety and diversity of Venator's 2,700 associates. Zero Harm and Teamwork are two of the five Venator values which guide our day to day approach to people management. We believe that by investing in our people, we create a more sustainable workforce that will drive our business growth and enable us to overcome the different challenges we face.

We believe that our values-based culture is a competitive advantage that is critical to our success and we implement policies that set forth these values including our Business Conduct Guidelines. We pride ourselves on maintaining high ethical standards and integrity, employee health and safety, teamwork, innovation and performance. We emphasize the importance of each of our employees supporting our core values, establishing standards for work ethic, collaboration, and a commitment to deliver results.

We began our culture program over six years ago with the idea of enhancing business performance through a positive and consistent culture. We were deliberate about the type of culture we wanted to create. Through the 'One Venator' workshops across our global sites, we focused on providing practical tools to help our people work effectively together, unlock creativity, take greater accountability, and understand their influence on others in the workplace. We continue to work hard to embed our five core values into a shared culture across the business, while respecting each site and location. We recognise culture is constantly evolving. To monitor and review the integration of the culture program across the business, we will include focused questions in our next associate survey.

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Section 172 Companies Act Statement (continued)

Employees (continued)

To remain a leading global manufacturer and marketer of chemical products, it is important that we continue to attract and retain exceptional talent. Our business results depend on our ability to successfully manage our employees, including attracting, identifying and retaining key talent. Factors that may affect our ability to attract and retain qualified employees include employee morale, our reputation, competition from other employers and availability of qualified individuals.

At Venator, we view Diversity, Equity and Inclusion ("DEI") as central elements of our role as an employer and the prosperity of the business. The year 2023 was turbulent for Venator, yet we have remained steadfast and committed to achieving our 2030 target of having more than 30% of senior leadership roles held by women. While our total headcount was reduced during 2023 as a result of the divestment of part of our business, at the end of FY23, female leaders comprised 18% of our leadership roles, representing a 3% increase from our 2022 figure.

As a global business, we recognise that a blanket approach to DEI would not be suitable to accurately reflect the unique cultural and contextual nuances of each of our sites around the world. In light of this, we will continue to invest time and resources to collect a comprehensive suite of metrics and insights on DEI across our global sites. We have approached this by expanding the breadth of our associate data collection and holding further discussions with individual site representatives on local contexts. This exercise will also contribute to our identification and development of relevant KPIs to measure our progress against current and future DEI targets.

Associate Health and Safety

When it comes to our associates, our principal focus is keeping them safe from harm through exemplary personal and process safety. Our ZERO Harm commitment is more than a set of tools and procedures, it's a fundamental feature of our business culture and a mindset we continually reinforce.

Excellent human safety and process safety performance is critical to our overall performance as a business. At Venator, we aim to take a consistent approach to managing and assessing health and safety risks among our workforce. Following the success of our Hazard Awareness and Risk Acceptance (HARA) program in 2021, we continued to invest time and resources into implanting it across the business. We hold dynamic workshops for site leaders, using our culture of learning and sharing to embed awareness of the six human factors (Consequence, Capability, Familiarity, Motivation, Reliance and Influence) that influence our everyday decisions. The tools and prompts shared in these workshops are designed to encourage our colleagues to consider the human factors that might influence their decisions on safety and help them to seek safer ways to complete the task.

In 2023, we introduced new initiatives to help embed our culture of ZERO Harm across our sites and reduce the number of injuries and their severity. Building on our best-ever personal safety performance in 2022, we launched our first global ZERO Harm Week in April 2023. Through workshops, we encouraged everyone to embed the concept of ZERO Harm into everyday activities, including personal lives. Individual teams role-played hypothetical workplace safety scenarios and were prompted to identify why the situation arose, what the hazard entailed, and how to prevent harm from occurring in the situation. The resulting output of the week was very positive, with associates talking about ZERO Harm and HARA in their safety crosses at the beginning of each shift.

The ultimate goal of this work is to reduce the number of incidents that arise throughout the year and decrease the severity of injuries that do occur. From 2022, we have seen a 10% reduction in the number of injuries that have arisen during the year. We recorded only one injury we would classify as severe in 2023. Despite recording fewer injuries, our recordable injuries rate increased to 0.47 in 2023, representing a 10% increase compared to 2022. We attribute this to the sale of our iron oxide business in March 2023, which historically recorded low injury rates, meaning that many working hours used in the metric were excluded from calculations.

We have work to do to reduce our recordable injury rate to get back on track with our 2030 target. As such, our plans for 2024 entail a self-audit plan for all our sites, which will involve a standardized annual cycle of five internal audits for five of the highest-risk activities for Venator. In addition to this, we will be carrying out ZERO Harm and Process Safety Management (PSM) fundamentals refresher training, and developing more robust processes to further improve the learning and sharing from incidents that occur.

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Section 172 Companies Act Statement (continued)

Employees (continued)

Further information can be found in the Guidelines and Ethics section of the Company website at www.venatorcorp.com. This includes Venator's Human Rights Policy, Modern Slavery Act Statement 2018, Sustainability Report and Business Conduct Guidelines.

Community and Environment

At Venator, we recognise the importance of forming positive relationships with our local communities. We aim to invest in initiatives that address the needs of the local people, who have been an integral part of the Company from the outset. In particular, we invest in small local organisations who may otherwise struggle to operate. To ensure we understand the local context, we facilitate ongoing stakeholder engagement with local community members and frequently collaborate with local authorities, NGOs and other not for profit organisations.

Community Fund

The annual Community Fund initiative exemplifies Venator's commitment to supporting our communities in our UK operations. Through this initiative, we offer up to 40 annual grants to community groups and organizations based in North East England that embody two of our core company values: Teamwork and Innovation. This initiative showcases our desire to give back to the communities of which we are grateful to be a part. Due to financial circumstances, we placed our Community Fund on hold for 2023. We aim to revitalize the fund in 2024 and continue to support worthy causes in our local communities. Since its launch in 2018, the fund has awarded over £60,000 to charities, community groups, and schools, and we look forward to increasing this figure in 2024 and beyond.

Charity

Venator encourages associates to support the causes that are important to them, and through our Match Funding program, we contributed to several charities chosen by our people in 2023.

In 2023, we continued to work in partnership with Dementia UK, which helps cover the costs to run their Admiral Nurse Service in Middlesbrough for the next two years, ensuring that specialist dementia support is available for local families when they need it. Dementia UK's Admiral Nurses continuously provide life-changing support for families affected by all forms of dementia—including Alzheimer's disease. They can be a lifeline for such families, which is why we have chosen to support this truly vital service on the doorstep of our global headquarters in Teesside, UK.

Sustainability

We developed and broadcast our sustainability strategy in 2022, which laid down the foundations for us to improve our sustainability performance through the setting of targets for 2030 across our material topics. The year 2023 was one of change for our industry and our organization, and as we adapted to this change, specific initiatives and progress against our 2030 targets have been impacted by the accompanying challenges. However, our ambition and focus are unwavering, and we remain committed to achieving our 2030 targets and demonstrating transparency on our sustainability performance.

In 2023 we achieved very significant sustainability milestones for our business.

- Submitted our first Communication on Progress (COP) Report to the UN Global Compact.
- Achieved the prestigious Gold Medal from EcoVadis for Sustainability Performance; we are now among the top 4% of companies rated globally.
- Completed our first climate risk and opportunity assessment to understand the risks and opportunities associated with climate change, which was aligned with the UK Government's Climate-related Financial Disclosures (CFD) recommendations.
- Further developed studies into the implementation of hydrogen gas at certain facilities with the support of the Industrial Energy Transformation Fund (IETF) grant.
- Conducted further research into the applications of our products and co-products.
- Scaled up our product carbon footprint (PCF) calculation, enabling us to support our clients with decarbonizing their scope 3 carbon footprints.
- Launched our first ZERO Harm Week

STRATEGIC REPORT (CONTINUED)

III. PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Section 172 Companies Act Statement (continued)

Employees (continued)

Our governance structure for sustainability begins with the Nominating and Corporate Governance Committee of the Board, where our Board Sponsor for Sustainability, E. Bryan Snell, oversees and monitors the progress against our sustainability strategy and targets. The Committee is ultimately accountable for the achievement of our 2030 targets. Our Sustainability Council is responsible for reporting sustainability performance to the Board. This Council is comprised of workstream leaders from across Venator’s global operations who represent each business unit and function. The Sustainability Council is chaired by Dr Rob Portsmouth, our Executive Vice President, Sustainability, Environment, Health and Safety (EHS) and Human Resources (HR). It meets quarterly to review performance and progress against key initiatives contributing to our sustainability targets, and works to identify new ways Venator can continuously improve sustainability performance.

For further information on Venator's response to Environmental Matters including Climate Change, see Strategic Report: 'Environmental, Health and Safety Matters'.

Section 172 Companies Act Statement Summary

Factor	Section	Topic
(a) the likely consequences of any decision in the long term,	I. STRATEGY AND OUTLOOK, Outlook for 2025 and Beyond	Our Growth and Outlook Strategies
	III. PRINCIPAL RISKS AND UNCERTAINTIES, Section 172 Companies Act Statement	Principal Decisions
(b) the interests of the company's employees,	III. PRINCIPAL RISKS AND UNCERTAINTIES, Section 172 Companies Act Statement, Employees	Employees
	VIII. EMPLOYEES	
(c) the need to foster the company's business relationships with suppliers, customers and others,	II. BUSINESS OVERVIEW	Customers
	III. PRINCIPAL RISKS AND UNCERTAINTIES, Section 172 Companies Act Statement, Customers and Suppliers	
	II. BUSINESS OVERVIEW III. PRINCIPAL RISKS AND UNCERTAINTIES, Section 172 Companies Act Statement, Customers and Suppliers	Materials and Suppliers
(d) the impact of the company's operations on the community and the environment,	III. PRINCIPAL RISKS AND UNCERTAINTIES, Section 172 Companies Act Statement, Community and Environment;	Community Involvement
	II. BUSINESS OVERVIEW, 'Environmental, Health and Safety Matters.	Environmental Impact
(e) the desirability of the company maintaining a reputation for high standards of business conduct, and	III. PRINCIPAL RISKS AND UNCERTAINTIES, Section 172 Companies Act Statement, Employees	Code of Ethics
	III. PRINCIPAL RISKS AND UNCERTAINTIES, Section 172 Companies Act Statement, Customers and Suppliers	Vendor Code of Conduct
(f) the need to act fairly as between members of the company.	I. STRATEGY AND OUTLOOK, Our Values	Our Values

This Section 172 Statement was approved by the Board of Directors on 19 February 2025

STRATEGIC REPORT (CONTINUED)

IV. MARKET OVERVIEW

Current Business Environment

For additional information, see I. Strategy and Outlook, pages 4 to 12 of this Strategic Report.

Impairment

In the year ended 31 December 2023, the Group reported impairment losses of \$6 million (2022: \$717 million). See "Note 18 - Property, Plant and Equipment" for detailed information on our impairment review and resulting losses reported in 2023.

V. KEY PERFORMANCE INDICATORS (KPIs)

Venator's key performance indicators allow the business to measure both the financial value created for its stakeholders and the strategic value in growing the business and delivering on its purpose.

The directors consider that the Venator Group has the following financial and non-financial KPIs as a measure of its performance and position:

Financial KPIs

	2023	2022
Revenues	\$1,556m	\$2,173m
Adjusted EBITDA	\$(237)m	\$26m
Change in Cash and Cash Equivalents	\$(41)m	\$(43)m

These are considered to be the key financial KPIs for the Venator Group because to investors and management they are strong indicators of the performance of the business and the market in which it operates.

For further details on the calculation of the above financial measures please refer to the sections noted below:

Revenues - for further details regarding the movement in revenues - Results of Operations (Strategic Report pages 34 to 36).

Adjusted EBITDA - for the reconciliation of net (loss) / income to adjusted EBITDA - Results of Operations (Strategic Report pages 34 to 35). Note: Adjusted EBITDA is an alternative performance measure ("APM") that Venator use as a measure of financial performance.

Change in Cash and Cash Equivalents - see consolidated statement of cash flows on pages 91 to 92 and Venator's short term objectives beginning on page 7 of this Strategic Report.

Non-financial KPIs

	2023	2022
Total number of recordable injuries	17	19
Recordable injury frequency rate	0.47	0.43
Total number of process incidents	2	4

These are considered to be the key non financial KPIs for the Venator Group because one of the core values of Venator is zero harm, with the business focusing strongly on the safe operation of its assets, and the safety of all associates and contractors working on our sites.

STRATEGIC REPORT (CONTINUED)

V. KEY PERFORMANCE INDICATORS (KPIs) (CONTINUED)

We delivered a step change improvement in our EHS performance indicator versus the previous year. The number of recordable injuries decreased from 19 to 17 and was lower than the target set of 22, with a large proportion of the injuries linked to individuals doing basic routine tasks and general movements e.g. slips, trip and falls. Despite recording fewer injuries, our recordable injuries rate increased to 0.47 (representing the number of recordable injuries per 100 full-time employees) in 2023, representing a 10% increase compared to 2022. We attribute this to the sale of our iron oxide business in March 2023, which historically recorded low injury rates, meaning that many working hours used in the metric were excluded from calculations.

Our process safety performance followed a similar improvement trend, having 2 process safety events T1 incidents versus 4 the previous year and a target of 10 that was set for 2023.

The focus in 2024 was to continue strengthen our EHS leading indicator performance e.g. leadership interactions, process confirmations, mechanical inspections, trip and alarm testing etc, which are the essential activities required to build on our 2023 results.

Venator remains committed to continued engagement, education and involvement of all teams in our Zero Harm program, in addition to the successful implementation of our EHS capital improvement projects.

Annual Report and Financial Statements, for the year ended 31 December 2023

STRATEGIC REPORT (CONTINUED)

VI. RESULTS OF OPERATIONS

The following table sets forth our consolidated and combined results of operations for the years ended 31 December 2023 and 2022.

<i>(in millions)</i>	Year Ended 31 December		Increase / (Decrease)	Percentage Change
	2023	2022		
Revenues	\$ 1,556	\$ 2,173	\$ (617)	(28)%
Cost of goods sold	(1,703)	(2,088)	385	(18)%
Operating expenses	(185)	(119)	(66)	55 %
Restructuring, impairment and plant closing and transition costs	(6)	(744)	738	(99)%
Operating loss	\$ (338)	\$ (778)	\$ 440	(57)%
Interest expense, net	(143)	(53)	(90)	170 %
Gain on early extinguishment of debt	716	—	716	100 %
Other (expense) / income	(8)	87	(95)	(109)%
Income (loss) from continuing operations before income taxes	\$ 227	\$ (744)	\$ 971	(131)%
Income tax expense from continuing operations	(18)	(52)	34	(65)%
Net income (loss)	\$ 209	\$ (796)	\$ 1,005	(126)%
Reconciliation of net income (loss) to adjusted EBITDA:				
Interest expense, net	143	53	90	170 %
Income tax expense from continuing operations	18	52	(34)	(65)%
Depreciation and amortisation	47	115	(68)	(59)%
Net loss attributable to non-controlling interests	(12)	(7)	(5)	71 %
Other adjustments:				
Legal, professional and other bankruptcy related fees	99	1	98	9800 %
Gain on extinguishment of debt	(716)	—	(716)	100 %
Separation expense / (gain), net	—	1	(1)	(100)%
Gain on disposition of businesses / assets	(12)	(40)	28	(70)%
Certain legal settlements and related expenses	—	(80)	80	(100)%
Amortisation of pension and post retirement actuarial losses	(1)	—	(1)	100 %
Net plant incident credits	(20)	(17)	(3)	18 %
Restructuring, impairment and plant closing and transition costs	6	744	(738)	(99)%
Adjusted EBITDA ⁽¹⁾	\$ (239)	\$ 26	\$ (265)	(1019)%
Net cash used by operating activities from continuing operations	(469)	(114)	(355)	311 %
Net cash provided by (used in) investing activities from continuing operations	78	(24)	102	(424)%
Net cash provided by financing activities from continuing operations	349	99	250	251 %
Capital expenditures	(57)	(69)	12	(17)%

Annual Report and Financial Statements, for the year ended 31 December 2023

STRATEGIC REPORT (CONTINUED)

VI. RESULTS OF OPERATIONS (CONTINUED)

(1) Our management uses adjusted EBITDA to assess financial performance. Adjusted EBITDA is defined as net income/loss before interest income/expense, net, income tax expense/benefit, depreciation and amortization, and net income attributable to non controlling interests, as well as eliminating the following adjustments: (a) business acquisition and integration expense/credits; (b) separation gain/expense; (c) loss/gain on disposition of businesses/assets; (d) certain legal expenses/settlements; (e) amortization of pension and postretirement actuarial losses/gains; (f) net plant incident costs/credits; and (g) restructuring, impairment, and plant closing and transition costs/credits. We believe that net income is the performance measure calculated and presented in accordance with IFRS that is most directly comparable to adjusted EBITDA.

We believe adjusted EBITDA is useful to investors in assessing our ongoing financial performance and provides improved comparability between periods through the exclusion of certain items that management believes are not indicative of our operational profitability and that may obscure underlying business results and trends. However, this measure should not be considered in isolation or viewed as a substitute for net income or other measures of performance determined in accordance with IFRS. Moreover, adjusted EBITDA as used herein is not necessarily comparable to other similarly titled measures of other companies due to potential inconsistencies in the methods of calculation. Our management believes this measure is useful to compare general operating performance from period to period and to make certain related management decisions. Adjusted EBITDA is also used by lenders and others in their evaluation of different companies because it excludes certain items that can vary widely across different industries or among companies within the same industry. For example, interest expense can be highly dependent on a company's capital structure, debt levels and credit ratings. Therefore, the impact of interest expense on earnings can vary significantly among companies. In addition, the tax positions of companies can vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the various jurisdictions in which they operate. As a result, effective tax rates and tax expense can vary considerably among companies. Finally, companies employ productive assets of different ages and utilize different methods of acquiring and depreciating such assets. This can result in considerable variability in the relative costs of productive assets and the depreciation and amortisation expense among companies.

Nevertheless, our management recognizes that there are limitations associated with the use of adjusted EBITDA in the evaluation of the Company as compared to net income. Our management compensates for the limitations of using adjusted EBITDA by using this measure to supplement IFRS results to provide a more complete understanding of the factors and trends affecting the business rather than IFRS results alone.

In addition to the limitations noted above, adjusted EBITDA excludes items that may be recurring in nature and should not be disregarded in the evaluation of performance. However, we believe it is useful to exclude such items to provide a supplemental analysis of current results and trends compared to other periods because certain excluded items can vary significantly depending on specific underlying transactions or events, and the variability of such items may not relate specifically to ongoing operating results or trends and certain excluded items, while potentially recurring in future periods, may not be indicative of future results.

Year Ended 31 December 2023 Compared to the Year Ended 31 December 2022

For the year ended 31 December 2023, net income was \$209 million on revenues of \$1,556 million, compared with a net loss of \$796 million on revenues of \$2,173 million for the same period in 2022. The increase of \$1,005 million in net income was the result of the following items:

- Revenues for the year ended 31 December 2023 decreased by \$617 million, or 28%, as compared with the same period in 2022. The decrease was due to a \$417 million, or 26%, decrease in revenue in our Titanium Dioxide segment and a \$200 million, or 35%, decrease in revenue in our Performance Additives segment. See "—Segment Analysis" below.
- Our operating expenses for the year ended 31 December 2023 increased by \$66 million, or 55%, as compared to the same period in 2022, primarily due to a \$50 million increase in legal costs related to the Chapter 11 process, \$62 million related to gains only recorded in 2022, specifically \$39 million related to the sale of the Los Angeles facility and \$23 million resulting of our settlement with NES, offset by a \$68 million decrease in depreciation costs for 2023 as compared to 2022.

Annual Report and Financial Statements, for the year ended 31 December 2023

STRATEGIC REPORT (CONTINUED)

VI. RESULTS OF OPERATIONS (CONTINUED)

Year Ended 31 December 2023 Compared to the Year Ended 31 December 2022 (continued)

- Restructuring, impairment and plant closing and transition costs for the year ended 31 December 2023 decreased to \$6 million from \$744 million for the same period in 2022, driven by a decrease in impairment expense of \$649 million for 2022 as compared to 2023. For more information concerning restructuring activities, see "Part III. Item 18. Financial Statements and Supplementary Data—Note 13. Restructuring, Impairment and Plant Closing and Transition Costs" of this report.
- Gain on early extinguishment of debt for the year ended 31 December 2023 increased by \$716 million due to the gain recorded represented by the settlement of a portion of our outstanding debt during the Chapter 11 bankruptcy process during 2023.
- Other expense/income for the year ended 31 December 2023 increased by \$95 million from income of \$87 million to a loss of \$8 million primarily as a result of \$85 million in income recognized in the second quarter of 2022 from a legal settlement with Tronox combined with increased pension costs for 2023 as compared to 2022.
- Income tax expense for the year ended 31 December 2023 was \$18 million compared to \$52 million of income tax benefits in 2022. Our income tax expense is significantly affected by the mix of income and losses in the tax jurisdictions in which we operate, as impacted by the presence of valuation allowances in certain tax jurisdictions. In 2023, we recognized an income tax expense of \$18 million. For further information concerning taxes, see "Part III. Item 18. Financial Statements and Supplementary Data—Note 19. Income Taxes" of this report.

<i>(in millions)</i>	Year Ended 31 December		Percent Change Favorable (Unfavorable)
	2023	2022	
Revenues			
Titanium Dioxide	\$ 1,180	\$ 1,597	(26)%
Performance Additives	376	576	(35)%
Total	\$ 1,556	\$ 2,173	(28)%
Adjusted EBITDA			
Titanium Dioxide	\$ (212)	\$ 33	NM
Performance Additives	18	34	(47)%
	(194)	67	NM
Corporate and other	(45)	(41)	(10)%
Total	\$ (239)	\$ 26	NM

Year Ended 31 December 2023 vs 2022

	Average Selling Price ⁽¹⁾				
	Local Currency	Foreign Currency Translation Impact	Mix & Other	Sales Volumes ⁽²⁾	Divestitures ⁽³⁾
Period-Over-Period Increase (Decrease)					
Titanium Dioxide	(8)%	1 %	(1)%	(18)%	— %
Performance Additives	11 %	1 %	(2)%	(14)%	(31)%

(1) Excludes revenues from tolling arrangements, by-products and raw materials

(2) Excludes sales volumes of by-products and raw materials

(3) Our iron oxide business was disposed of in the first quarter of 2023.

Annual Report and Financial Statements, for the year ended 31 December 2023

STRATEGIC REPORT (CONTINUED)

VI. RESULTS OF OPERATIONS (CONTINUED)

Titanium Dioxide

The Titanium Dioxide segment generated revenues of \$1,180 million in the twelve months ended 31 December 2023, a decrease of \$417 million, or 26%, compared to the same period in 2022. The decrease was primarily due to an 18% decrease in sales volumes compared to the same period in the prior year which was driven by lower demand in all of the regions in which we operate, a 8% decrease in average local currency selling price as compared to the same period in the prior year, and a 1% decrease in mix and other, offset by a 1% favourable impact from foreign currency translation.

Adjusted EBITDA for the Titanium Dioxide segment was \$(212) million, a decrease of \$245 million in the twelve months ended 31 December 2023 compared to the same period in 2022. This decrease is primarily a result of lower revenues as compared to the same period in the prior year, combined with an increase in costs related to raw materials, energy, shipping, and maintenance.

Performance Additives

The Performance Additives segment generated revenues of \$376 million in the twelve months ended 31 December 2023, a decrease of \$200 million, or 35% compared to 2022. This decrease primarily resulted from a 31% decrease related to the loss of revenue from our iron oxide business, which we sold in the first quarter of 2023, a 14% decrease in sales volumes compared to the same period in the prior year which was driven by decreased product demand, and a 2% decrease in mix and other, offset by a 11% increase in average local currency selling price, which we implemented to recover higher costs of energy, raw materials and shipping, and a 1% favourable impact of foreign currency translation.

Adjusted EBITDA in the Performance Additives segment was \$18 million, a decrease of \$16 million, or 47%, for the twelve months ended 31 December 2023 compared to 2022. The decrease in adjusted EBITDA is primarily related to loss of revenue from our iron oxide business, which we sold in the first quarter of 2023 and increased raw material, energy, shipping, and maintenance costs and a decrease in sales volumes as compared to the same period in the prior year, offset by an increase in average local currency selling price, which we implemented to recover higher costs of energy, raw materials and shipping.

Corporate and other

Corporate and other represents expenses which are not allocated to our segments. Losses from Corporate and other were \$45 million, an increase of \$4 million for the twelve months ended 31 December 2023 compared to 2022 due to increased costs related to the cancellation of the share based payments during 2023 as a result of the Chapter 11 process.

VII. LIQUIDITY AND CAPITAL RESOURCES

Financing arrangements

On October 12, 2023 we entered into the Exit ABL Credit Agreement to obtain credit in the form of Revolving Loans and Letters of Credit in an aggregate principal amount of up to \$100 million at any time. The Revolving Loans bear interest based on a benchmark rate of either Base Rate or Term SOFR, in each case, plus an applicable spread. Base Rate Loans shall bear interest at a spread of 3.75% per annum and Term SOFR Loans shall bear interest at a spread of 4.75% per annum. Unless otherwise extended in accordance with the Exit ABL Credit Agreement, the Revolving Loans mature on 12 October 2026. Availability to borrow under the Exit ABL Credit Agreement is subject to a borrowing base calculation comprising both accounts receivable and inventory in the U.S. and Canada. Thus, the base calculation may fluctuate from time to time and may be further impacted by the lenders' discretionary ability to impose reserves and availability blocks that might otherwise incrementally increase borrowing availability. As of 31 December 2023 we currently have \$99 million in total liquidity, consisting of \$73 million of cash and cash equivalents and \$26 million of availability under the Exit ABL Facility.

We have \$210 million in debt outstanding comprised of \$170 million under our Term Loan Credit Agreement and \$40 million due under our ABL Credit Agreement, issued by our subsidiaries Venator Finance S.à r.l. and Venator Materials LLC (the "Issuers"). Through 31 December 2023, we were in compliance with all applicable financial covenants.

Annual Report and Financial Statements, for the year ended 31 December 2023

STRATEGIC REPORT (CONTINUED)

VII. LIQUIDITY AND CAPITAL RESOURCES (CONTINUED)

Financing arrangements (continued)

We have a \$9 million related-party note payable to Huntsman pursuant to a tax matters agreement entered into at the time of the separation which has been presented as accounts payable to affiliate on our consolidated balance sheet as of 31 December 2023.

For further discussion of financing arrangements, see Note 23. Loans and borrowings.

Liquidity and Going Concern

These financial statements have been prepared on a going concern basis; however, we have identified the existence of a material uncertainty that may cast significant doubt upon the Group and Company's ability to continue as a going concern.

As of 31 December 2023, the Group had net current assets of \$507 million, had negative retained earnings of \$687 million and total liquidity was \$99 million as of 31 December 2023, consisting of \$73 million of cash and cash equivalents and \$26 million of availability under the Group's Exit asset backed lending (ABL) Facility. As of that date, the Group had \$215 million in debt outstanding, comprised of \$175 million under the Exit Term Loan Credit Agreement due 2028, and \$40 million under the Exit ABL Facility that was originally due in 2026 but has since been repaid in full.

As of 31 January 2025, the Group had total liquidity of \$146 million, consisting of \$139 million of available cash and cash equivalents per the terms of our credit agreements after the Exit ABL Credit Facility was repaid during the third quarter of 2024. As of this date, the Group has \$375 million in debt outstanding comprised of \$175 million term loan due October 2028 and \$200 million in term loans due July 2026.

Management has noted that past events provide positive evidence on the Group's and the Company's ability to continue as a going concern, please refer to the Director's Report beginning at page 44 for further details.

Notwithstanding the uncertainty documented in the Director's Report, based on the global market recovery, normalized energy cost, margin recovery and other factors stated in the forecast scenario, including the availability of reasonable mitigating actions available to management, the Directors believe there is a reasonable expectation that Venator will have adequate resources to continue to operate for the foreseeable future, being a period of at least 12 months from the approval of the 2023 financial statements, and that the business is continuing and the Directors have no intent to liquidate. Therefore, whilst management have identified the existence of a material uncertainty that may cast significant doubt upon the Group and Company's ability to continue to adopt the going concern basis of accounting in preparing these financial statements, the Consolidated and Company financial statements do not include adjustments that would result if they were unable to continue as a going concern.

Items Impacting Short-Term and Long-Term Liquidity

Our liquidity can be significantly impacted by various factors. As noted above, economic conditions in the form of inflationary pressures throughout 2023, significant reductions in customer demand, and filing for Chapter 11 bankruptcy protection in 2023 have had a material impact on our adjusted EBITDA and liquidity. During 2023, the following items and measures we took generated significant cash inflows:

- On 31 March 2023, we completed the sale of our Iron Oxide business to Cathay Industries. We received cash proceeds of \$127 million net of working capital adjustments, taxes, fees and other closing cash adjustments and recognized a gain on sale of approximately \$15 million, which is included in Other (expense) income in our unaudited condensed consolidated statements of operations.

STRATEGIC REPORT (CONTINUED)

VII. LIQUIDITY AND CAPITAL RESOURCES (CONTINUED)

Items Impacting Short-Term and Long-Term Liquidity (continued)

- On 14 May 2023, the Company and certain of its subsidiaries (collectively, the “Debtors” or “Company Parties”) filed the Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code (the “Plan”), voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”). Additionally, the Company filed with the Bankruptcy Court a motion seeking approval (“Interim DIP Order”) of debtor-in-possession financing in the form of the DIP Facility. The Company and certain of its subsidiaries entered into a DIP Credit Agreement (the “DIP Credit Agreement”) with the DIP Lenders for the DIP Facility. The facility provided \$100 million upon entry of the Interim DIP Order, and \$175 million upon entry of the final order by the Bankruptcy Court approving the DIP Facility, for a total of \$275 million. Pursuant to the Plan, on emergence from bankruptcy at 12 October 2023, all outstanding obligations under the Term Loan Facility, Senior Secured Notes, Senior Unsecured Notes (collectively, the “Existing Debt Instruments”), and the DIP Facility, including the applicable indentures, credit agreements and guarantees governing such obligations, were cancelled in return for New Ordinary Shares of the Company.
- On 12 October 2023, the Company entered into the Exit Term Loan Credit Agreement providing for Initial Term Loans in an aggregate principal amount of \$150 million, plus an additional principal amount of \$25 million. As of 31 December 2023, the Company has borrowed the initial \$150 million on emergence, and an additional \$25 million on 13 November 2023, for a total to \$175 million outstanding related to the Exit Term Loan Credit Agreement.
- Additionally, on 12 October 2023, pursuant to the Plan, the Company entered into the Exit ABL Credit Agreement providing for credit in the form of Revolving Loans and Letters of Credit in an aggregate principal amount of up to \$100 million. As of 31 December 2023, the Company has borrowed the initial \$40 million on emergence.

However, due to rising prices and costs and the decrease in demand for our products, cash outflows for our accounts receivable and inventory, net of accounts payable, as reflected in our consolidated statements of cash flows, were \$65 million for the year ended 31 December 2023. Additionally, working capital was a use of liquidity in 2024 primarily as a result of improving sales revenue during the year and the corresponding impact on inventory and accounts receivable. Other uses of cash that we project for 2024 include the following:

- Total capital expenditures in 2024 were approximately \$50 million, which consists primarily of maintenance capital expenditure.
- During 2024, we contributed approximately \$4 million to our pension and postretirement benefit plans, which is consistent with 2023 amounts.
- We are involved in a number of cost reduction programs for which we have established restructuring accruals. As of 31 December 2023, we had \$15 million of accrued restructuring costs of which \$15 million is classified as current. We expect to pay approximately \$7 million for restructuring costs under existing approved restructuring plans during 2024. For further discussion of these plans and the costs involved, see "Part III. Item 18. Financial Statements and Supplementary Data—Note 13. Restructuring, Impairment and Plant Closing and Transition Costs" of this report.

STRATEGIC REPORT (CONTINUED)

VII. LIQUIDITY AND CAPITAL RESOURCES (CONTINUED)

Items Impacting Short-Term and Long-Term Liquidity (continued)

- We are closing our Pori, Finland, TiO₂ manufacturing facility and have terminated production at the Pori site. As part of the Reorganization Plan confirmed by the Bankruptcy Court, as of 12 October 2023, the Venator Finnish legal entity waived €42.3 million of its receivables against the Group and was released from its guarantees on loans. Following the conclusion of the Chapter 11 process, previous arrangements for cash pooling and other parent company support were withdrawn, but a short-term liquidity facility was extended to the Finnish legal entity (this facility has expired, but the balance drawn has not been repaid). On 15 November 2022, Gasum LNG Oy initiated an arbitration proceeding seeking payment of €33 million plus interest for all amounts allegedly owed under the supply agreement. On 5 June 2024, the arbitral hearing took place, and on 30 September 2024, the arbiter awarded that all claims made by Venator Finland were dismissed and Venator Finland is ordered to pay the claims as made by Gasum totaling €33 million, in addition to the legal fees of Gasum. On 14 October 2024, Venator Finland filed its own application for bankruptcy with a District Court in Finland. On 15 October 2024, the court declared the Venator Finland bankrupt and appointed an attorney from DLA Piper Finland as the bankruptcy estate administrator. As a result of the appointment of the bankruptcy estate administrator the Company deconsolidated the Venator Finland subsidiary in accordance with IFRS standards, and the Group no longer retained control of the subsidiary. See Note 36. Post balance sheet events to the consolidated financial statements for more information. The Group has recorded an accrual for this matter, all of which is current and has been included in accrued liabilities on our consolidated balance sheet at 31 December 2023.
- In February 2024, we announced the planned removal of 50kt TiO₂ capacity in Duisburg, Germany in Q2 2024, and the transfer of our speciality production capability to strengthen our Uerdingen facility. We expect to pay approximately \$75 - 95 million for restructuring costs related to the transformation of the Duisburg and Uerdingen facilities. Once completed, we expect improvement in our EBITDA due to the removal of the high indirect cost base for the Duisburg TiO₂ operations. Our FAD business continues to make a positive EBITDA contribution and hence we plan to retain this part of Duisburg operations and improve its performance in the future.

In response to these conditions, we have taken the following actions:

- In 2024, the Company negotiated for an additional \$200 million in term loans due July 2026.
- In July 2024, the Company sold its 50% interest in the Louisiana Pigment Company (LPC) titanium dioxide manufacturing joint venture facility to its joint operating partner Kronos Worldwide ("Kronos") in return for an upfront cash payment of \$185 million subject to working capital and tax withholding adjustments. Venator also has a potential earn-out payment of up to \$15 million based on Kronos' Annual Average EBITDA, during an "Earn-Out Period" beginning on 1 January 2025 and ending on 31 December 2026.
- Additionally, in July 2024, as a consequence of the sale of the interest in LPC and the subsequent reduction of US based collateral, the Company extinguished the Exit ABL Credit Agreement and repaid the outstanding \$40 million at the time of the repayment. The extinguishment incurred a \$3 million exit fee and the write-off of \$4 million in related debt issuance costs in the third quarter of 2024.

As of 31 December 2023 and 2022, we had \$21 million and \$30 million, respectively, of cash and cash equivalents held outside of the U.S. and Europe, including our variable interest entities. Due to the substantial doubt about our ability to continue as a going-concern, Venator is no longer able to control the decision to indefinitely reinvest earnings of our non-U.K. subsidiaries. The financial uncertainty that exists creates a presumption that unremitted non-U.K. earnings will be needed to meet existing obligations. As a result, we have recognized a deferred tax liability of \$1 million related to undistributed earnings of non-U.K. subsidiaries at 31 December 2023.

Annual Report and Financial Statements, for the year ended 31 December 2023

STRATEGIC REPORT (CONTINUED)

VII. LIQUIDITY AND CAPITAL RESOURCES (CONTINUED)

Cash Flows for the Year Ended 31 December 2023 Compared to the Year Ended 31 December 2022

Net cash used in operating activities was \$469 million for the twelve months ended 31 December 2023, compared to cash used in operating activities of \$114 million for the twelve months ended 31 December 2022. The increase in net cash provided by operating activities for the twelve months ended 31 December 2023 compared with the same period of 2022 was primarily attributable to net income of \$209 million in 2023, as compared to a net loss of \$796 million in 2022, offset by a \$131 million favorable variance in cash flows from changes in operating assets and liabilities.

Net cash provided by investing activities was \$78 million for the twelve months ended 31 December 2023, compared to net cash used in investing activities of \$24 million for the twelve months ended 31 December 2022. The increase in net cash used in investing activities was primarily attributable to \$132 million in proceeds from the sale of businesses and assets in 2023 driven by the sale of our iron oxide business in 2023 compared to \$56 million in proceeds from the sale of businesses driven by the sale-leaseback of our Los Angeles manufacturing site in the fourth quarter of 2022, a \$14 million favourable variance in net cash paid to unconsolidated affiliates and a \$12 million decrease in capital expenditures.

Net cash provided by financing activities was \$349 million for the twelve months ended 31 December 2023, compared to net cash provided by financing activities of \$99 million for the twelve months ended 31 December 2022. The increase in net cash provided by financing activities for the twelve months ended 31 December 2023 compared with the same period of 2022 was primarily attributable to \$275 million in borrowings related to the DIP Facility in 2023, \$150 million in cash received related to the Exit Term Loan in 2023, and \$40 million borrowed on the Exit ABL Facility in 2023, offset by \$83 million paid on the pre-bankruptcy ABL Facility in 2023, \$74 million borrowed from the ABL facility in 2022, and \$24 million in cash received for settlement of cross-currency swaps in 2022.

Changes in Financial Condition

The following information summarises our working capital as of 31 December 2023 and 2022.

<i>(in millions)</i>	As at 31 December		Increase / (Decrease)	Percentage Change
	2023	2022		
Cash and cash equivalents	\$ 73	\$ 114	\$ (41)	(36)%
Accounts and notes receivables, net	189	187	2	1 %
Accounts receivable from affiliates	1	14	(13)	(93)%
Inventories	479	501	(22)	(4)%
Prepaid expenses	30	27	3	11 %
Other current assets	80	65	15	23 %
Current assets held for sale	—	200	(200)	
Total current assets	\$ 852	\$ 1,108	\$ (256)	(23)%
Accounts payable	191	245	(54)	(22)%
Accounts payable to affiliates	29	24	5	21 %
Accrued liabilities	134	114	20	18 %
Current operating lease liability	4	4	—	— %
Current portion of debt	—	98	(98)	(100)%
Liabilities directly associated with assets held for sale	—	93	(93)	
Total current liabilities	\$ 358	\$ 578	\$ (220)	(38)%
Working Capital	\$ 493	\$ 530	\$ (37)	(7)%

STRATEGIC REPORT (CONTINUED)**VII. LIQUIDITY AND CAPITAL RESOURCES (CONTINUED)****Financing Arrangements**

See Note 23. Loans and borrowings.

Cross-Currency Swap

See Note 33. Derivatives.

Contractual Obligations and Commercial Commitments

Our obligations under long-term debt (including the current portion), lease agreements and other contractual commitments from continuing operations as of 31 December 2023 are summarised below:

<i>(in millions)</i> ⁽¹⁾	2024	2025-2026	2027-2028	After 2028	Total
Interest bearing loans and borrowings, including current portion ⁽²⁾	\$ —	\$ 40	\$ 175	\$ —	\$ 215
Interest ⁽³⁾	19	55	52	—	126
Leases ⁽⁴⁾	6	8	7	25	46
Purchase commitments ⁽⁵⁾	206	210	17	4	437
Total ⁽⁶⁾	\$ 231	\$ 313	\$ 251	\$ 29	\$ 824

⁽¹⁾ For more information, see Note 26. Commitments and contingencies.

⁽²⁾ The maturity is presented based on the contracted maturity dates of the debt agreements as of 31 December 2023.

⁽³⁾ Interest calculated using actual and forecasted interest rates as of 31 December 2023 and contractual maturity dates.

⁽⁴⁾ This amount includes leases classified as held for sale as of 31 December 2023.

⁽⁵⁾ We have various purchase commitments extending through 2030 for materials, supplies and services entered into in the ordinary course of business. Included in the purchase commitments table above are contracts which require minimum volume purchases that extend beyond one year or are renewable annually and have been renewed for 2023. Certain contracts allow for changes in minimum required purchase volumes in the event of a temporary or permanent shutdown of a facility. To the extent the contract requires a minimum notice period, such notice period has been included in the above table. The contractual purchase price for substantially all of these contracts is variable based upon market prices, subject to annual negotiations. We have estimated our contractual obligations by using the terms of our current pricing for each contract.

⁽⁶⁾ The above table does not reflect expected tax payments and unrecognised tax benefits due to the inability to make reasonably reliable estimates of the timing and amount of payments.

Restructuring, Impairment and Plant Closing and Transition Costs

See Note 34. Provisions for a discussion of restructuring programs.

Legal Proceedings

See Note 26. Commitments and contingencies - Legal Matters to the Consolidated Financial Statements for a discussion of legal proceedings.

Critical Accounting Policies and Estimates

See Note 6 - Critical Accounting Judgements and Key Sources of Estimation Uncertainty to the Consolidated Financial Statements for our critical accounting policies and estimates.

VIII. EMPLOYEES

As of 31 December 2023, we employed approximately 2,700 associates in our operations around the world. We believe our relations with our employees are good.

We place considerable value on the involvement of our associates and ensure that we keep them informed on matters affecting them, the overall organisation as well as on the performance of the Company.

STRATEGIC REPORT (CONTINUED)

VIII. EMPLOYEES (CONTINUED)

We conduct formal and informal meetings with associates, and maintain a Company intranet website with key information and other matters of interest.

We are committed to a policy of recruitment and promotion on the basis of competence and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment, promotion opportunities and retraining of associates who become disabled while employed by the Company.

See also Section 172 Companies Act Statement: Employees on pages 28 to 30.

Employee Gender Diversity

The following table summarises our employee diversity data as at 31 December 2023 and 2022.

The Group's employee gender split as at 31 December 2023 and 31 December 2022 are as follows:

	2023		2022	
	Male	Female	Male	Female
Directors	35	8	48	8
Senior managers	51	10	61	12
Other associates	2,121	466	2,662	620
	<u>2,207</u>	<u>484</u>	<u>2,771</u>	<u>640</u>

Directors for the purpose of the above disclosure are all statutory company directors within the Venator Group.

Social, Community and Human Rights Issues

For information, see III. Principal Risks and Uncertainties, Section 172 Companies Act Statement.

Disability

For information, see VIII. Employees.

Diversity and Inclusion

Venator is committed to building a diverse and inclusive workforce. We see great benefit in having people with different perspectives, cultures and languages, who feel accepted and valued as part of Venator. Recruitment is an important part of delivering our strategy. For example, we have assembled a globally diverse team at our Wynyard site which would have been difficult to achieve through local recruitment alone. Furthermore, we aim to support those colleagues who have relocated through teamwork and after work networking activities.

Also see VIII. Employees: Employee Gender Diversity disclosure

Approval

This report was approved by the board of directors on 19 February 2025 and signed on its behalf by:

E. Bryan Snell
Chief Executive Officer
19 February 2025

Alexander Paterson
General Counsel and Company Secretary
19 February 2025

Annual Report and Financial Statements, for the year ended 31 December 2023

DIRECTORS' REPORT

The directors ("Directors") of the Board of Directors (the "Board") of Venator Materials PLC present their report and audited consolidated financial statements for the year ended 31 December 2023. Venator Materials PLC is a public limited company incorporated in the United Kingdom and registered in England and Wales.

References in this Annual Report to "Venator", "Company", "we", "our", and "Group" refer to Venator Materials PLC and its consolidated subsidiaries.

The address of the registered office is Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD.

Directors and Corporate Governance

The Company's Articles of Association and Governance Guidelines are posted on our Group website at www.venatorcorp.com, located in the "Corporate Governance" section.

Directors

The Directors, who served throughout the period and up to the date of signing, unless stated otherwise, are as follows:

Executive directors:

Simon Turner - President and Chief Executive Officer (resigned 1 September 2024)

Arjen de Leeuw Den Bouter (appointed director 12 October 2023, Chief Transformation Officer 15 December 2023 to 15 October 2024)

E. Bryan Snell (appointed President and Chief Executive Officer 1 September 2024)

Bart de Jong (appointed Chief Financial Officer 16 December 2024)

Non-executive directors:

Stefan Selig (appointed 18 January 2023 and resigned 12 October 2023) - Chairman

Dr. Barry Bahram Siadat (resigned 12 October 2023)

Peter Riley Huntsman (resigned 12 October 2023)

Daniele Ferrari (resigned 12 October 2023)

Aaron Charles Davenport (resigned 12 October 2023)

Heike Van De Kerkhof (resigned 12 October 2023)

Vir Lakshman (resigned 12 October 2023)

Jame Donath (appointed 18 January 2023, reappointed 12 October 2023)

Miguel Kohlmann (appointed 9 August 2022 and resigned 18 January 2023)

Kathy Dawn Patrick (resigned 9 August 2022)

Katherine Harper (appointed Chairman 12 October 2023, appointed Audit Committee Chair 16 December 2024)

Bart de Jong (appointed 12 October 2023, resigned as non-executive member 16 December 2024)

Fried-Walter Münstermann (appointed 12 October 2023)

E. Bryan Snell (appointed 12 October 2023, resigned as non-executive member 1 September 2024)

Executive secretary (non-director position)

Russell Robert Stolle (resigned on 12th March 2024)

Alexander Paterson (appointed on 21st March 2024)

DIRECTORS' REPORT (CONTINUED)

Statement on Directors' third party indemnity provision

Venator Materials PLC made qualifying third party indemnity provisions for the benefit of its directors (as well as for the benefit of the directors of its subsidiaries) during the period, which remain in force at the date of this report.

Principal Activities of the Group

Venator operates in two segments: Titanium Dioxide and Performance Additives. The Titanium Dioxide segment primarily manufactures and sells TiO₂, and operates seven TiO₂ manufacturing facilities across the globe. The Performance Additives segment manufactures and sells functional additives, colour pigments, timber treatment and water treatment chemicals. This segment operates five manufacturing and processing facilities globally.

Results

The net income attributable to Venator Materials PLC, for the year ended 31 December 2023 was \$209 million, compared to a loss of \$796 million in the prior year ended 31 December 2022.

Adjusted EBITDA for the year ended 31 December 2023 was \$(239) million, compared to \$26 million in the prior year ended 31 December 2022.

Further details regarding the results of operations can be found in the Strategic Report on pages 34 to 37.

Dividends

For the foreseeable future, we do not expect to pay dividends. However, it is anticipated that the Board of Directors will consider the payment of dividends from time to time to return a portion of our profits to our shareholders when we experience adequate levels of profitability and associated reduced debt leverage. If the Board of Directors determines to pay any dividend in the future, there can be no assurance that we will continue to pay such dividends or the amount of such dividends. The Directors do not recommend the payment of a dividend for the year ended 31 December 2023.

Future Developments and Events after the Balance Sheet Date

The 'Outlook for 2024 and Beyond' located in the Strategic Report - Strategy and Outlook, and Note 36. Post balance sheet events in the consolidated financial statements forms part of the Directors' Report by cross-reference.

Indication of the Group's research and development activities

Venator supports its businesses with a major commitment to research and development (R&D), technical services and process engineering improvement. Venator believes innovation is critical in providing customer satisfaction and in maintaining sustainability and competitiveness in markets in which it participates. The Venator R&D and technical services facilities are in Wynyard, UK and Duisburg, Germany. Much of the R&D is focused on solutions that address significant emerging trends in the market.

Annual Report and Financial Statements, for the year ended 31 December 2023

DIRECTORS' REPORT (CONTINUED)

Going Concern

These financial statements have been prepared on a going concern basis; however, we have identified the existence of a material uncertainty that may cast significant doubt upon the Group and Company's ability to continue as a going concern (see "Material Uncertainty" section below for further details).

As of 31 December 2023, the Group had net current assets of \$507 million, had negative retained earnings of \$687 million and total liquidity was \$99 million as of 31 December 2023, consisting of \$73 million of cash and cash equivalents and \$26 million of availability under the Group's Exit asset backed lending (ABL) Facility. As of that date, the Group had \$215 million in debt outstanding, comprised of \$175 million under the Exit Term Loan Credit Agreement due 2028, and \$40 million under the Exit ABL Facility that was originally due in 2026 but has since been repaid in full (see below).

As of 31 January 2025, the Group had total liquidity of \$146 million, consisting of \$139 million of available cash and cash equivalents per the terms of our credit agreements after the Exit ABL Credit Facility was repaid during the third quarter of 2024. As of this date, the Group has \$375 million in debt outstanding comprising the term loans detailed below.

Reliance on Facilities

The Group and the Company are reliant upon the continued availability of their borrowing facilities.

Term Loans

On 12 October 2023, on emergence from bankruptcy, the Group entered into the Term Loan Credit Agreement providing for Initial Term Loans in an aggregate principal amount of \$150 million, plus an additional principal amount of \$25 million.

Subject to the satisfaction of certain conditions, the Group may elect to borrow additional tranches of indebtedness under its Term Loan Credit Agreement, in an aggregate principal amount not to exceed \$95 million plus customary additional amounts. Unless otherwise extended in accordance with the Term Loan Credit Agreement, the Initial Term Loans mature on 12 October 2028.

As of the date of this report, the Group has drawn down the initial \$150 million upon emergence from Chapter 11, and an additional \$25 million on 13 November 2023, for a total of \$175 million outstanding related to the Initial Term Loans.

In addition to the above, as of 31 December 2024, the Group had negotiated an additional \$200 million of term loans that are due for repayment in July 2026, bringing the total balance of outstanding term loans to \$375 million (\$175 million of which falls due on 31 October 2028 and \$200 million of which falls due on 31 July 2026).

The Term Loan Credit Agreement includes affirmative covenants including, amongst other things, the timely delivery of the annual consolidated financial statements to the lenders. The Group breached the covenant for delivery of the 2023 annual consolidated financial statements by 31 December 2024; however, a waiver was subsequently obtained from the lenders to extend the due date for the provision of these financial statements to 31 March 2025.

The Term Loan Credit Agreement also requires the Group to comply with a minimum liquidity of \$40 million (excluding trapped and restricted cash) as of Wednesday of any week, and apply for a waiver to hold any cash balances over \$100 million on the last day of any month after February 2025 (excluding restricted cash). Therefore, management estimates a current targeted liquidity, based on a total cash on hand requirement for the Group, of \$41 million (excluding trapped and restricted cash) to cover the minimum liquidity of \$40 million, plus intra-month cash swings. This has been reduced from previous targets of \$60 million and \$44 million on the assumption that the Group can operate with a reduced level of intra-month cash swings due to the operational changes made to the business.

The Group had \$21 million as at 31 January 2025 in trapped and restricted cash in calculating the minimum liquidity.

Exit ABL Agreement

Additionally, on emergence, the Group entered into an ABL Credit Agreement which provided credit in the form of Revolving Loans and Letters of Credit in an aggregate principal amount of up to \$100 million. The Group had \$40 million outstanding on the ABL Credit Agreement as of 31 December 2023.

In July 2024, as a consequence of the sale of the Group's interest in the LPC joint venture and the consequent reduction of US based collateral, the Group extinguished the Exit ABL Credit Agreement and repaid the outstanding \$40 million upon completion of the sale of the Group's interest in LPC. This facility is no longer available to the Group.

Annual Report and Financial Statements, for the year ended 31 December 2023

DIRECTORS' REPORT (CONTINUED)

Going Concern (continued)

Going concern forecast assessment

The Group operates an annual budget process. The budget and the risks to its achievement are reviewed by the Board and, once approved, are used as the basis for monitoring the Group's performance, incentivizing employees, and providing external guidance to shareholders. The processes for identifying and managing risk are described in the Strategic Report which forms part of the annual report.

For the purpose of the going concern assessment, the Directors have undertaken a detailed review of the Company's and the Group's liquidity requirements, forecasting the Company's and the Group's cash flows over the next 12 months after the approval of these financial statements.

Base case

The Board have specifically considered a base case scenario starting with our 2025 Annual Operating Plan, and extended this to cover a period of 12 months from the date of the approval of these financial statements.

Key assumptions

For the purpose of the going concern assessment, management has estimated the likely future cash flows based on recent performance, external forecasts and market analysis and management's knowledge and expertise of the cash flow drivers.

The key assumptions in the 12-month forecast period include:

- underlying global market demand recovery;
- market share recovery for the Group, following the uncertainties of the Chapter 11 in 2023;
- an ability to recover margin through price increase initiatives;
- more normalized energy costs after the unprecedented levels seen in 2022 and 2023;
- considerations on the operating footprint, i.e the transformation at Uerdingen, Duisburg and Scarlino detailed below; and
- an ability to operate with reduced intramonth cash swings.

Specifically, the base case assumptions include:

- initial forecast sales volumes for 2025 below 2024 actual levels due to slower market recovery and market share loss, before recovering beginning in late 2025 based on an 8% market growth rate per industry commentator, TZMI (TZ Minerals International Pty Ltd) plus a 9% market share recovery;
- direct costs for TiO₂ in 2025 that remain at elevated levels, however not as high as the peak costs reached in 2023;
- feedstock prices in line with TZMI's forecast for 2025 onwards;
- energy costs based at approximately €38/Mwh, which is the market price seen in 2024;
- forecast selling, general and administrative expenses that decrease by approximately \$20 million (on 2024 actual levels) in 2025 and 2026 due to the expected benefits of the efforts made to right size the organization in Q3 2025; and
- no additional debt or capital infusions outside of the previously mentioned additional \$100 million Term Loan provided in January 2024 and further \$100 million Term Loan provided in late December 2024.

In making the above assumptions, management has considered the following:

- The European Commission (EC) recently established import duties on Chinese TiO₂ products, a key item that industry commentators expect to lead to economic recovery of the industry. The EC formally initiated an anti-dumping investigation in November 2023 and, in the same month, the European producer coalition made a request for registration of imports. As a result of the investigation, beginning on 6 June 2024, the EU required the registration of Chinese imports of titanium dioxide in the European Union, with those imports subject to a 39.7% provisional duty rate;
- The global cost pressures that the Group continues to experience, particularly in Europe, which has been exacerbated by supply constraints of natural gas and geopolitical uncertainty in the region. Utilities (electricity, gas, and steam) account for a significant portion of the variable manufacturing costs in our TiO₂ operations, and the volatility of European energy markets presents a risk to our operations; and
- The fact that the anticipated energy costs for the Group for 2025 have increased from our base case as a result of natural gas supply constraints; however, in response to the increased costs, the Group has recently announced a price surcharge to be implemented in early 2025. The ability to mitigate cost increases through surcharges is such that management do not anticipate a breach of the Group's minimum liquidity requirements any sooner than the base case suggests.

Annual Report and Financial Statements, for the year ended 31 December 2023

DIRECTORS' REPORT (CONTINUED)

Going Concern (continued)

The base case also considers the cash flow implications and costs related to the announced transformation of our operating footprint, including the changes made to optimize operations across our Duisburg and Uerdingen facilities as management seek to consolidate the Group's FAD operations at Duisburg, transfer its specialty TiO₂ production capability to Uerdingen to streamline production and reduce costs across both sites, close the Duisburg TiO₂ facility, and pause operations at the Group's Scarlino facility.

In the base case scenario, the Group:

- is expected to fall below the above targeted liquidity level in October 2025 and again in January 2026;
- will have negative liquidity in February 2026; and
- will not have sufficient liquidity to repay its debt obligations that fall due in July 2026 and will therefore require refinancing on or before this date.

Further, if the Group cannot reduce the level of cash swings, there is a risk that the Group will have insufficient cash to meet the \$40 million covenant requirement in the going concern period before October 2025.

Severe but plausible downside

Due to the significant uncertainties that exist around a number of the key assumptions included with the Group's cash flow forecast, management have also developed a severe but plausible downside scenario to evaluate possible further negative impacts.

The severe but plausible downside scenario contemplates:

- the removal of the recovery of our market share, such that expected growth is reduced from 17% to a level of 8%, in line with TZMI's expectations;
- an average variable contribution margin, assuming no change in energy/feedstock costs from those assumed in the base case, approximately 10% points below the base case in 2025 as the assumption in the scenario is a delay in market share recovery impacting both volumes and pricing; and
- changes in working capital assume the reduction in sales volume would be offset by production moderations and there would be no significant changes in working capital.

Under the severe but plausible downside scenario, the Group is forecast to:

- breach its targeted liquidity level in June 2025; and
- reach negative liquidity in October 2025.

Further, if the Group cannot reduce the level of cash swings, there is a risk that the Group will have insufficient cash to meet the \$40 million covenant requirement in the going concern period before June 2025.

Actions taken and future mitigating actions

Management has noted the following past events provide positive evidence on the Group's and the Company's ability to continue as a going concern:

- Venator has emerged successfully from the Chapter 11 with a significantly deleveraged balance sheet, and with a new exit term loan and exit facility in place;
- The Group engaged with the lenders during 2024 to put in place an additional \$200 million in Term Loans during 2024. These Term Loans are due for repayment in July 2026, bringing the total balance of outstanding term loans to \$375 million (\$175 million due October 2028 and \$200 million due July 2026);
- The Group has initiated a program of divestment of non-core assets (Venator's investment in LPC) which has provided additional liquidity generating \$153 million in cash proceeds during 2024; and
- Management has already implemented a number of focused adjustments to the Group's operations to attempt to manage the uncertainty discussed above, including adopting a customer tailored approach with respect to pricing, making efforts to acquire and develop a more resilient product portfolio, and the establishment of a European Risk Management Committee which principally deals with the energy procurement strategy of the Group.

Annual Report and Financial Statements, for the year ended 31 December 2023

DIRECTORS' REPORT (CONTINUED)

Going Concern (continued)

Future mitigating actions

However, as noted above, whilst the Group is forecast to breach its targeted liquidity level under the base case in October 2025, management considers that the Group could implement additional mitigations to preserve liquidity, such as inventory and accounts payable management. Additionally, targeted liquidity requirements, further short-term cost saving measures, or deferrals of certain capital expenditures, could continue to be evaluated for additional benefits. For example, a recent analysis has identified \$60 million of non-business critical open purchase orders could be reviewed to reduce the Group's cash outflows.

Additionally, the Group also has several other potential mitigations outside of the Group's control, such as the further divestment of non-core businesses and access to other surplus and refund possibilities with respect to pensions and tax. Management has estimated that these mitigations, if successful, could provide \$90 million in liquidity mitigations. However under the severe but plausible downside this would result in the target liquidity being breached in February 2026 and then reaching negative liquidity in April 2026. In either scenario, the Group would also not have sufficient liquidity to repay our debt obligations due in July 2026 and would need to re-finance its debt.

Material Uncertainty

As detailed above, in the base case scenario the Group will:

- fall below the targeted liquidity in October 2025 and again in January 2026;
- have negative liquidity in February 2026; and
- will not have sufficient liquidity to repay its debt obligations due in July 2026 and will require refinancing.

As a result of the going concern assessment performed, management has identified a material uncertainty that may cast significant doubt on the Group's and Company's ability to continue as a going concern, and therefore the Group and Company may not be able to realise its assets or discharge its liabilities in the normal course of business. This material uncertainty relates to the following events and conditions:

- The timeline and the level of overall TiO₂ market recovery and recovery of Venator's market share;
- The continued pressure on energy costs;
- The ability of the Group to operate with a reduced level of intramonth cash swings;
- The ability to recover margin through price increase initiatives;
- The ability to realise value with respect to potential divestments of assets;
- The ability of the Group to successfully complete other mitigating actions detailed above; and
- The ability of the Group to re-finance the term loans due in July 2026.

Notwithstanding the uncertainty above, based on the global market recovery, normalized energy cost, margin recovery and other factors stated in the forecast scenario, including the availability of reasonable mitigating actions available to management, the Directors believe there is a reasonable expectation that Venator will have adequate resources to continue to operate for the foreseeable future, being a period of at least 12 months from the approval of the 2023 financial statements, and that the business is continuing and the Directors have no intent to liquidate. Therefore, whilst management have identified the existence of a material uncertainty that may cast significant doubt upon the Group and Company's ability to continue to adopt the going concern basis of accounting in preparing these financial statements, the Consolidated and Company financial statements do not include adjustments that would result if they were unable to continue as a going concern.

Financial Risk Management and Financial Instruments

Information related to the use of financial instruments and Venator's financial risk management objectives and policies, and exposure to market risk (including price risk), credit risk and liquidity risk can be found in Note 32. Financial instruments.

Independent auditor

The auditor, Deloitte LLP, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the annual general meeting.

Annual Report and Financial Statements, for the year ended 31 December 2023

DIRECTORS' REPORT (CONTINUED)

Share Repurchases

Under UK law, the Company is only permitted to purchase its own shares by way of an "off-market purchase" in a plan approved by shareholders. As 31 December 2023 we do not have shareholder authority to repurchase shares. During the years ended 31 December 2023 and 2022, no shares were repurchased.

Employees

The 'Employees' section of the Strategic Report on page 42 form part of the Directors' Report by cross-reference.

Disability

The 'Disability' section of the Strategic Report on page 43 form part of the Directors' Report by cross-reference.

Political Contributions

No donations were made by the Group or any of its subsidiaries to political parties or organisations during the year (2022: Nil).

Climate Change

The "Climate Change" section of the Strategic Report on page 16 form part of the Directors' Report by cross-reference.

Greenhouse Gas Emissions

We have reported on all sources of carbon emissions and energy usage required under The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended.

The "Greenhouse Gas Emissions (GHG) Report" on pages 54 to 60 forms part of the Directors' Report by cross-reference.

Related Party Transactions

Details of related party transactions can be found in "Note 32. Related Party Transactions" in the Consolidated Financial Statements for details of related party transactions.

Substantial Shareholdings

At 31 December 2023, the following shareholders held 3% or more of the issued share capital of Venator Materials PLC.

Registered Shareholder	Shareholding
Citadel Advisors LLC	25.32 %
PGIM, Inc.	23.25 %
Squarepoint OPS LLC	18.51 %
Capital Group Investment Managers	17.98 %
CVC Investment Managers	6.64 %
JP Morgan Investment Managers	4.74 %

The Directors are not aware that any other person, company or Group of companies held 3% or more of the issued share capital of the Company.

Annual Report and Financial Statements, for the year ended 31 December 2023

DIRECTORS' REPORT (CONTINUED)

Capital Structure

The Group's share capital is comprised of one class of ordinary shares of \$0.001 each. The shares were listed on the New York Stock Exchange under the symbol "VNTR" prior to 15 May 2023. On 14 May 2023, the Company and certain of its subsidiaries filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas. On 15 May 2023, the Company was notified by the staff of NYSE Regulation that it had suspended trading in the Company's ordinary shares on the NYSE and determined to commence proceedings to delist the Company's ordinary shares from the NYSE after the Company filed the Chapter 11 petition referenced above. Additionally, on 13 February 2023, the Company filed a Notice of Termination of Registration Under Section 12 (g) of the Securities Exchange Act of 1934. On 12 October 2023, the Company filed a Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code, upon which the Company emerged from Chapter 11.

At 31 December 2023, 108,048,207,731 shares were in issue (2022: 107,902,595). The shares carry no rights to fixed income and each share carries the right to one vote at general meetings. All shares are fully paid.

The Group's net debt to adjusted equity ratio at 31 December 2023 is 0.39, compared to (2.41) as a result of negative equity at 31 December 2022.

Net debt to adjusted equity ratio measures the overall debt situation of the Group. Net debt is calculated by netting the value of the Group's liabilities and debts with its cash and cash equivalents. Adjusted equity is the total equity of the Group, adjusted by the current hedging reserve.

This change in the proportion of debt financing relative to the Group's equity in the year is the result of the emergence from Chapter 11, where on emergence all outstanding obligations under the Term Loan Facility, Senior Secured Notes, Senior Unsecured Notes, and DIP Facility totalling approximately \$1,270 million, including the applicable indentures, credit agreements and guarantees governing such obligations, were cancelled in return for New Ordinary Shares of the Company. The Company is currently financed primarily through external financing in the form of a Term Loan and an ABL Credit Agreement, which totals \$210 million at 31 December 2023 (2022: \$1.3bn).

Further information on the external financing can be found within Note 23. Loans and borrowings.

Branches Outside of the UK

See Note 38 to Venator Materials PLC Consolidated Financial Statements.

Stakeholder Engagement

As discussed in our Section 172 Statement in the Strategic Report, the board recognises that the long-term success of the Group is largely linked with value-creation for, and effective engagement with, its stakeholders. The following set out the engagement mechanisms that are currently in place with the Group's key stakeholders.

Employee Engagement Statement

Our people are at the core of our business, be that engaging with our customers or communicating with our suppliers and other key stakeholders. Because of this, we strongly believe in fostering the development, wellbeing, safety and diversity of Venator's 2,700 associates. Zero Harm and Teamwork are two of the five Venator values which guide our day to day approach to people management. We believe that by investing in our people, we create a more sustainable workforce that will drive our business growth and enable us to overcome the different challenges we face.

We believe that our values-based culture is a competitive advantage that is critical to our success and we implement policies that set forth these values including our Business Conduct Guidelines. We pride ourselves on maintaining high ethical standards and integrity, employee health and safety, teamwork, innovation and performance. We emphasise the importance of each of our employees supporting our core values, establishing standards for work ethic, collaboration, and a commitment to deliver results.

Annual Report and Financial Statements, for the year ended 31 December 2023

DIRECTORS' REPORT (CONTINUED)

To remain a leading global manufacturer and marketer of chemical products, it is important that we continue to attract and retain exceptional talent. Our business results depend on our ability to successfully manage our employees, including attracting, identifying and retaining key talent. Factors that may affect our ability to attract and retain qualified employees include employee morale, our reputation, competition from other employers and availability of qualified individuals.

Venator uses communication cascades with all employees to provide employees with information on matters of concern to them and also to make all employees aware of financial and economic factors affecting the performance of the Company. The Directors also engage with employees by regular communication updates, town hall meetings and site visits where employees are welcomed to ask questions of the Directors.

In order to regularly consult employees or their representatives, so that their views can be taken into account in making decisions affecting them, employee representatives are consulted, in geographies where it is required, through either staff councils, works councils or trade unions. Issues or concerns that require escalation are escalated to the Executive Leadership Team. The Company also has a 'Speak Up' confidential reporting service for issues related to Venator's Business Conduct Guidelines.

A significant number of our employees are employed in jurisdictions where they are represented by a local works council consisting of Company and employee representatives. A number of our employees are members of unions and we have entered into collective bargaining agreements with these unions on terms that we believe are typical for the industry in which we operate. We have experienced work stoppages in the past, but do not consider any of these work stoppages to have been material to our operations.

All associates and contractors at Venator are made aware of our policies and procedures. As part of our Ethics & Compliance function we ensure that regular training is provided to associates (online and in person) and associates are encouraged to raise concerns where they see or suspect wrongdoing or violation of our policies. We operate a Speak Up hotline and all Ethics and Compliance matters are raised at board level at each board meeting.

Venator is committed to recruiting the right people and invests in training and support of associates, including professional development to ensure they reach their full potential.

Venator operates an annual discretionary incentive bonus scheme for all associates and a selective share scheme on a nomination basis.

Statement of engagement with suppliers, customers and others in a business relationship with the Company

The basic responsibility of the Directors of Venator is to exercise their business judgement to act in what they reasonably believe to be in the best interests of the Company and its shareholders. The primary objective of the directors should be to enhance the long-term value of the Company for the benefit of the shareholders. The Board and management understand that the long-term interests of the shareholders are advanced by responsibly addressing the concerns of other stakeholders and interested parties, including employees, customers, suppliers, communities of which the Company is a part, government officials and the public at large. The Board and management further recognise that it is their joint responsibility to support, oversee and provide leadership for the Company's program to ensure compliance with all applicable regulatory requirements and corporate-wide compliance policies.

s172 Statement

The 'Business Conduct and Relationships' and 'Employees' sections of the Strategic Report form part of the Directors' Report by cross-reference.

Post Balance Sheet Events

See Note 36. Post balance sheet events to the consolidated financial statements forms part of the Directors' Report by cross-reference.

Annual Report and Financial Statements, for the year ended 31 December 2023

DIRECTORS' REPORT (CONTINUED)

Exemption from Audit by Parent Guarantee

The following UK subsidiaries of Venator Materials PLC are exempt from the requirement to obtain an audit of their individual statutory accounts for the year ended 31 December 2023, by virtue of s479A of the Companies Act 2006. Venator Materials PLC has issued guarantees for the following subsidiary companies under s479C Companies Act 2006

Subsidiary Name	Registered Number
Venator Materials UK Limited	00832447
Venator International Holdings UK Limited	10407671
Venator Investments UK Limited	10417559
Venator Holdings UK Limited	10518724
Venator Materials International UK Limited	10408218
Venator P&A Holdings UK Limited	03767080
Venator Materials Services Limited	13476731
Venator Group Services Limited	00995450

The outstanding external liabilities at the balance sheet date of the following subsidiaries have been guaranteed pursuant to s479A to s479C of the Companies Act 2006:-

Venator Materials UK Limited - external liabilities with a book value of \$68 million as at 31 December 2023 (2022: \$55 million).

Venator Investments UK Limited - external liabilities with a book value of nil as at 31 December 2023 (2022: \$19 million).

None of the remaining entities covered by the Parent Company guarantee have any significant external liabilities.

Disclosure of information to auditor

In accordance with Section 418 of the Companies Act 2006, each director in office at the date the Directors' Report is approved confirms that:

- so far as the director is aware, there is no relevant audit information of which the Group and Parent Company's auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Group and Parent Company's auditor is aware of that information.

Approval

This report was approved by the board of directors on 19 February 2025 and signed on its behalf by:

E. Bryan Snell
Chief Executive Officer
19 February 2025

Alexander Paterson
General Counsel and Company Secretary
19 February 2025

GREENHOUSE GAS EMISSIONS (GHG) REPORT

Introduction

Venator Materials PLC (Venator) is one of the leading global chemical companies dedicated to developing and manufacturing TiO₂ pigments and performance additives. Venator is a United Kingdom-based global manufacturer that was established in August 2017 and it employs approximately 2,700 people worldwide, selling products in 104 countries. In 2023, Venator divested 8 sites (Augusta, US; Dandenong, Australia; Kildgrove, UK; Los Angeles, US; Sudbury, UK; Taicang, China; Turin, Italy; and Walluf, Germany).

Venator commissioned Environmental Resources Management Ltd (ERM) to prepare a report compliant with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, (hereafter known as the SECR Guidelines) as stipulated by the Companies Act 2006. Venator has previously been reporting its GHG emissions under the preceding Environmental Reporting Guidelines: Including Mandatory Greenhouse Gas Emissions Reporting Guidance June 2013 (hereafter referred to as the Environmental Reporting Guidelines).

In 2018, a materiality assessment for five additional environmental categories, as outlined by the Environmental Reporting Guidelines, was conducted. The materiality appraisal was undertaken in two stages:

1. review of the performance of a range of Venator's peer competitors and customers, to compare what they were communicating in their Annual Reports against the other KPIs; and
2. a detailed appraisal of KPI materiality against the Sustainability Accounting Standards Board (SASB) Materiality Map and 2016 GRI Foundation, and selected Standards.

The materiality assessment was repeated in 2019 to confirm the status of these environmental KPIs in relation to Venator's operations.

The recommendations from the 2018 and 2019 materiality assessments were that water and waste, as well as emissions to air, should also be reported in subsequent Annual Reports. Hence, these are included in Venator's 2018 mandatory statement. Resource efficiency; Emissions to land and water; and Biodiversity were not deemed to be material, given the nature of Venator's typical business operations.

This report presents the results of the Greenhouse Gas assessment for 2023, outlining Scope 1 and 2 GHG emissions and underlying energy consumption, including reporting of the UK operation's contribution. This fulfils the SECR guidelines, presented alongside water consumption, waste generation, and emissions to air, in addition to associated intensities and an energy efficiency narrative. Note that the method for calculating intensity was amended from 2018 onwards to accommodate all production, i.e., also including that of eco-products.

GHG Emissions

Venator's mandatory Scope 1 and 2 GHG emissions statement was produced for the period 1st January to 31st December 2023.

The GHG assessment was carried out in line with the World Resources Institute/World Business Council Sustainable Development GHG Protocol Corporate Accounting and Reporting Standard v, hereafter referred to as the Corporate Standard.

For the divested locations the data reported in this report, represent 2022 figures scaled using production output data for the period January – March 2023 during which each site operated under Venator's ownership, and total production for 2022.

According to the Corporate Standard, two approaches can be used to account for GHG emissions from organisations:

1. equity share; and
2. operational/financial control.

A company accounts for GHG emissions according to its share of equity in the operation using the first approach, whilst under the control approach, the Company is responsible for all the emissions from those operations over which it has control.

GREENHOUSE GAS EMISSIONS (GHG) REPORT (CONTINUED)

GHG Emissions (continued)

Venator’s GHG reporting was undertaken using the operational control approach, where a company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation. Under the operational control approach, a company accounts for 100% of emissions from operations over which it or one of its subsidiaries has operational control.

The seven main greenhouse gases, as listed in the Kyoto Protocol,vi,vii,viii are:

1. carbon dioxide (CO2)
2. methane (CH4)
3. nitrous oxide (N2O)
4. hydrofluorocarbons (HFCs)
5. perfluorocarbons (PFCs)
6. sulphur hexafluoride (SF6), and
7. nitrogen trifluoride (NF3).

The relevance of these greenhouse gases to Venator’s operations is detailed in Table 2.1 below:

Greenhouse Gases included in Venator's inventory (Table 2.1)

Greenhouse Gas	Included/excluded from Venator's GHG assessment
Carbon Dioxide	Included as part of fuel combustion and electricity generation (Scopes 1 and 2)
Methane	Released from Venator operations (Scope 1)
Nitrous Oxide	Released from Venator operations (Scope 1)
Hydrofluorocarbons	Included as part of refrigerant operations (Scope 1)
Perfluorocarbons	Not released from Venator operations
Sulphur hexafluoride	Not released from Venator operations
Nitrogen trifluoride	Not released from Venator operations

GHG emission sources are delineated into three different scopes across the value chain (see Figure 2.1).

Scope 1 emissions are defined as occurring from sources that are owned or controlled by the Company, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, and so on.

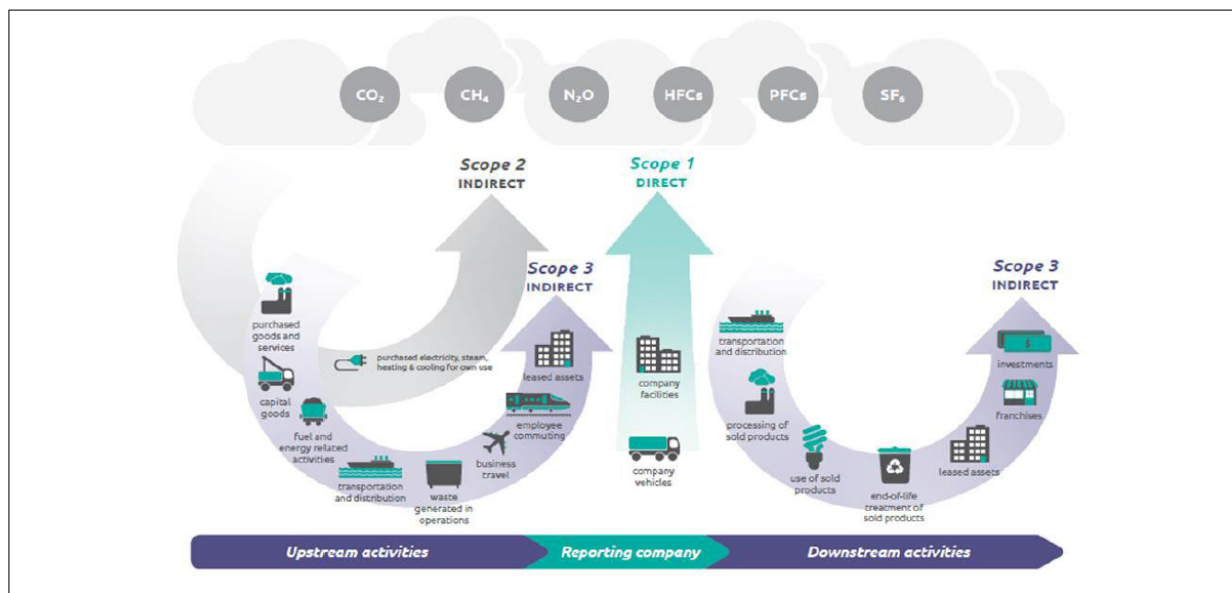
Scope 2 emissions refer to GHGs emitted into the atmosphere associated with consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that occur because of the organisation’s activities, but which take place at sources not owned or controlled by the facility.

Scope 3 emissions are those indirect emissions occurring at sources not owned or controlled by the Group, and not classed as Scope 2 emissions. Examples of Scope 3 emissions are business travel by means not owned or controlled by the organization and waste disposal. This is an optional reporting category, and it was not considered in Venator’s GHG assessment.

GREENHOUSE GAS EMISSIONS (GHG) REPORT (CONTINUED)

GHG Emissions (Continued)

FIGURE 2.1 GHG PROTOCOL SCOPES AND EMISSIONS ACROSS THE VALUE CHAIN, AS CATEGORISED BY THE CORPORATE STANDARD



Source: WRI/WBCSD Corporate Value Chain (Scope 3) Accounting and Reporting Standard, pg. 5

Venator's operations generate the sources of emissions outlined in Table 2.2 below.

Venator's emission sources (Table 2.2)

Emission Scope	Emission Sources
Scope 1	Fuel consumption (e.g. natural gas, coal)
	Use of CO ₂ as raw material
	Use of compounds for neutralisation (e.g. limestone, sodium carbonate)
	Use of compounds for reduction (e.g. coke)
	Refrigerants used as part of cooling processes or for air conditioning (e.g. R12, R407C)
	Process electricity
Scope 2	Purchased steam

Energy, fuel, raw material and refrigerant data were extracted from Venator's environmental reports from its seventh operational year.

Emission factors translate activity data, e.g., fuel use, electricity consumption, and so on, into carbon dioxide equivalent ('CO₂e') emissions, per the following approach:

$$\text{GHG emissions} = \text{Activity Data} \times \text{Emission Factor}$$

Fuel conversion factors were obtained from the 2023 UK Government Greenhouse Gas (GHG) Conversion Factors for Company Reporting.

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GREENHOUSE GAS EMISSIONS (GHG) REPORT (CONTINUED)

GHG Emissions (Continued)

- Country-specific electricity conversion factors were derived from the 2023 IEA CO₂ Emissions from Fuel Combustion. For the US, factors were taken from the 2022 US EPA eGRID.
- The Intergovernmental Panel on Climate Change Sixth Assessment Report and the ecoinvent database v 3.9 were used for emission factors specific to certain compounds, e.g., refrigerants.

Venator's Scope 1 and 2 GHG emissions and intensities against total production volume for 2023 and 2022 are outlined below in Table 2.3, in addition to Venator's contribution from its UK operations for 2023, as outlined below in Table 2.4. Total production across the 19 Venator sites (including January to March figures for divested 8 sites) in 2023 was used as the denominator to calculate GHG emissions intensities. 2022 emissions were updated following an audit in late 2023, and therefore are slightly different to the figures presented in the previous report and financial statements.

Venator's 2023 and 2022 GHG Emissions and Intensities (Table 2.3)

Emission Source	2023		2022	
	GHG Emissions (tCO ₂ e)	GHG Emissions Intensity (tCO ₂ e/tonne)	GHG Emissions (tCO ₂ e)	GHG Emissions Intensity (tCO ₂ e/tonne)
Scope 1 (Direct)	700,076	0.67	914,927	0.70
Emissions from combustion of gas	460,925		612,297	
Emissions from combustion of fuel for transport purposes	375		21,094	
Emissions from other	238,776		281,536	
Scope 2 (Indirect)	285,936	0.27	269,049	0.21
Emissions from electricity purchased for own use, including for purposes of transport	123,886		269,048	
Emissions from other	162,050		1	
Total	986,012	0.94	1,183,976	0.91

Venator's 2023 and 2022 UK GHG Emissions and Intensities (Table 2.4)

Emission Source	2023			2022		
	GHG Emissions from UK Operations (tCO ₂ e)		GHG Emissions Intensity from UK Operations (tCO ₂ e/tonne) *	GHG Emissions from UK Operations (tCO ₂ e)		GHG Emissions Intensity from UK Operations (tCO ₂ e/tonne)
Scope 1 (Direct)	172,857	(24.7)%	1.74	188,389	(20.6)%	1.67
Emissions from combustion of gas	71,126			74,411		
Emissions from combustion of fuel for transport purposes	67			81		
Emissions from other	101,664			113,897		
Scope 2 (Indirect)	17,748	(6.2)%	0.18	20,433	(7.6)%	0.18
Emissions from electricity purchased for own use, including for purposes of transport	17,748			20,433		
Emissions from other	—			—		
Total	190,605	19.3 %	1.92	208,822	(17.6)%	1.85

* Emissions intensity is higher in the UK due to inclusion of Venator HQ, Wynyard, with zero production. Scope 1 emissions on Greatham (UK) are the second highest across Venator's locations. Additionally, two of the divested sites (Kidsgrove and Sudbury) are located in the UK, which have significantly lower production in 2023, compared to 2022.

Venator's underlying energy consumption associated with its Scope 1 and 2 emissions for 2023 and 2022 is outlined below in Table 2.5, including the contribution from Venator's UK sites.

GREENHOUSE GAS EMISSIONS (GHG) REPORT (CONTINUED)

GHG Emissions (Continued)

Venator's 2023 and 2022 energy consumption (Table 2.5)

Emission Source	2023		2022*	
	Energy consumption (MWh)		Energy consumption (MWh)	
UK	472,657	(14.7)%	501,719	(11.9)%
Emissions from combustion of gas	385,482		407,819	
Emissions from electricity purchased for own use, including for purposes of transport	86,030		92,583	
Emissions from combustion of fuel for transport purposes	273		301	
Emissions from other	872		1,016	
Other global operations	2,749,522		3,725,209	
Emissions from combustion of gas	2,112,587		2,947,928	
Emissions from electricity purchased for own use, including for purposes of transport	562,100		632,248	
Emissions from combustion of fuel for	1,312		91,893	
Emissions from other	73,523		53,140	
Total	3,222,179		4,226,928	

Venator has been working towards emissions reduction by taking action to improve the energy efficiency of its operations. In 2023, this comprised the following activities:

- At the Greatham (UK) site, several measures have been taken:
 1. A thermal study was completed to review if fuel used in fired heaters could be switched to hydrogen and hydrogen/natural gas blends. This includes supplier discussion to get a Hydrogen pipe before 2030.
 - a. Optimisation work was carried out to reduce Microniser steam usage and leakage, by repairing leaks and passing stream traps.
 - b. Investigation for on-site solar electricity generation have been ongoing.
 - c. Installation of LEDs, with ~20kW being saved by upgrading ~100 fittings.
 - d. Investigation into the replacement of coke used in process.
- At the site in Teluk Kalong (Malaysia), Venator has started looking at the overall consumption of electricity, generation of steam, usage of steam, and usage of gas. The site is benchmarking itself against industry leaders.

In 2024, Venator aims to continue to improve energy efficiency and to drive down emissions from its sites.

Water

Water consumption data for each site were extracted from Venator's environmental reports. Total production across Venator's 19 sites in 2023 (including January to March production actuals from divested 8 sites) was used as the denominator to calculate water intensities.

Table 3.1 below gives the 2023 water consumption and intensity figures for Venator.

GREENHOUSE GAS EMISSIONS (GHG) REPORT (CONTINUED)

*GHG Emissions (Continued)**Waste (continued)*

Venator's 2023 water consumption and intensity (Table 3.1)

Water consumption (m ³)	Water intensity (m ³ /tonne)
72,283,021	68.87

The 2022 water consumption and intensity results are provided for comparison below in Table 3.2 below.

Venator's 2022 water consumption and intensity (Table 3.2)

Water consumption (m ³)	Water intensity (m ³ /tonne)
79,458,847	60.61

Waste

Venator's hazardous and non-hazardous waste figures for 2023 are reported in Table 4.1 below. Total production across Venator's 19 sites in 2023 (including January to March production actuals from divested 8 sites) was used as the denominator to calculate waste intensities.

Venator's 2023 waste generation and intensity (Table 4.1)

Waste type	Waste produced (tonnes)	Waste intensity (tonne/tonne)
Hazardous Waste	32,762	0.03
Non-Hazardous Waste	537,493	0.51
Total	570,255	0.54

The 2022 waste generation and intensity results are provided for comparison below in Table 4.2, below.

Venator's 2022 waste generation and intensity (Table 4.2)

Waste type	Waste produced (tonnes)	Waste intensity (tonne/tonne)
Hazardous Waste	39,357	0.03
Non-Hazardous Waste	860,368	0.66
Total	899,725	0.69

Emissions to Air

The 2018 and 2019 KPI materiality appraisals found the most impactful emissions to air from Venator's operations to be from acidification, i.e., NO_x and SO_x emissions.

Venator's emissions to air for 2023 are reported in Table 5.1 below. Total production across Venator's 19 sites in 2022 (including January to March production actuals from divested 8 sites) was used as the denominator to calculate emissions to air intensities.

GREENHOUSE GAS EMISSIONS (GHG) REPORT (CONTINUED)

GHG Emissions (Continued)

Emissions to Air (continued)

Venator's 2023 emissions to air and intensities (Table 5.1)

Emissions Type	Emissions to air (tonne)	Emissions to air intensity (tonne/tonne)
NO _x emissions	293	0.0003
SO _x emissions	1,017	0.0010
Total	1,310	0.0013

The 2022 emissions to air and intensity results are provided for comparison in Table 5.2 below.

Venator's 2022 emissions to air and intensities (Table 5.2)

Emissions Type	Emissions to air (tonne)	Emissions to air intensity (tonne/tonne)
NO _x emissions	458	0.0003
SO _x emissions	1,673	0.0013
Total	2,131	0.0016

NON-FINANCIAL INFORMATION STATEMENT

CLIMATE-RELATED FINANCIAL DISCLOSURES (CFD) REPORT

Climate-related Financial Disclosures

At Venator, the sustainability of our operations is synonymous with the sustainability of our planet. Climate change is one of the most significant risks to our planet, and our role in achieving a sustainable future includes preparing Venator for both the physical impacts of climate change and the transition to a lower carbon economy. To that end, assessing climate-related risks and opportunities is not just an additional focus area but is integral to our business's effective functioning.

The UK Government has released The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (UK CFD) legislation and associated non-binding guidance as a framework for effective climate-related disclosures for businesses. At its core, the aim is to enable stakeholders to understand businesses' exposure to climate-related risks and their capacity to support the transition to a decarbonized economy.

We have therefore employed the UK CFD guidance to identify climate-related risks and opportunities that could materially impact our business. This information enables us to build a more sustainable business model that includes innovative solutions to improve our resilience, is adapted to the physical challenges posed by climate change, and supports efforts to decarbonize the global economy.

At Venator, climate-related risks and opportunities are managed through capital investment, risk assessment, and innovation in our production and operational processes. At our Greatham facility in the UK, we are collaborating with the Environment Agency and other partners to develop new flood defenses for the facility to mitigate against the risk of rising sea levels. We have allocated £3 million of capital investment to this project over two years. In 2024, we have also planned further investment of over £400,000 to develop designs for hydrogen infrastructure at the facility.

We are also taking steps to reduce our product carbon footprint (PCF). At our Huelva facility in Spain, we have completed a pilot study to automate PCF at an individual product level. The PCF calculation tool and methodology developed by BASF is based on the Life Cycle Assessment methodology and calculates cradle-to-gate PCF. The methodology is based on ISO14067:2018 for the carbon footprint of products, which builds on the principles and requirements of the ISO standards 14040:2006 and 14044:2006. Following the successful completion of the pilot study in 2023, we are now working on a full enterprise roll-out.

Although this is our first year of climate-related financial disclosures, we have been actively assessing climate-related risks relevant to our operations and have made steady progress in recent years to enhance the resilience of our business strategy to a low-carbon economy. Site-level assessments have been completed to understand the exposure and physical impact of climate change on our global sites. We have committed to scope 1 and 2 emissions reduction targets of 50% by 2030. Between 2022 and 2023, our scope 1 emissions decreased by 23.5%; 80% of this reduction was due to decreased emissions at sites under Venator's operational control. Our scope 2 emissions increased by 8%, driven by increased electricity use at Uerdingen and Duisburg.

We are developing a decarbonization strategy for our operations to enable this necessary shift in how we consume energy as an organization. Direct investment in these and other high-priority, climate-related issues is funded through our sustainability capital expenditure category. Beyond this, we are working across our value chain to reduce our scope 3 carbon footprint.

The above details and information throughout this report demonstrate that our business strategy is resilient amidst a range of climate scenarios. We are taking pragmatic, thoughtful steps to manage the climate-related risks and opportunities we may face. We will continue to monitor the impacts of climate change closely to adapt and continually improve our resilience in the future.




NON-FINANCIAL INFORMATION STATEMENT (CONTINUED)

CLIMATE-RELATED FINANCIAL DISCLOSURES (CFD) REPORT (CONTINUED)

Governance

The governance of climate-related issues sits at the most senior levels of our business. Our Board is responsible for managing the business’s climate-related risks and opportunities. The governance of climate-related issues is overseen by the Nominating and Corporate Governance Committee and the Audit Committee of the Board, with the Sustainability Council created in 2022 to support these efforts. Our sustainability governance structure highlights the governance hierarchy from the Board to the Sustainability Council.

Governance structure

<p>Board Member</p> <p>E. Bryan Snell Board Sponsor for Sustainability</p>	
<p>Executive Team Representative</p> <p>Rob Portsmouth Executive Vice President, Sustainability, EHS and HR</p>	
<p>Sustainability Council</p> <p>Members Venator leaders</p>	

Key stakeholders across the business, including Executive and Senior Management, are interviewed in Q4 each year to review our list of top risks for the following year. This is then communicated to the Nominating and Corporate Governance Committee and Audit Committee in the February meeting of that year. These Committees are responsible for the annual re-evaluation of our identified risks and opportunities, including identifying potential new risks and opportunities. Information relating to climate-related risks and opportunities will be included in the risk evaluation for 2024 and beyond.

The Nominating and Corporate Governance Committee and the Audit Committee both meet quarterly. During these meetings, the Committees share progress made against our sustainability targets, including those related to decarbonization, and identify areas for improvement. They also include discussions surrounding the management of risks and opportunities. In particular, the Committees will consider the implications of the identified climate-related risks and opportunities on our business strategy and financial planning. Discussions will be informed by decisions made at the departmental and site level regarding bespoke capital allocation plans for climate mitigation and adaptation activities.

Chaired by the Executive Vice President (EVP) of Sustainability and Environmental Health and Safety (EHS), the Sustainability Council also meets quarterly. The Council coordinates sustainability initiatives and activities and reviews progress against targets across our sustainability strategy pillars (People, Products, Planet, and Performance). This includes managing and reporting greenhouse gas (GHG) emissions from our sites worldwide, with 2030 targets in place for emissions and waste. The Sustainability Council reviews progress against these targets quarterly and shares the findings with the Board. As with the Nominating and Corporate Governance Committee and the Audit Committee, managing climate-related risks and opportunities through our identified control measures will be a core focus of the Council’s quarterly discussions in the future.

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NON-FINANCIAL INFORMATION STATEMENT (CONTINUED)

CLIMATE-RELATED FINANCIAL DISCLOSURES (CFD) REPORT (CONTINUED)

Strategy

A core aim of the UK CFD is for companies to disclose the climate-related risks and opportunities identified over the short, medium, and long term and to describe the impact of these risks and opportunities on their organizations’ strategy and financial planning. The intended consequence is improved strategic resilience through adaptation and the development of control measures. This section of our UK CFD report demonstrates how, at Venator, we have created strategic resilience by integrating the management of climate-related risks and opportunities into our business strategy.

Risk and opportunity identification: scenario analysis

We employed climate scenario analysis to identify the climate-related risks and opportunities we may face under different hypothetical futures. This, in turn, will allow us to respond appropriately to the most materially relevant risks and opportunities.

Supported by third-party climate risk experts, we took a comprehensive approach to scenario analysis, conducting both physical and transitional assessments. Analyzing the impact of climate scenarios on our business operations and supply chain enabled us to identify our global business’s physical and transitional climate-related risks and opportunities.

In undertaking the physical scenario analysis, we assessed the impact of two best-practice climate scenarios called the Shared Socioeconomic Pathways (SSPs), taken from the Sixth Assessment Report (2023) by the Intergovernmental Panel on Climate Change (IPCC). The SSPs include projections of how varying GHG levels can impact the physical environment, including factors such as precipitation, temperature, sea level rise and extreme weather events. This enabled us to better understand our sites’ exposure to various physical risks. The two physical climate scenarios chosen are detailed below.

Scenario	Description
SSP1-2.6: Sustainable development scenario	Global GHG emissions decline to net zero by 2070. This is due to societies adopting more ecologically beneficial practices worldwide, where the focus shifts from economic growth to general well-being. Severe weather events do occur, but the worst consequences of climate change have been avoided. Warming: 1.3°C–2.4°C by 2100.
SSP5-8.5: Fossil-fuel-driven development scenario	Global GHG emissions almost double from current levels by 2050. This is the worst-case scenario: fossil fuel exploitation and energy-intensive lifestyles drive rapid global economic growth. Catastrophic weather events are commonplace. Warming: 3.3°C–5.7°C by 2100.

Consistent with the UK CFD guidance, climate-related physical risks were then categorized as follows., climate-related physical risks were then categorized as follows.

- Acute physical risks: event-driven risks, including increased severity of extreme weather events such as heatwaves, flooding, excessive wind speeds, and winter storms.
- Chronic physical risks: longer-term shifts in climate patterns (such as sustained higher temperatures) that may cause sea level rise, change in precipitation patterns, or chronic heat waves.

For the transition scenario analysis, we assessed the impact of three transition scenarios from the World Energy Outlook (2023) report by the International Energy Agency (IEA). The projected transition pathways were cross-referenced with Venator’s operations and value chain knowledge to identify potential climate-related risks and opportunities. The selected scenarios present a sharp contrast between potential futures, enabling us to plan for various climate impacts. The three transition scenarios are outlined below.

Scenario	Description
Net Zero Emissions by 2050 Scenario (NZE)	A best-case scenario from a climate perspective that maps out a method for achieving a 1.5°C stabilization in the rise in global average temperatures.

NON-FINANCIAL INFORMATION STATEMENT (CONTINUED)

CLIMATE-RELATED FINANCIAL DISCLOSURES (CFD) REPORT (CONTINUED)

Risk and opportunity identification: scenario analysis (continued)

Scenario	Description
Announced Pledges Scenario (APS)	An ambitious scenario that assumes that all aspirational targets announced by governments are met on time and in full.
Stated Policies Scenario (STEPS)	A scenario illustrating the trajectory implied by today’s policy settings.

The climate-related transition risks identified in the analysis were subsequently categorized according to UK CFD guidance:

- Policy
- Technology
- Market
- Reputation and Legal

Impacts of climate change are being felt today, but the risks to a business may materialize over various time horizons. The UK CFD recommends analyzing each scenario’s short-, medium- and long-term time horizons to present a holistic picture of possible outcomes. The milestone year represents when Venator should assess the risk for the particular time horizon. Our time horizons reflect global emissions milestones from the present to 2050; our short-term milestone reflects the business’s scope 1 and 2 50% emissions reduction targets, whilst our long-term milestone reflects the global net-zero target of the Paris Agreement. We have chosen a medium-term milestone of 2040, providing an intermediary that enables disclosure of progress across two otherwise widespread dates. These time horizons are laid out below

Range	Timeframe	Milestone year
Short term	2023–2030	2030
Medium term	2030–2040	2040
Long term	2040–2050	2050

Internally, we track the anticipated trending of risks and opportunities both over time and across the different scenarios. However, for clarity of disclosure we have chosen to include the time horizon that risks and opportunities materialize, rather than the full breakdown of when risks and opportunities will be material, in this report.

Through our scenario analysis, SSP5-8.5 is recognized as the scenario where the identified physical risks are the most important for Venator; the physical impacts of climate change become more pronounced under higher emissions scenarios. By contrast, the identified transition risks and climate opportunities are most significant under the NZE scenario due to the increased prevalence of regulations and higher stakeholder expectations for decarbonization.

Risk management

Our corporate risk methodology, the COSO Integrated Framework, is designed to identify, assess, and mitigate risks to minimize their impact on our business and ensure our long-term success. We have integrated our climate-related risk management into our overall risk management by employing the COSO Integrated Framework throughout the climate-related risk assessment process.

Risk and opportunity evaluation

Collaborative workshops were held following the completion of the initial scenario analysis. The potential business and financial impacts of the risks and opportunities were evaluated during these workshops. Senior leaders and key stakeholders from across the company – such as the EVP Sustainability & EHS, Purchasing Director, and Finance Director – attended the workshops, provided insights, and supported the assessment of risks and opportunities. The collective insights in these workshops meant we could effectively assess the potential climate-related risks and opportunities across the areas they were projected to impact.

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NON-FINANCIAL INFORMATION STATEMENT (CONTINUED)

CLIMATE-RELATED FINANCIAL DISCLOSURES (CFD) REPORT (CONTINUED)

The workshops' output included identifying the management approach already in place and areas where further work is needed to understand risk exposures better. Potential business impacts associated with each risk and opportunity were reviewed to support the evaluation of the risks.

The risks and opportunities were evaluated per Venator's corporate risk methodology. The information identified through the scenario analysis and workshops was used to create our climate-related risks and opportunities register, summarizing the magnitude and probability of each climate-related risk with an outline of current mitigations. The register also considers the exposure level for physical risks for each global site. For opportunities, the magnitude of the opportunity and Venator's capacity to fulfil the opportunity were evaluated.

Lastly, financial impacts were assessed. The evaluation included critical qualitative information for our first year of financial impact reporting. The potential implications for financial position (assets, liabilities, capital, and financing) and performance (revenue and expenditures) were described for each risk and opportunity. Findings from the climate-related risks and opportunities register have been communicated to the Sustainability Council, including the Executive Vice President of Sustainability and EHS.

The most significant risks and opportunities are summarized in this report. For physical risks, that means those risks that present the highest risk to our global sites, factoring in the prioritization of the sites themselves. Based on the current assessment, only acute risks, not chronic, have been deemed material to disclose. For transition risks and opportunities, those ranked highest considering the magnitude and probability/capacity were included. Due to this, not all UK CFD risk categories are noted below, but have been considered throughout the risk evaluation.

We have created a capital expenditure category for sustainability to improve our strategic resilience and financial planning for climate-related risks. This category includes a scoring system whereby sustainability issues requiring capital investment are scored 1 to 3 based on priority. Scores of one represent high-priority, mandatory expenditures whereas scores of 3 are voluntary or optional expenditures to be made strategically when funds allow. Applying this scoring methodology to climate-related issues provides a method by which we can financially prepare to mitigate or adapt to climate-related risks.

Metrics and targets

Metrics and targets play a vital role in helping to manage climate-related risks and opportunities by enabling the Board and senior management to make informed decisions and communicate transparently to stakeholders about how performance is measured. Metrics and targets also measure and describe the impact of climate-related risks and opportunities on our strategy and financial planning, helping to enhance the business's resilience under various possible futures. They assist in measuring risk exposure as part of the business's broader risk management processes, helping to measure, track, and drive performance internally.

In 2022, we established environmental, social, and governance (ESG) KPIs and targets for our operations. These focus on the four areas of our ESG strategy: People, Products, Planet, and Performance. Our 'Planet' pillar captures material climate-related performance data, including GHG emissions, energy consumption, and waste production. We calculate our scope 1 and 2 global GHG emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard. Our 2023 carbon footprint (scope 1 and 2) is outlined across pages 54 to 60 of this report.

Our climate-related targets include our commitment to reduce our scope 1 and 2 emissions by 50% by 2030. These targets are part of our decarbonization strategy, approved by the Executive Leadership Team. Venator also acknowledges the importance of our value chain emissions, for which we are establishing a baseline.

Beyond our headline metrics and targets, we have been working to understand our exposure to specific climate-related risks and opportunities by developing further cross-industry metrics. We will work towards establishing and measuring these metrics in 2024 and future years.

NON-FINANCIAL INFORMATION STATEMENT (CONTINUED)

CLIMATE-RELATED FINANCIAL DISCLOSURES (CFD) REPORT (CONTINUED)

Climate-related risks and opportunities

Physical climate-related risks:

Risk	Financial impact	Management approach	Materialization
<p>Acute risk: Extreme Rainfall and Tidal Flooding</p> <p>Priority sites:</p> <ul style="list-style-type: none"> • Harrisburg, NC • Greatham, UK 	<ul style="list-style-type: none"> • Increased capital expenditure for repairs associated with the damages caused by flooding. • Reduced revenue caused by business interruption due to limited productive capacity and site shutdowns during extreme rainfall and river flooding events. • Liability risks associated with chemical contamination of the local environment, leading to litigation costs. 	<p>Improvements to sea flood defenses are being developed for our Greatham facility in collaboration with stakeholders. Capex of £3 million has been allocated for Venator’s contribution towards this project.</p> <p>Next steps include implementing standardized monitoring of weather and river levels to understand when floods may occur.</p>	<p>SSP1-2.6: Short term (2023–2030)</p> <p>SSP5-8.5: Short term (2023–2030)</p>

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NON-FINANCIAL INFORMATION STATEMENT (CONTINUED)

CLIMATE-RELATED FINANCIAL DISCLOSURES (CFD) REPORT (CONTINUED)

Climate-related risks and opportunities (continued)

Physical climate-related risks: (continued)

Risk	Financial impact	Management approach	Materialization
<p>Acute risk: Extreme Heat Priority sites:</p> <ul style="list-style-type: none"> • Lake Charles, LA • Scarlino, IT • Huelva, ES • Greatham, UK 	<ul style="list-style-type: none"> • Reduced revenue caused by business interruption, including limitations in productive capacity and site shutdowns during periods of extreme heat. 	<p>At particular sites, we are able to reduce the load on coolers and condensers to maintain our production rates during warm temperatures. At our Lake Charles site, we have an expansion of cooling capacity and the ability to assume higher ambient temperature.</p> <p>Production changes such as moderating shift patterns or reduced production during periods of extreme heat are also potential mitigation measures.</p> <p>Further steps that can be taken include establishing transport routes for critical suppliers unaffected by extreme heat.</p>	<p>SSP1-2.6: Short term (2023–2030)</p> <p>SSP5-8.5: Short term (2023–2030)</p>
<p>Acute risk: Tropical Cyclones Priority sites:</p> <ul style="list-style-type: none"> • Harrisburg, NC • Lake Charles, LA 	<ul style="list-style-type: none"> • Reduced revenue caused by business interruption, including limitations in productive capacity and site shutdowns during tropical cyclones. 	<p>We monitor cyclone activity at relevant sites and have backup generators to maintain power supply. Our office workers can also work from home if unable to work in the office.</p> <p>The next steps include building robustness and alternate routes to the supply chain.</p>	<p>SSP1-2.6: Short term (2023–2030)</p> <p>SSP5-8.5: Short term (2023–2030)</p>
<p>Acute risk: Water stress and drought Priority sites:</p> <ul style="list-style-type: none"> • Huelva, ES 	<ul style="list-style-type: none"> • Increased operational expenditure for sourcing additional water sources or supply chain routes. • Increased water prices during water stress and drought conditions. 	<p>At several of our sites, alternative water sources are available should water become limited.</p> <p>Where this is identified as a material physical climate change risk, we create site-level plans to mitigate risks associated with limited water supply, such as identifying alternative water sources, installing additional water storage facilities on-site, and establishing water recycling processes.</p>	<p>SSP1-2.6: Short term (2023–2030)</p> <p>SSP5-8.5: Short term (2023–2030)</p>

Disclaimer: The physical risk analysis conducted assessed risks at a site level. The summary above represents the risks posing the greatest physical risk globally, and priority sites for mitigation. However, the distribution of risk magnitude, exposure, and materialization at a site level is not disclosed. The site-level assessments will be considered alongside the overall significance level of each site to support the evaluation of future investments and mitigative actions to be implemented.

NON-FINANCIAL INFORMATION STATEMENT (CONTINUED)

CLIMATE-RELATED FINANCIAL DISCLOSURES (CFD) REPORT (CONTINUED)

Climate-related risks and opportunities (continued)

Transition climate-related risks:

Risk	Financial impact	Management approach	Materialization
<p>Policy and legal risk: Carbon pricing</p> <p>An increase in policy, regulation, and legislation to curb GHG emissions from corporations may occur with punitive measures taken for a lack of compliance.</p> <p>Priority sites:</p> <ul style="list-style-type: none"> All sites within the European Union and UK (in the jurisdiction of the Carbon Border Adjustment Mechanism or UK Emissions Trading Scheme). 	<ul style="list-style-type: none"> Increased operating costs from a business-as-usual approach, in which fossil fuels continue to meet most of Venator’s energy needs. The severity of the financial impact will depend on a range of policy and market-driven factors, including changes to free allowances and potential expansion of carbon pricing to new regions. 	<p>The impact of carbon pricing has been integrated into our financial modeling and forecasting, including considering multiple potential pricing trends. This allows us to budget accordingly.</p> <p>To reduce our long-term exposure to carbon pricing, we are developing a decarbonization strategy across our global facilities. Through this approach, critical manufacturing facilities will receive bespoke action plans. We have also established emissions targets of a 50% reduction on scope 1 and 2 emissions by 2030. In addition, we are collecting scope 3 emissions data and plan to set a scope 3 emissions reduction target.</p>	<p>NZE: Short term (2023–2030)</p> <p>APS: Short term (2023–2030)</p> <p>STEPS: Medium term (2030–2040)</p>
<p>Market risk: Cost of fossil fuels</p> <p>As the global energy mix transitions, shifts in both supply and demand may result in volatile fossil fuel consumer prices.</p>	<ul style="list-style-type: none"> High and unpredictable operating costs for the use of fossil fuels to meet energy demands for business operations. 	<p>As mentioned above, Venator has committed to emissions reduction targets and is taking a strategic approach to facility decarbonization.</p>	<p>NZE: Short term (2023–2030)</p> <p>APS: Short term (2023–2030)</p> <p>STEPS: Long term (2040–2050)</p>

NON-FINANCIAL INFORMATION STATEMENT (CONTINUED)

CLIMATE-RELATED FINANCIAL DISCLOSURES (CFD) REPORT (CONTINUED)

Risk	Financial impact	Management approach	Materialization
<p>Technology risk: Cost of clean energy technology.</p> <p>Decarbonizing Venator’s operations will require significant investment, and the price of clean energy technologies may surge due to rising demand.</p>	<ul style="list-style-type: none"> Increased research and development expenditure on new technologies. Capital investments in technology deployment. Operational expenditures associated with adopting and deploying new practices and processes. Write-offs and early retirement of existing assets dependent on fossil fuels. 	<p>We acknowledge the significant costs associated with decarbonizing our operations and will take a staged approach. Challenges relating to energy source availability and the delayed availability of low-emission energy sources such as hydrogen must be considered to ensure the long-term viability of these high-investment projects.</p> <p>Through our facility decarbonization strategy, we have identified priority sites and actions to achieve maximum impact and will assess the next steps to implement our strategy in 2024.</p>	<p>NZE: Medium term (2030–2040)</p> <p>APS: Long term (2040–2050)</p> <p>STEPS: Long term (2040–2050)</p>
<p>Market risk: Availability of refinery by-products.</p> <p>Decreasing the availability of fossil fuels and refining capacity may reduce the availability of refinery by-products (such as sulfuric acid, petroleum coke, and other petrochemicals) that are critical raw materials for TiO₂ production.</p>	<ul style="list-style-type: none"> Increased operating costs due to increased cost of refinery by-products. Reduced revenue due to decreased production capacity for TiO₂. 	<p>Refinery by-products are used in the TiO₂ manufacturing process, and we monitor their projected future availability and cost, considering changes to both supply and demand.</p> <p>While this risk is not material in the short term, we will continue to monitor projections and research potential alternative sources to ensure business continuity in case of scarcity.</p>	<p>NZE: Medium term (2030–2040)</p> <p>APS: Long term (2040–2050)</p> <p>STEPS: Long term (2040-2050)</p>
<p>Reputational risk: Supplier decarbonization</p> <p>Suppliers unable to transition to net zero may impact Venator’s ability to achieve its decarbonization targets.</p>	<ul style="list-style-type: none"> Increased operating costs as supplier carbon costs are passed on. Short- and medium-term reduction in revenue as partnerships with non-compliant suppliers are terminated and new partnerships are established. 	<p>We are committed to collaborating with our supply chain to reduce emissions across our scope 3 carbon footprint. To this end, we have identified our top 90 GHG-emitting suppliers and are in discussions with critical suppliers to understand their decarbonization plans.</p> <p>Following this, we will redevelop our sourcing strategy with environmental objectives, including those pertaining to GHG emissions reduction.</p>	<p>NZE: Short term (2023–2030)</p> <p>APS: Short term (2023–2030)</p> <p>STEPS: Short term (2023–2030)</p>

NON-FINANCIAL INFORMATION STATEMENT (CONTINUED)

CLIMATE-RELATED FINANCIAL DISCLOSURES (CFD) REPORT (CONTINUED)

Climate-related risks and opportunities (continued)

Climate-related opportunities:

Opportunity	Financial impact	Description	Materialization
<p>Reputational opportunity: Product carbon footprint (PCF).</p> <p>Developing Venator’s product range with reduced lifecycle emissions – therefore reducing customer scope 3 emissions – may enhance Venator’s reputation amongst customers, investors and other stakeholders.</p>	<ul style="list-style-type: none"> Supporting customers in understanding and reducing their scope 3 carbon footprints may increase revenue and market share. Decreasing our scope 1 and 2 emissions may reduce our operating costs. 	<p>We are committed to supporting our customers with their carbon footprint reductions. Completing our first PCF in 2023 was a significant milestone, and we are now working to roll the methodology out across all product lines.</p> <p>By first understanding PCFs and then leveraging strategic decarbonization actions to reduce them, we can support our customers with their decarbonization strategies.</p>	<p>NZE: Short term (2023–2030)</p> <p>APS: Medium term (2030–2040)</p> <p>STEPS: Medium term (2030–2040)</p>
<p>Market opportunity: Products supporting climate change adaptation.</p> <p>Developing Venator’s offering of products that enhance customer capacity to adapt to climate change may improve Venator’s reputation amongst customers, investors, and other stakeholders.</p>	<ul style="list-style-type: none"> Increased revenue through demand for products supporting climate change adaptation. Better competitive position to reflect shifting customer preferences, resulting in increased revenues. 	<p>We are proud of our products' role in enhancing our customers' lives. Our products’ benefits include reflective properties, preservation of food products, pollution reduction, nature regeneration, and electric battery development.</p> <p>We are committed to ongoing innovation to ensure our products continue to fulfill the changing needs of our customers.</p>	<p>NZE: Short term (2023–2030)</p> <p>APS: Medium term (2030–2040)</p> <p>STEPS: Medium term (2030–2040)</p>

Annual Report and Financial Statements, for the year ended 31 December 2023

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual Report and the Financial Statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law, the Directors have elected to prepare the Venator Materials PLC and subsidiaries ("Group") Financial Statements in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), and have elected to prepare the Venator Materials PLC ("Parent Company") Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 (FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Parent Company and of the profit or loss of the Company for that period.

In preparing the Parent Company Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Parent Company will continue in business.

In preparing the Group Financial Statements, International Accounting Standard 1 requires that the Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Group's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

This responsibility statement was approved by the board of directors on 19 February 2025 and is signed on its behalf by:

E. Bryan Snell
Chief Executive Officer
19 February 2025

Alexander Paterson
General Counsel and Company Secretary
19 February 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Venator Materials PLC (the 'Parent Company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2023 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

Group

- the consolidated statement of profit or loss;
- the consolidated statement of comprehensive income/(loss);
- the consolidated statement of financial position;
- the consolidated statement of changes in equity;
- the consolidated statement of cash flows; and
- the notes to the consolidated financial statements 1 to 39.

Company

- the statement of financial position (Company);
- the statement of changes in equity (Company);
- the statement of accounting policies; and
- the notes to the Company financial statements 1 to 22

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law, United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the IASB. The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC (CONTINUED)

Report On The Audit Of The Financial Statements (Continued)

3. Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates that the Group emerged from Chapter 11 Bankruptcy in October 2023. On emergence, the Group entered into an exit term loan agreement for a principal amount of \$150m, plus an additional principal amount of \$25m. As of January 2025, the Group had entered into an additional \$200m of term loans to bring the total balance to \$375m (\$175m due October 2028 and \$200m due July 2026). The loan agreement requires the Group to comply with a minimum liquidity of \$40m as of the Wednesday of any week, excluding cash held in certain jurisdictions (trapped and restricted cash). The loan agreements also require compliance with certain non-financial covenants such as the provision of signed financial statements by prescribed dates. We observed that the Company breached the covenant for delivery of the signed 2023 annual financial statements by 31 December 2024, a waiver was subsequently obtained, to extend the due date to 31 March 2025.

Management estimates an initial target liquidity of \$60m (excluding trapped and restricted cash), subsequently reduced over time to \$41m, is required by the Group to cover this covenant threshold and provide a sufficient headroom for daily cash requirements.

The directors' 12-month cash flow forecast for the period following the issuance of the financial statements (Base Case) falls short of this target liquidity in the months October 2025 and January 2026 and reaches negative liquidity in February 2026. The Base Case also does not provide sufficient liquidity to repay the debt obligations due in July 2026.

The directors have also considered a severe but plausible downside scenario under which the Group would breach the target liquidity level in the forecast period from June 2025 to the end of the forecast period and reach negative liquidity in October 2025. The directors have further identified mitigating actions which could be taken by the Group to maintain liquidity under both scenarios. The successful completion of these actions would not result in the Group breaching the \$40m covenant liquidity until February 2026 or reaching negative liquidity until April 2026 under the severe but plausible downside scenario. These mitigating actions include inventory and accounts payable management, deferral of certain capital expenditures, further divestment of non-core businesses and access to other surplus and refund possibilities with respect to pensions and tax.

The Base Case includes the following significant assumptions:

- underlying global market demand recovery,
- market share recovery for the Group following the uncertainties of the Chapter 11 in 2023,
- ability to recover margin through price increase initiatives,
- more normalized energy cost after the unprecedented levels seen in 2022 and 2023,
- considerations on the operating footprint including the completion of transformation plans at Uerdingen, Duisburg and Scarlino.
- ability to operate with reduced intramonth cash swings.

The severe but plausible downside scenario removes the forecast recovery of market share and uses forecast volume growth rates aligned to industry forecasts, assumes a reduction in variable contribution margin compared to the base case and assumes no significant changes in working capital.

As a result of these forecasts, the directors have identified material uncertainty relating to the following events and conditions:

- The timeline and the level of overall TiO₂ market recovery and recovery of Venator's market share;
- The continued pressure on energy costs;
- The ability of the Group to operate with a reduced level of intramonth cash swings;
- The ability to recover margin through price increase initiatives;
- The ability to realise value with respect to potential divestments of assets;
- The ability of the Group to successfully complete other mitigating actions detailed above; and
- The ability of the Group to re-finance the term loans due in July 2026.

As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's and Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC (CONTINUED)

Report On The Audit Of The Financial Statements (Continued)

3. Material uncertainty related to going concern





In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining an understanding of the relevant controls over the forecasting and going concern assessment process.
- Assessing the clerical accuracy of the forecasts prepared by management.
- Evaluating the appropriateness of the methodology applied in the consideration of the going concern assumption against relevant accounting guidance, and whether the forecast captures events and conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern and whether key assumptions are reasonable based on our knowledge of the business and the general market conditions, including the potential risk of management bias.
- With the involvement of an internal restructuring specialist, assessing the reasonableness of management's forecasts by comparing it to (1) actual historic results, (2) third party industry reports, and (3) other areas of the audit, including the forecasts used in the impairment review of consolidated fixed assets and the recoverability of deferred tax assets.
- Evaluating the liquidity of the Group and Company and Directors' assessment of the Group's ability to comply with its covenants during the forecast period under both the Base case and potential downside scenarios.
- Reviewing the Company's debt agreements to assess whether covenants have been correctly identified by management.
- Holding discussions directly with the Group's in-house legal advisors to understand the details of potential mitigating M&A activities.
- Assessing whether the going concern disclosure in note 2 to the financial statements is appropriate, including the identified risks and, dependencies, potential mitigating actions and related sensitivities.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

4. Summary of our audit approach

Key audit matters	<p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"> • Going concern (see material uncertainty related to going concern section) • Impairment of non-current assets (Group financial statements) • Accounting for the transactions related to the emergence from Chapter 11 (Group and Company financial statements) <p>Within this report, key audit matters are identified as follows:</p> <ul style="list-style-type: none">  Newly identified  Increased level of risk  Similar level of risk  Decreased level of risk
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Materiality	The materiality that we used for the Group financial statements was \$12.0 million which was determined on the basis of 0.77% of revenue.
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC (CONTINUED)

Report On The Audit Of The Financial Statements (Continued)


4. Summary of our audit approach (continued)

Scoping	Audit scoping provides full scope audit coverage of 84% of revenue.
Significant changes in our approach	<p>In the current year we identified a new key audit matter in relation to the accounting for the transactions related to the emergence from chapter 11 and the subsequent gain on extinguishment of debt which relates to a significant unusual transaction in the period.</p> <p>In the prior period we identified a key audit matter in relation to subsequent events as a result of the number of significant events, including Chapter 11 Bankruptcy, that occurred and impacted the Group subsequent to the balance sheet date. There have not been a similar number of significant events in the current period and therefore we do not deem there to be a key audit matter in relation to subsequent events.</p> <p>In the prior year we identified a key audit matter in relation to the impairment of the Company's investment in subsidiaries. In the current period there is a reduced level of estimation uncertainty with respect to this and therefore we have not identified it as a key audit matter in the current period.</p>

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

5.1 Impairment of fixed assets (Group financial statements) – refer to Notes 5, 11, 16 and 17 of the consolidated financial statements 


Key audit matter description	<p>The Group held \$290m (2022: \$236m) of non-current assets, primarily made up of Property, Plant and Equipment of \$110m (2022: \$83m) and Equity Method Investments of \$112m (2022: \$93m) as at 31 December 2023. Management recognised an impairment charge of \$6.1m in the year (2022: \$630m) and a reversal of prior period impairment loss of \$21m (2022: \$nil). The accounting policy for impairment of non-financial assets is disclosed in Note 5 of the consolidated financial statements.</p> <p>In light of the continued competitive environment in which the Group operates, there is a risk that the carrying value of the assets may be higher than the recoverable amount. The recoverable amount is the higher of the value in use and the fair value less costs to sell of the assets. Under IFRS Accounting Standards, the Group is required to consider any indicators of impairment at the end of each reporting date and, if any indicators are noted, a full impairment review of the balance must be performed.</p> <p>The reason that this has been determined as a key audit matter is due to the size of the balances and also the significant judgement required in determining the recoverable amount of the assets. Determining the recoverable amount involves estimating future discounted cash flows, including the discount rate. There is also significant judgement in determining the fair value less costs to sell including where assets have been sold subsequent to the balance sheet date such as the investment in the TiO2 US CGU (LPC).</p>
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC (CONTINUED)

Report On The Audit Of The Financial Statements (Continued)

5. Key audit matters (continued)

How the scope of our audit responded to the key audit matter	<p>Our audit procedures related to the impairment of the balances included the following, amongst others:</p> <ul style="list-style-type: none"> • We obtained an understanding of the relevant controls over the impairment process. • We assessed the appropriateness of the methodology applied in the consideration of the impairment triggers against relevant accounting guidance. • We performed a detailed assessment and independent re-calculation of management's impairment calculation to test the mathematical accuracy. • We involved our internal valuation expert to assess the reasonableness of management's valuation methodology against relevant accounting guidance. • We involved our valuation expert to develop an independent reasonable range for a discount rate for each cash generating unit. We then compared the discount rates used by management to these ranges. • We assessed the competence, capabilities and objectivity of the third-party specialist engaged by management. • We assessed the historic accuracy of management's forecasts. • We challenged the assumptions applied by management in their determination of future discounted cash flows, including climate related costs, by benchmarking key assumptions against relevant historical data and comparison to third party industry reports. • We reviewed legal agreements and bank statements to evidence the post year-end sales value of the investment in LPC used as an input in determining the fair value less costs to sell of the TiO2 US CGU (LPC). • We assessed the appropriateness of the related disclosures against the relevant requirements of the accounting standards and the Companies Act.
Key observations	<p>We identified a misstatement in management's assessment of fair value less costs to sell of certain CGUs. However, management subsequently corrected their assessment. As a result of this misstatement, we identified a deficiency in management's internal control. Overall, the results of our procedures were satisfactory and we concluded that the impairment charges and reversals and associated disclosures for non-current assets are reasonable.</p>

Accounting for the transactions related to the Emergence from Chapter 11 (Group and Company financial statements) – refer to Notes 2, 6 and 27 of the consolidated financial statements, Notes 2 and 18 (Company financial statements) 

Key audit matter description	Consolidated financial statements
	<p>As part of the Chapter 11 proceedings and in accordance with the Group's "Plan", being the implementation of the restructuring and recapitalisation of existing debt, equity and certain other obligations of the debt holders, the Company issued equity instruments in the form of 108bn new ordinary shares (99.90% ownership) to the debt holders in October 2023. The debt holders were entitled to receive the new ordinary shares in exchange for the extinguishment of debt obligations owed by the Group. The fair value of the legally discharged debt was estimated to be \$1,289m.</p>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC (CONTINUED)

Report On The Audit Of The Financial Statements (Continued)

5. Key audit matters (continued)

Key audit matter description

The Group utilized a valuation analysis conducted by an independent financial advisor as part of the bankruptcy process to determine the fair value of the equity issued. This valuation considered various factors, including the Group's financial projections, market data for comparable companies, and precedent transactions. In determining the fair value of the equity to be \$588m, a discount rate of 11% -13% and a terminal value multiplier of 5x-6x was utilised by independent experts. The resulting gain on the settlement of liabilities, arising from the difference between the carrying amount of the extinguished debt and the fair value of the equity issued, is recognized in the income statement at a value of \$716m.

This is a significant change in the equity structure and is a complex process; additionally, determining the fair value of the equity issued to the debt holders requires considerable judgment. For these reasons, we have identified this as a key audit matter.

Company financial statements

The emergence from Chapter 11 also has implications for the Company financial statements. The external debt prior to emergence from Chapter 11 was held by Venator Finance S.a.r.l and Venator Materials LLC. As part of the emergence transactions, this debt was purchased by Venator Materials PLC. These receivables are recorded by Venator Materials PLC at fair value in accordance with FRS 102 Section 15.

Management has determined that in substance these transactions are debt for equity swaps. Therefore, management has determined that apportioning the fair value of the total equity issued of \$588m by the number of shares issued in exchange for each tranche of debt obtained from Venator Finance S.a.r.l is an appropriate measure of fair value. The judgements made in determining the fair value of the total equity are consistent with those described above for the consolidated financial statements. There is also judgement in determining that apportioning the fair value of the equity across the receivables using the number of shares issued in exchange for each receivable is an appropriate method. This resulted in the Company recognising receivables of \$10.7m and \$106.7m relating to the two tranches of debt purchased from Venator Finance S.a.r.l. These receivables were subsequently offset with a payable due from Venator Materials PLC to Venator Finance S.a.r.l of \$975m resulting in a gain of \$854.5m.

A final tranche of debt was purchased by Venator Materials PLC which was owed by Venator Materials LLC. This tranche of debt was subsequently waived. Therefore, management has determined the fair value of this tranche of debt is based on the recoverable value of the investment in Venator Materials LLC. As a result, a receivable of \$87.3m was recognised which was recorded as an increase to the cost of the investment in Venator Materials LLC when this was subsequently waived.

As detailed above there is significant judgement required in the determination of an appropriate fair value of the total value of the equity issued. There is also significant judgement in determining the fair value of the three individual receivables obtained by Venator Materials PLC as part of this transaction. Therefore, we have identified this as a key audit matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC (CONTINUED)

Report On The Audit Of The Financial Statements (Continued)

5. Key audit matters (continued)

How the scope of our audit responded to the key audit matter	<p>Our audit procedures related to the impairment of the balances included the following, amongst others:</p> <ul style="list-style-type: none"> • We obtained an understanding of the relevant controls over the identification and review of the significant transactions following the emergence from chapter 11. • We obtained and evaluated the conclusions made within a management prepared memorandum. • We assessed the appropriateness of the methodology applied in the consideration of the debt for equity swap against relevant accounting guidance. • We involved our internal technical accounting team to assess the appropriateness of the recognition of the gain into the income statement, the fair value of debt and equity exchanged and the nature of the amounts recorded in equity. • We involved internal legal experts to challenge management judgements by assessing the legal form of the share issuance transaction and the lack of share premium recognised. • We assessed the competence, capabilities and objectivity of the third-party specialist engaged by management to estimate the fair value of equity for the Group. We engaged our internal valuation specialists to assess the model used by the third-party specialist, the discount rate, the terminal value multiplier. We also engaged our internal valuation specialist to assess the method used to apportion the fair value across the receivables obtained by the Company from Venator Finance S.a.r.l and the fair value of the receivable obtained from Venator Materials LLC based on the recoverable value of the investment. • We have evaluated the legal documents detailing the chapter 11 process to determine accuracy and completeness of the transaction steps identified by management in their memorandum. • We assessed the appropriateness of the related disclosures against the relevant requirements of the accounting standards and the Companies Act.
Key observations	<p>We identified a misstatement in management’s accounting assessment for the Company financial statements. However, management subsequently corrected their assessment. As a result of this misstatement, we identified a deficiency in management’s internal controls.</p> <p>Overall, the results of our procedures were satisfactory, and we concluded that the recognition of the gain and associated disclosures are reasonable.</p>

6. Our application of materiality

6.1. Materiality

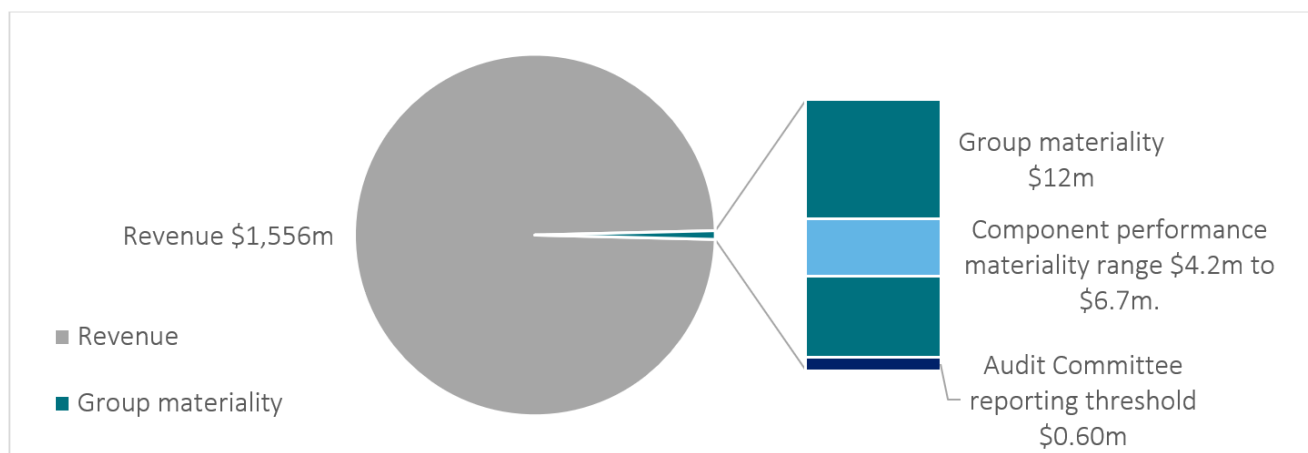
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Company financial statements
Materiality	\$12.0m (2022: \$15.0m)	\$9.6m (2022: \$12.75m)
Basis for determining materiality	0.8% (2022: 0.7%) of revenue.	2.3% (2022: 3%) of total equity balance, capped at component materiality.
Rationale for the benchmark applied	We consider revenue to be the most appropriate benchmark to use as it is deemed of importance to users of the financial statements. It is also a relatively stable measure period on period and reflects the size of the business.	Total equity balance was selected as the appropriate measure on which to determine materiality as it is considered an area of focus for the users of the accounts. The company does not trade and therefore equity is deemed the most appropriate benchmark.

Report On The Audit Of The Financial Statements (Continued)

6. Our application of materiality (continued)



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Company financial statements
Performance materiality	70% (2022: 70%) of Group materiality	70% (2022: 70%) of Company materiality
Basis and rationale for determining performance materiality	<p>In determining performance materiality, we considered the Group and Company risk assessment, including an assessment of the Group’s and Company’s overall control environment, our past experience of the Group and Company audit, which has indicated a low number of corrected and uncorrected misstatements identified in prior periods.</p> <p>We also considered the environment in which the Group operates and the impact of external factors.</p>	

6.3 Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of \$0.60m (2022: \$0.75m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1 Identification and scoping of components

The Venator Materials Group comprises multiple legal entities operating in multiple jurisdictions across the world. The Group is organised into two segments: Titanium Dioxide and Performance Additives.

Titanium Dioxide accounts for 76% (2022: 73%) of total Group revenue. The Group operates a common control environment. For the majority of entities in the Group, this control environment is centralised with the majority of transactions processed through shared service centres using a common ERP system. This includes all entities within the Titanium Dioxide segment. Some of these entities also produce Performance Additive products and in aggregate these entities with a centralised control environment account for 84% (2022: 79%) of Group revenue. We have determined the entities within this common, centralised control environment to be a component of the Group. We have performed full scope audit procedures on this component.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC (CONTINUED)

Report On The Audit Of The Financial Statements (Continued)

7. An overview of the scope of our audit (continued)

The remaining entities in the Performance Additives segment operate in multiple locations with a decentralised control environment and multiple different ERP systems. We performed substantive audit procedures to test the cash and cash equivalents balance within these components.

The component materiality used for the Titanium Dioxide component audit was \$6.72m. The component materiality used for our audit of other components was \$4.2m.

We tested certain balances in aggregate at a Group level: restructuring accruals, investments in unconsolidated affiliates, income tax, debt, equity, the consolidation process, impairment, pension assets and liabilities, accrued & Other Non-current Liabilities (Legal, EHS, Emission Allowances) and OCI.

Our audit scoping provides full scope audit coverage of 84% (2022: 85%) of revenue. We carried out analytical procedures to confirm our conclusion that there were no risks of material misstatement of the aggregated financial information of the remaining components not subject to full scope audit procedures.

7.2 Our consideration of the control environment

IT controls

We tested the general IT controls over relevant financial systems used in the Group, those being: SAP Neon, SAP Business Warehouse (BW) and SAP Business Planning & Consolidation (BPC), supporting management information and financial consolidation. These ERPs are used by different components in the Group to support the processing of revenue, cost of sales, inventory management and fixed assets, amongst others. We also considered relevant automated controls related to these business processes as well as system-generated information. We planned the audit so as to place reliance on these general IT controls and automated controls.

Our work included testing the relevant IT controls through inspection of system configurations and of the documentation relating to samples of the performance of controls throughout the year. We were able to rely on IT controls within each of the above ERP systems.

Business process and financial reporting controls

We also tested the relevant controls across a number of significant account balances, classes of transactions and disclosures. We were able to take a controls reliance approach for our testing of a number of account balances and classes of transactions and disclosures for the Group audit. These included revenue, cost of sales, administrative expenses, inventories, trade receivables and trade payables.

A controls reliance approach was not adopted with respect to the Company only statutory audit.

7.3 Our consideration of climate-related risks

We obtained an understanding of management's process for considering the impact of climate-related risks and controls that are relevant to the entity through discussions with management.

We assessed whether the risks identified by management are complete and accurate by assessing these against our knowledge and understanding of the entity, noting that climate change is included as a principal risk and uncertainty in the Strategic report.

Increasing awareness of climate change and environmental concerns may lead to increased or stricter environmental regulations or the rejection of planned new permit applications.

We read the strategic report to consider whether the climate related disclosures are materially consistent with the financial statements and our knowledge obtained in the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC (CONTINUED)

Report On The Audit Of The Financial Statements (Continued)

7. An overview of the scope of our audit (continued)

We also identified risks in relation to the reasonableness of forecast future cash flows used in management's impairment reviews including the future impact of climate related costs as detailed in our key audit matters.

We have also evaluated the appropriateness of disclosures included in the financial statements in Note 6.

Our work performed to respond to these risks is detailed in our key audit matters.

7.4 Working with other auditors

The majority of audit procedures were performed by Deloitte UK. We engaged Deloitte Italy, Deloitte Malaysia, Deloitte Spain and Deloitte Germany to perform inventory count procedures in accordance with our instructions. We also engaged with Deloitte US to perform specific testing procedures on tax balances pertaining to US tax law in accordance with our instructions.

8. Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC (Continued)

Report On The Audit Of The Financial Statements (Continued)

10. Auditor's responsibilities for the audit of the financial statements (continued)

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1 Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management, internal audit, the directors and the Audit Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - o the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, valuations, pensions, restructuring, fraud specialist and IT, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

- Going concern; and
- Impairment of non-current assets (Group financial statements).

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and UK Tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included health and safety, employment law, Foreign Corrupt Practices Act (FCPA), Anti-Bribery Act and environmental regulations.

11.2 Audit response to risks identified

As a result of performing the above, we identified going concern and impairment of non-current assets (Group financial statements) as key audit matters related to the potential risk of fraud or non-compliance with laws and regulations. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENATOR MATERIALS PLC (Continued)

Report On The Audit Of The Financial Statements (Continued)

11. Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.
- enquiring of management, the Audit Committee and in-house and external legal counsel concerning actual and potential litigation and claims.
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- reading minutes of meetings of those charged with governance, reviewing internal audit reports.
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Matters on which we are required to report by exception

13.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

13.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of these matters.

Report On The Audit Of The Financial Statements (Continued)

14. Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Graham Hollis, ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
19 February 2025

Annual Report and Financial Statements, for the year ended 31 December 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2023

<i>(in millions)</i>	Note	Year ended 31 December 2023	Year ended 31 December 2022
Continuing operations			
Revenue	10	\$ 1,556	\$ 2,173
Cost of sales		(1,703)	(2,088)
Gross profit		\$ (147)	\$ 85
Other (expense) / income	11	(36)	24
Administrative expenses	11	(148)	(143)
Restructuring costs	11	(21)	(27)
Impairment loss	11	(6)	(717)
Reversal of impairment loss	17	21	—
		\$ (190)	\$ (863)
Operating loss		\$ (337)	\$ (778)
Finance income	12	4	1
Finance costs	12	(147)	(54)
Net finance costs		\$ (143)	\$ (53)
Gain on early extinguishment of debt	23	716	—
Other non-operating (expense) / income	11	(8)	87
Profit (loss) before income tax		\$ 228	\$ (744)
Income tax expense	15	(18)	(52)
Net income (loss) from continuing operations		210	(796)
Net income (loss) for the year		\$ 210	\$ (796)
Less net income attributable to non-controlling interests		(12)	(7)
Net income (loss) attributable to Venator Materials PLC		\$ 198	\$ (803)
Net income (loss) attributable to Venator Materials PLC:			
Income (loss) from continuing operations, less non-controlling interests		198	(803)
Net income (loss) attributable to Venator Materials PLC		\$ 198	\$ (803)
Basic income (loss) per share:			
Net income (loss) attributable to Venator Materials PLC ordinary shareholders	13	198	(803)
Weighted average shares ²		175	1
Basic earnings (loss) per share ²		\$ 1.13	\$ (802.72)
Diluted earnings (loss) per share ²		\$ 1.13	\$ (802.72)

² Per share data has been adjusted on a retrospective basis to reflect the reverse stock split which occurred on 9 January 2024 in accordance with IAS 33.

Annual Report and Financial Statements, for the year ended 31 December 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME / (LOSS)

For the year ended 31 December 2023

<i>(in millions)</i>	Year ended 31 December 2023	Year ended 31 December 2022
Net income (loss) for the year	\$ 210	\$ (796)
Other comprehensive income / (expense)		
<i>Items that may be reclassified to income statement in subsequent years:</i>		
Foreign currency translation adjustments	27	31 (89)
<i>Items that will not be reclassified to income statement in subsequent years:</i>		
Re-measurements of retirement benefit obligations, gross of tax	27	(6) (70)
Re-measurements of retirement benefit obligations, tax credit / (expense)	27	1 (1)
Other comprehensive income of unconsolidated affiliates	27	1 3
Net fair value changes in hedging instruments	32	1 —
Total other comprehensive income / (expense), net of tax	<u>\$ 28</u>	<u>\$ (157)</u>
Total comprehensive income (loss) for the year, net of tax	\$ 238	\$ (953)
Less total comprehensive loss for the year attributable to non-controlling interests	<u>(12)</u>	<u>(7)</u>
Total comprehensive income (loss) for the year attributable to Venator Materials PLC	<u>\$ 227</u>	<u>\$ (960)</u>

Annual Report and Financial Statements, for the year ended 31 December 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

<i>(in millions)</i>	Note	As at 31 December	
		2023	2022
ASSETS			
Non-current assets			
Intangible assets		\$ —	\$ 2
Property, plant and equipment	16	110	83
Right-of-use assets	25	19	21
Deferred tax assets	15	5	10
Investments accounted for using the equity method	17	112	93
Retirement benefit assets	24	40	23
Trade and other receivables	21	4	4
Total Non-Current Assets		\$ 290	\$ 236
Current assets			
Inventories	20	\$ 479	\$ 501
Trade and other receivables	21	299	265
Current taxes receivable	15	13	15
Accounts receivable from affiliates	30	1	14
Cash and cash equivalents	19	73	114
Current assets held for sale	16	—	200
Total Current Assets		\$ 865	\$ 1,109
Total Assets		\$ 1,155	\$ 1,345
LIABILITIES			
Non-current liabilities			
Trade and other payables	22	\$ 3	\$ 20
Non-current payable to affiliates	30	—	1
Long term tax liability	15	8	9
Deferred tax liability	15	11	—
Interest bearing loans and borrowings	23	210	942
Lease liabilities	25	19	21
Retirement benefit obligations	24	112	133
Provisions	34	23	18
Derivative financial instruments	32	—	19
Total Non-current Liabilities		\$ 386	\$ 1,163
Current liabilities			
Interest bearing loans and borrowings	23	\$ —	\$ 98
Trade and other payables	22	318	346
Accounts payable to affiliates	30	29	24
Lease liabilities	25	4	4
Provisions	34	7	13
Liabilities directly associated with assets held for sale	16	—	93
Total Current Liabilities		\$ 358	\$ 578
Total Liabilities		\$ 744	\$ 1,741

Annual Report and Financial Statements, for the year ended 31 December 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2023

<i>(in millions)</i>	Note	As at 31 December 2023	As at 31 December 2022
Net Assets / (Liabilities)		\$ 411	\$ (396)
EQUITY			
Share capital	27	\$ 108	\$ —
Share premium account	27	1,308	1,308
Share option reserve	27	—	40
Other reserves	27	(324)	(351)
Hedging reserves	32	—	(1)
Retained earnings		(687)	(1,396)
Equity attributable to equity holders of the parent		\$ 405	\$ (400)
Non-controlling interest in subsidiaries		6	4
Total Equity		\$ 411	\$ (396)

The notes on pages 93 to 203 are an integral part of these financial statements.

These Financial Statements of Venator Materials PLC (registered number 10747130) were approved by the board of directors and authorised for issue on 19 February 2025.

Signed on behalf of the board of directors

E. Bryan Snell
 Director
 19 February 2025

Annual Report and Financial Statements, for the year ended 31 December 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

<i>(in millions)</i>	Note	Share capital	Share premium account	Share option reserve	Other reserves	Hedging reserves	Retained earnings	Attributable to owners of the parent	Non controlling interests	Total equity
Balance as at 1 January 2022		\$ —	\$ 1,308	\$ 32	\$ (194)	\$ —	\$ (593)	\$ 553	\$ 5	\$ 558
Net (loss) / income for the year		—	—	—	—	—	(803)	(803)	7	(796)
Other comprehensive income	27	—	—	—	(157)	—	—	(157)	—	(157)
Total comprehensive (loss)/income for the year		\$ —	\$ —	\$ —	\$ (157)	\$ —	\$ (803)	\$ (960)	\$ 7	\$ (953)
Cash flow hedge reserve:										
Fair value gains arising during the period	32	—	—	—	—	22	—	22	—	22
Fair value changes reclassified from equity	32	—	—	—	—	(23)	—	(23)	—	(23)
Debit to equity for equity settled share-based payment	14	—	—	(1)	—	—	—	(1)	—	(1)
Share-based payment credit	14	—	—	9	—	—	—	9	—	9
Dividends paid to non-controlling interests		—	—	—	—	—	—	—	(8)	(8)
Balance at 31 December 2022		\$ —	\$ 1,308	\$ 40	\$ (351)	\$ (1)	\$ (1,396)	\$ (400)	\$ 4	\$ (396)

Annual Report and Financial Statements, for the year ended 31 December 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 31 December 2023

<i>(in millions)</i>	Note	Share capital	Share premium account	Share option reserve	Other reserves	Hedging Reserves	Retained earnings	Attributable to owners of the parent	Non controlling interests	Total equity
Balance at 31 December 2022		\$ —	\$ 1,308	\$ 40	\$ (351)	\$ (1)	\$ (1,396)	\$ (400)	\$ 4	\$ (396)
Net income for the year		—	—	—	—	—	198	198	12	210
Other comprehensive income	27	—	—	—	27	1	—	28	—	28
Total comprehensive income for the year		\$ —	\$ —	\$ —	\$ 27	\$ 1	\$ 198	\$ 226	\$ 12	\$ 238
Activity related to issuance of common stock to creditors in connection with the Plan		108	—	—	—	—	464	572	—	572
Share-based payment credit	14	—	—	7	—	—	—	7	—	7
Release of share option reserve		—	—	(47)	—	—	47	—	—	—
Dividends paid to non-controlling interests		—	—	—	—	—	—	—	(10)	(10)
Balance at 31 December 2023		\$ 108	\$ 1,308	\$ —	\$ (324)	\$ —	\$ (687)	\$ 405	\$ 6	\$ 411

The notes on pages 93 to 203 are an integral part of these Financial Statements.

Share premium account - This reserve represents the capital provided from the Parent Company as consideration for the transfer of subsidiary investments.

Share option reserve - This reserve represents the share-based payment expense recognised in profit or loss in respect of the share awards granted by the Company.

Hedging reserves - This reserve consists of cash flow hedge reserve and cost of hedging reserve.

Other reserves - This reserve consists of other comprehensive income of unconsolidated affiliates, re-measurements of retirement benefit obligations and foreign currency translation adjustments. see Note 27, Capital and Reserves.

Retained earnings - This represents the cumulative profits and losses of the Company, net of any dividends payable.

Annual Report and Financial Statements, for the year ended 31 December 2023

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

<i>(in millions)</i>	Year ended 31 December 2023	Year ended 31 December 2022
Operating Activities		
Net income (loss) for the year	\$ 210	\$ (796)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Depreciation and amortisation	42	115
Gain on disposal of assets	(10)	(21)
Gain on extinguishment of debt	(716)	—
Income tax expense	18	52
Share-based compensation expense	7	8
Restructuring and impairment charges	7	745
Reversal of prior impairment	(21)	—
Legal settlement	—	(13)
Noncash interest charges	55	7
Loss (gain) on foreign currency transactions	12	(2)
Dividends paid to non-controlling interests	(10)	(8)
Other, net	(8)	—
Changes in assets and liabilities:		
Accounts receivable	(40)	68
Inventories	40	(172)
Prepaid expenses	(2)	(7)
Other current assets	15	(45)
Other non-current assets	15	9
Accounts payable	(65)	(37)
Accrued liabilities	93	97
Other non-current liabilities	(55)	(43)
Interest received	—	(13)
Interest paid	(55)	(51)
Interest element of lease payments	(2)	(3)
Income taxes received (paid)	1	(4)
Net cash used in operating activities	\$ (469)	\$ (114)

Annual Report and Financial Statements, for the year ended 31 December 2023

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended 31 December 2023

<i>(in millions)</i>	Year ended 31 December 2023	Year ended 31 December 2022
Investing Activities		
Capital expenditures	\$ (57)	\$ (69)
Proceeds from sale of businesses / assets	132	56
Cash received from unconsolidated affiliates	53	58
Investment in unconsolidated affiliates	(50)	(69)
Net cash provided by (used in) investing activities	<u>\$ 78</u>	<u>\$ (24)</u>
Financing Activities		
Proceeds from short-term debt	—	75
Payments on short-term debt	(81)	—
(Payments) borrowings on notes payable	(14)	14
Proceeds from DIP Facility	275	—
Proceeds from ABL Credit Agreement	40	—
Proceeds from (payments on) issuance of long-term debt	3	(5)
(Payments on) proceeds from termination of cross-currency swaps	(27)	25
Proceeds from Exit Term Loan	170	—
Debt issuance costs paid	(11)	(1)
Principal element of lease payments	(6)	(9)
Net cash from financing activities	<u>\$ 349</u>	<u>\$ 99</u>
Effect of exchange rate changes on cash and cash equivalents	1	(3)
Net change in cash and cash equivalents	(41)	(42)
Cash and cash equivalents, Beginning of period	<u>114</u>	<u>156</u>
Cash and cash equivalents, End of period	<u>\$ 73</u>	<u>\$ 114</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Venator Materials PLC ("Venator" or "Group" or "Company" or "we") is a public limited company incorporated on 28 April 2017, in the United Kingdom and registered in England and Wales under the Companies Act 2006 and was listed on the New York Stock Exchange prior to 15 May 2023.

On 14 May 2023 (the "Petition Date"), the Company and certain of its subsidiaries (collectively, the "Debtors" or "Company Parties") filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"). The Debtors filed a motion with the Bankruptcy Court requesting procedural consolidation and joint administration of their chapter 11 cases under the caption *In re Venator Materials PLC, et al.*, Case No. 23-90301 (the "Chapter 11 Cases"). The Debtors continued to operate their business and manage their properties as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. To ensure the Company Parties' ability to continue operating in the ordinary course of business and minimize the effect of the Recapitalisation (as defined below) on the Company Parties' customers and employees, the Company Parties filed with the Bankruptcy Court motions seeking a variety of "first-day" relief, including authority to pay employee wages and benefits, and pay vendors and suppliers for all goods and services. In addition, the Company filed with the Bankruptcy Court a motion seeking approval ("Interim DIP Order") of debtor-in-possession financing in the form of the DIP Facility. The Company and certain of its subsidiaries (the "DIP Parties") entered into a DIP Credit Agreement (the "DIP Credit Agreement") with the DIP Lenders for the DIP Facility. The facility provided \$100 million upon entry of the Interim DIP Order, and \$175 million upon entry of the final order by the Bankruptcy Court approving the DIP Facility.

On 13 May 2023, the Debtors entered into a Restructuring Support Agreement (the "Restructuring Support Agreement" or "RSA") with certain prepetition creditors (the "Consenting Creditors"). The Consenting Creditors represent holders of an overwhelming majority of the aggregate principal amount of the Company's funded debt obligations under various debt agreements.

Pursuant to the RSA, the Consenting Creditors agreed, subject to certain terms and conditions, to support a prepackaged chapter 11 plan (the "Plan") to implement a comprehensive financial restructuring and recapitalization (the "Recapitalization") of existing debt of, existing equity interests in, and certain other obligations of the Debtors. The Plan was filed on the Petition Date in the Chapter 11 Cases.

On 15 May 2023, the Company was notified by the staff of NYSE Regulation that it had suspended trading in the Company's ordinary shares on the NYSE and determined to commence proceedings to delist the Company's ordinary shares from the NYSE after the Company filed the Chapter 11 petition referenced above. Additionally, on 13 February 2024, the Company filed a Notice of Termination of Registration Under Section 12 (g) of the Securities Exchange Act of 1934.

On 12 October 2023 (the "Effective Date"), the Debtors filed a Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code, upon which the Plan became effective in accordance with its terms and the Debtors emerged from Chapter 11.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. General information (continued)

Pursuant to the Plan, the following transactions occurred on the Effective Date:

- the debtor-in-possession credit agreement, by and among the Company, certain of its subsidiaries and Wilmington Savings Fund Society, FSB, as administrative agent and collateral agent (the “DIP Facility”), was terminated and the Holders of Claims under the DIP Facility assigned their allowed claims to the Company in return for cash consideration and utilized such cash consideration to subscribe for New Ordinary Shares. The Company subsequently released its claims under the DIP Facility. On the Effective Date, all liens and security interests granted to secure such obligations were automatically terminated and are of no further force and effect;
- all outstanding obligations under the indebtedness set forth below (collectively, the “Existing Debt Instruments”) of the Debtors, including the applicable indentures, credit agreements and guarantees governing such obligations, totaling \$1,289 million, were cancelled in connection with the assignment of the Existing Debt Instruments to the Company and the subsequent offsetting of such Existing Debt Instruments against indebtedness of the Company owed to the borrowers under the Existing Debt Instruments, except to the limited extent expressly set forth in the Plan or the Confirmation Order:
 - Notes Indentures
 - Prepetition ABL Credit Agreement;
 - the Ancillary Facility;
 - the Hedge Agreements; and
 - the Term Loan Credit Agreement.
- the outstanding stock-based awards under the Venator Materials 2017 Stock Incentive Plan were cancelled on the Effective Date. For more information on the stock-based awards, see Note 14. Share based payments.

Additionally, the Company issued 107,941,929,020 shares of New Ordinary Shares to Holders of Claims entitled to receive New Ordinary Shares. The ordinary shares of the Company that were issued and outstanding prior to emergence from the Chapter 11 Cases have not been cancelled and remained issued and outstanding after the issuance of the New Ordinary Shares in connection with the equitization of allowable Claims under the Plan. The Company had 108,050,720,920 ordinary shares issued and outstanding following the dilutive issuance of the New Ordinary Shares in connection with the emergence of the Company from the Chapter 11 Cases.

The address of the registered office is Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD.

Venator operates in two segments: Titanium Dioxide and Performance Additives. The Titanium Dioxide segment primarily manufactures and sells TiO₂, and operates seven TiO₂ manufacturing facilities across the globe. The Performance Additives segment manufactures and sells functional additives, colour pigments and timber treatment. This segment operates five manufacturing and processing facilities globally.

The following notes to the consolidated financial statements relate to the Venator Group.

2. Basis of accounting

i. Basis of preparation

The consolidated financial statements of the Venator Group have been prepared in accordance with United Kingdom adopted international accounting standards (IFRS) in conformity with the requirements of the Companies Act 2006. The consolidated financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements were authorised for issue by the Board of Directors on 19 February 2025.

The consolidated financial statements have been prepared under the historical cost convention, except for derivative financial instruments which are measured at fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Basis of accounting (continued)

ii. Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group 'controls' an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investment in consolidated joint ventures

We evaluate our investments and transactions to identify entities for which we hold 50% or less of the share capital / voting rights but where we are the controlling party. We have determined that we have control over two joint ventures, Viance and Pacific Iron Products Sdn Bhd as we can exert power over the investee, we are exposed or have rights to variable returns from involvement with the investee and we have the ability to use our power over the investee to affect the amount of our returns. Venator directs and controls the most relevant activities of these two joint ventures and is therefore exposed to a greater amount of variable returns. Accordingly we consolidate these entities in our consolidated financial statements. See "Note 6 - Critical Accounting Judgements and Key Sources of Estimation Uncertainty" for more information.

Viance is our 50%-owned joint venture with IFF. Viance markets our timber treatment products. The joint venture sources all of its products through a contract manufacturing arrangement at our Harrisburg, North Carolina facility, and we bear a disproportionate amount of working capital risk of loss due to the supply arrangement whereby we control manufacturing on Viance's behalf.

We concluded that we have control over this joint venture. The activity which most significantly impacts this entity as detailed above is manufacturing and Venator controls the manufacturing on Viance's behalf, as such Venator has significant influence and power over the entity as changes in the supply of the product would have a significant impact on the entity. Venator is also able to use its power from controlling the manufacturing to affect the returns it receives. Given that Venator bears a disproportionate amount of working capital risk of loss from this joint venture, this creates exposure to variable returns from its involvement. As a result, we consolidate the assets, liabilities and operating results of Viance into our consolidated and combined financial statements.

Pacific Iron Products Sdn Bhd ("PIP") is our 50%-owned joint venture with Coogee Chemicals Pty. Ltd that manufactures products for Venator. It was determined that the activities that most significantly impact its economic performance are raw material supply, manufacturing and sales. In this joint venture we supply all the raw materials through a fixed cost supply contract, operate the manufacturing facility and market the products of the joint venture to customers. Through a fixed price raw materials supply contract with the joint venture we are exposed to the risk related to the fluctuation of raw material pricing.

We concluded that we have control over this joint venture. Venator supplies the raw materials, operates the manufacturing facility and markets the products therefore we have significant influence and power of the entity. Venator is also exposed to the variable returns of the entity and can influence and affect the returns of the entity as a result of its significant involvement in the supply, manufacturing and marketing activities. As a result, we consolidate the assets, liabilities and operating results of Pacific Iron Products Sdn Bhd into our consolidated and combined financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Basis of accounting (continued)

ii. Basis of consolidation (continued)

Investment in unconsolidated affiliates

The Group's interests in equity-accounted investees comprise of one joint ventures, Louisiana Pigments Company ("LPC").

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Per the classification, a joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Venator has joint ventures rather than joint operations.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

Our investment in Louisiana Pigments Company ("LPC") is one in which we exercise significant influence, but do not control and thereby this investment is accounted for using the equity method. Located in Lake Charles, Louisiana, LPC is 50% owned with Kronos and produces TiO₂ for each of the joint venture partners. Sales to the joint venture partners are managed in accordance with terms of the Offtake Agreements, which specify the nominated production for the joint venture partner for the period, which may differ from each Partner's ownership interest. The operations of the joint venture are under the direction of a supervisory committee on which each partner has equal representation.

Changes in ownership interests

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in this entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Basis of accounting (continued)

iii. Going Concern

These financial statements have been prepared on a going concern basis; however, we have identified the existence of a material uncertainty that may cast significant doubt upon the Group and Company's ability to continue as a going concern (see "Material Uncertainty" section below for further details).

As of 31 December 2023, the Group had net current assets of \$507 million, negative retained earnings of \$687 million and total liquidity was \$99 million as of 31 December 2023, consisting of \$73 million of cash and cash equivalents and \$26 million of availability under the Group's Exit asset backed lending (ABL) Facility. As of that date, the Group had \$215 million in debt outstanding, comprised of \$175 million under the Exit Term Loan Credit Agreement due 2028, and \$40 million under the Exit ABL Facility that was originally due in 2026 but has since been repaid in full (see below).

As of 31 January 2025, the Group had total liquidity of \$146 million, consisting of \$139 million of available cash and cash equivalents per the terms of our credit agreements after the Exit ABL Credit Facility was repaid during the third quarter of 2024. As of this date, the Group has \$375 million in debt outstanding comprising the term loans detailed below.

Reliance on Facilities

The Group and the Company are reliant upon the continued availability of their borrowing facilities.

Term Loans

On 12 October 2023, on emergence from bankruptcy, the Group entered into the Term Loan Credit Agreement providing for Initial Term Loans in an aggregate principal amount of \$150 million, plus an additional principal amount of \$25 million.

Subject to the satisfaction of certain conditions, the Group may elect to borrow additional tranches of indebtedness under its Term Loan Credit Agreement, in an aggregate principal amount not to exceed \$95 million plus customary additional amounts. Unless otherwise extended in accordance with the Term Loan Credit Agreement, the Initial Term Loans mature on 12 October 2028.

As of the date of this report, the Group has drawn down the initial \$150 million upon emergence from Chapter 11, and an additional \$25 million on 13 November 2023, for a total of \$175 million outstanding related to the Initial Term Loans.

In addition to the above, as of 31 December 2024, the Group had negotiated an additional \$200 million of term loans that are due for repayment in July 2026, bringing the total balance of outstanding term loans to \$375 million (\$175 million of which falls due on 31 October 2028 and \$200 million of which falls due on 31 July 2026).

The Term Loan Credit Agreement includes affirmative covenants including, amongst other things, the timely delivery of the annual consolidated financial statements to the lenders. The Group breached the covenant for delivery of the 2023 annual consolidated financial statements by 31 December 2024; however, a waiver was subsequently obtained from the lenders to extend the due date for the provision of these financial statements to 31 March 2025.

The Term Loan Credit Agreement also requires the Group to comply with a minimum liquidity of \$40 million (excluding trapped and restricted cash) as of Wednesday of any week, and apply for a waiver to hold any cash balances over \$100 million on the last day of any month after February 2025 (excluding restricted cash). Therefore, management estimates a current targeted liquidity, based on a total cash on hand requirement for the Group, of \$41 million (excluding trapped and restricted cash) to cover the minimum liquidity of \$40 million, plus intra-month cash swings. This has been reduced from previous targets of \$60m and \$44m on the assumption that the Group can operate with a reduced level of intra-month cash swings due to the operational changes made to the business.

The Group had \$21 million as at 31 January 2025 in trapped and restricted cash in calculating the minimum liquidity.

Exit ABL Agreement

Additionally, on emergence, the Group entered into an ABL Credit Agreement which provided credit in the form of Revolving Loans and Letters of Credit in an aggregate principal amount of up to \$100 million. The Group had \$40 million outstanding on the ABL Credit Agreement as of 31 December 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Basis of accounting (continued)

iii. Going Concern (continued)

In July 2024, as a consequence of the sale of the Group's interest in the LPC joint venture and the consequent reduction of US based collateral, the Group extinguished the Exit ABL Credit Agreement and repaid the outstanding \$40 million upon completion of the sale of the Group's interest in LPC. This facility is no longer available to the Group.

Going concern forecast assessment

The Group operates an annual budget process. The budget and the risks to its achievement are reviewed by the Board and, once approved, are used as the basis for monitoring the Group's performance, incentivizing employees, and providing external guidance to shareholders. The processes for identifying and managing risk are described in the Strategic Report which forms part of the annual report.

For the purpose of the going concern assessment, the Directors have undertaken a detailed review of the Company's and the Group's liquidity requirements, forecasting the Company's and the Group's cash flows over the next 12 months after the approval of these financial statements.

Base case

The Board have specifically considered a base case scenario starting with our 2025 Annual Operating Plan, and extended this to cover a period of 12 months from the date of the approval of these financial statements.

Key assumptions

For the purpose of the going concern assessment, management has estimated the likely future cash flows based on recent performance, external forecasts and market analysis and management's knowledge and expertise of the cash flow drivers.

The key assumptions in the 12-month forecast period include:

- underlying global market demand recovery;
- market share recovery for the Group, following the uncertainties of the Chapter 11 in 2023;
- an ability to recover margin through price increase initiatives;
- more normalized energy costs after the unprecedented levels seen in 2022 and 2023;
- considerations on the operating footprint, i.e the transformation at Uerdingen, Duisburg and Scarlino detailed below; and
- an ability to operate with reduced intramonth cash swings.

Specifically, the base case assumptions include:

- initial forecast sales volumes for 2025 below 2024 actual levels due to slower market recovery and market share loss, before recovering beginning in late 2025 based on an 8% market growth rate per industry commentator, TZMI (TZ Minerals International Pty Ltd) plus a 9% market share recovery;
- direct costs for TiO₂ in 2025 that remain at elevated levels, however not as high as the peak costs reached in 2023;
- feedstock prices in line with TZMI's forecast for 2025 onwards;
- energy costs based at approximately €38/Mwh, which is the market price seen in 2024;
- forecast selling, general and administrative expenses that decrease by approximately \$20 million (on 2024 actual levels) in 2025 and 2026 due to the expected benefits of the efforts made to right size the organization in Q3 2025; and
- no additional debt or capital infusions outside of the previously mentioned additional \$100 million Term Loan provided in January 2024 and further \$100 million Term Loan provided in late December 2024.

In making the above assumptions, management has considered the following:

- The European Commission (EC) recently established import duties on Chinese TiO₂ products, a key item that industry commentators expect to lead to economic recovery of the industry. The EC formally initiated an anti-dumping investigation in November 2023 and, in the same month, the European producer coalition made a request for registration of imports. As a result of the investigation, beginning on 6 June 2024, the EU required the registration of Chinese imports of titanium dioxide in the European Union, with those imports subject to a 39.7% provisional duty rate;

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Basis of accounting (continued)

iii. Going Concern (continued)

- The global cost pressures that the Group continues to experience, particularly in Europe, which has been exacerbated by supply constraints of natural gas and geopolitical uncertainty in the region. Utilities (electricity, gas, and steam) account for a significant portion of the variable manufacturing costs in our TiO₂ operations, and the volatility of European energy markets presents a risk to our operations; and
- The fact that the anticipated energy costs for the Group for 2025 have increased from our base case as a result of natural gas supply constraints; however, in response to the increased costs, the Group has recently announced a price surcharge to be implemented in early 2025. The ability to mitigate cost increases through surcharges is such that management do not anticipate a breach of the Group's minimum liquidity requirements any sooner than the base case suggests.

The base case also considers the cash flow implications and costs related to the announced transformation of our operating footprint, including the changes made to optimize operations across our Duisburg and Uerdingen facilities as management seek to consolidate the Group's FAD operations at Duisburg, transfer its specialty TiO₂ production capability to Uerdingen to streamline production and reduce costs across both sites, close the Duisburg TiO₂ facility, and pause operations at the Group's Scarlino facility.

In the base case scenario, the Group:

- is expected to fall below the above targeted liquidity level in October 2025 and again in January 2026;
- will have negative liquidity in February 2026; and
- will not have sufficient liquidity to repay its debt obligations that fall due in July 2026 and will therefore require refinancing on or before this date.

Further, if the Group cannot reduce the level of cash swings, there is a risk that the Group will have insufficient cash to meet the \$40 million covenant requirement in the going concern period before October 2025.

Severe but plausible downside

Due to the significant uncertainties that exist around a number of the key assumptions included with the Group's cash flow forecast, management have also developed a severe but plausible downside scenario to evaluate possible further negative impacts.

The severe but plausible downside scenario contemplates:

- the removal of the recovery of our market share, such that expected growth is reduced from 17% to a level of 8%, in line with TZMI's expectations;
- an average variable contribution margin, assuming no change in energy/feedstock costs from those assumed in the base case, approximately 10% points below the base case in 2025 as the assumption in the scenario is a delay in market share recovery impacting both volumes and pricing; and
- changes in working capital assume the reduction in sales volume would be offset by production moderations and there would be no significant changes in working capital.

Under the severe but plausible downside scenario, the Group is forecast to:

- breach its targeted liquidity level in June 2025; and
- reach negative liquidity in October 2025.

Further, if the Group cannot reduce the level of cash swings, there is a risk that the Group will have insufficient cash to meet the \$40 million covenant requirement in the going concern period before June 2025.

Actions taken and future mitigating actions

Management has noted the following past events provide positive evidence on the Group's and the Company's ability to continue as a going concern:

- Venator has emerged successfully from the Chapter 11 with a significantly deleveraged balance sheet, and with a new exit term loan and exit facility in place;
- The Group engaged with the lenders during 2024 to put in place an additional \$200 million in Term Loans during 2024. These Term Loans are due for repayment in July 2026, bringing the total balance of outstanding term loans to \$375 million (\$175 million due October 2028 and \$200 million due July 2026);

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Basis of accounting (continued)

iii. Going Concern (continued)

- The Group has initiated a program of divestment of non-core assets (Venator's investment in LPC) which has provided additional liquidity generating \$153 million in cash proceeds during 2024; and
- Management has already implemented a number of focused adjustments to the Group's operations to attempt to manage the uncertainty discussed above, including adopting a customer tailored approach with respect to pricing, making efforts to acquire and develop a more resilient product portfolio, and the establishment of a European Risk Management Committee which principally deals with the energy procurement strategy of the Group.

Future mitigating actions

However, as noted above, whilst the Group is forecast to breach its targeted liquidity level under the base case in October 2025, management considers that the Group could implement additional mitigations to preserve liquidity, such as inventory and accounts payable management. Additionally, targeted liquidity requirements, further short-term cost saving measures, or deferrals of certain capital expenditures, could continue to be evaluated for additional benefits. For example, a recent analysis has identified \$60 million of non-business critical open purchase orders could be reviewed to reduce the Group's cash outflows.

Additionally, the Group also has several other potential mitigations outside of the Group's control, such as the further divestment of non-core businesses and access to other surplus and refund possibilities with respect to pensions and tax. Management has estimated that these mitigations, if successful, could provide \$90 million in liquidity mitigations. However under the severe but plausible downside this would result in the target liquidity being breached in February 2026 and then reaching negative liquidity in April 2026. In either scenario, the Group would also not have sufficient liquidity to repay our debt obligations due in July 2026 and would need to re-finance its debt.

Material Uncertainty

As detailed above, in the base case scenario the Group will:

- fall below the targeted liquidity in October 2025 and again in January 2026;
- have negative liquidity in February 2026; and
- will not have sufficient liquidity to repay its debt obligations due in July 2026 and will require refinancing.

As a result of the going concern assessment performed, management has identified a material uncertainty that may cast significant doubt on the Group's and Company's ability to continue as a going concern, and therefore the Group and Company may not be able to realise its assets or discharge its liabilities in the normal course of business. This material uncertainty relates to the following events and conditions:

- The timeline and the level of overall TiO₂ market recovery and recovery of Venator's market share;
- The continued pressure on energy costs;
- The ability of the Group to operate with a reduced level of intramonth cash swings;
- The ability to recover margin through price increase initiatives;
- The ability to realise value with respect to potential divestments of assets;
- The ability of the Group to successfully complete other mitigating actions detailed above; and
- The ability of the Group to re-finance the term loans due in July 2026.

Notwithstanding the uncertainty above, based on the global market recovery, normalized energy cost, margin recovery and other factors stated in the forecast scenario, including the availability of reasonable mitigating actions available to management, the Directors believe there is a reasonable expectation that Venator will have adequate resources to continue to operate for the foreseeable future, being a period of at least 12 months from the approval of the 2023 financial statements, and that the business is continuing and the Directors have no intent to liquidate. Therefore, whilst management have identified the existence of a material uncertainty that may cast significant doubt upon the Group and Company's ability to continue to adopt the going concern basis of accounting in preparing these financial statements, the Consolidated and Company financial statements do not include adjustments that would result if they were unable to continue as a going concern.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (

3. Functional currency translation

i. Functional and presentational currency

These consolidated financial statements are presented in US dollars, which is the Group's presentational currency and functional currency for Venator's operating activities within the US. All amounts have been rounded to the nearest million, unless otherwise indicated.

ii. Group companies

The accounts of Venator's operating subsidiaries outside of the US consider the functional currency to be the currency of the economic environment in which they operate.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

iii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses are presented in the statement of profit or loss on a net basis.

Foreign currency transaction gains and losses, recorded in finance costs, net, in the consolidated statement of profit or loss were net losses of \$1 million and net gains of \$15 million for the years ended 31 December 2023 and 31 December 2022 respectively.

Foreign currency transaction gains and losses recorded in other income / expenses, net in the consolidated statement of profit or loss were net losses of nil and net losses of \$5 million for the years ended 31 December 2023 and 31 December 2022 respectively.

4. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies

i. Revenue recognition

Venator generates substantially all of its revenues through sales of inventory in the open market and via long-term supply agreements. Revenue is recognised at the point in time the performance obligations under the terms of our contracts are satisfied, at which point the control of the goods transfers to the customer, there is a present right to payment and legal title, and the risks and rewards of ownership have transferred to the customer. Revenue is measured as the amount of consideration we expect to receive in exchange for transferred goods.

ii. Cost of goods sold

Venator classifies the costs of manufacturing and distributing its products as cost of goods sold. Manufacturing costs include variable costs, primarily raw materials and energy, and fixed expenses directly associated with production. Manufacturing costs include, among other things, plant site operating costs and overhead costs (including depreciation), production planning and logistics costs, repair and maintenance costs, plant site purchasing costs, and engineering and technical support costs. Distribution, freight, and warehousing costs are also included in cost of goods sold.

iii. Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Grant income is recognised in the consolidated statement of profit and loss within administrative expenses.

Deferral and presentation of government grants

Government grants relating to costs are deferred and recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

iv. Short-term employee benefits

The Group provides benefits to its employees including salary and share-based payment awards.

Short-term employee benefits, including salary, are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented within current liabilities - trade and other payables in the consolidated balance sheet.

v. Share-based payment arrangements

Venator's compensation committee and board of directors adopted the Venator Materials 2017 Stock Incentive Plan (the "LTIP") to provide for the granting of non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock, phantom shares, performance awards and other stock-based awards to our employees, directors and consultants and to employees and consultants of our subsidiaries, provided that incentive stock options may be granted solely to employees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

v. Share-based payment arrangements (continued)

The grant-date fair value of equity-settled share-based payment arrangements granted to employees, is recognised as an expense in profit or loss, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the numbers of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of each stock option award and restricted share award is estimated on the date of the grant using the Black-Scholes valuation model.

vi. Post-employment obligations

The Group operates various post-employment schemes, including both defined benefit and defined contribution pension plans and post-employment medical plans.

Pension obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Other post-employment obligations

Some group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

Other long-term benefit plans

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

vii. Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

viii. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

ix. Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense; and
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised using the effective interest method.

Interest receivable and interest payable are accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable to the financial assets or the financial liability respectively. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or financial liability to the instrument's net carrying amount on initial recognition.

x. Taxation

Venator is comprised of operations in various tax jurisdictions.

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, and in which case the resulting current or deferred tax expense (or income) is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense (or income).

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

x. Taxation (continued)

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is the tax expected to be payable (or recoverable) in respect of all timing differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred. Timing differences are differences between the Group's taxable profits and total comprehensive income as stated in the Consolidated Financial Statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the consolidated financial statements.

Deferred tax liabilities are recognised for temporary differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that it will not reverse in the foreseeable future.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, the future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

These conclusions require significant judgment. In evaluating the evidence from historical results and Venator's projections for the future, Venator also considers the cyclical nature of the business and cumulative income or losses during the prior periods.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

xi. Research and development

Costs associated with the creation of intangible assets are classified into research phase costs and development phase costs. Costs in the research phase are always expensed. Costs in the development phase are capitalised, if all 6 of the criteria are demonstrated.

1). Technical feasibility of completing the intangible asset, 2). The intention to complete the intangible asset, 3). The ability to use or sell the intangible asset, 4). How the intangible asset will generate probable future economic benefits (market for or usefulness of the intangible asset), 5). The availability of adequate resources to complete the development and to use or sell it and 6). The ability to measure reliably the expenditure attributable to the intangible asset during its development. Development costs initially recognised as expenses cannot be capitalised in a subsequent period.

Research and development costs expenses are recorded within administrative expenses in the consolidated statement of profit or loss. Research and development costs charged to expense were \$10 million and \$12 million for the years ended 31 December 2023 and 31 December 2022 respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

xii. Earnings (losses) per share

Basic earnings (losses) per share excludes dilution and is computed by dividing net income (loss) attributable to Venator Materials PLC ordinary shareholders by the weighted average number of shares outstanding during the period. Diluted earnings (losses) per share reflects all potential dilutive ordinary shares outstanding during the period and is computed by dividing net income (loss) attributable to Venator Materials PLC ordinary shareholders by the weighted average number of shares outstanding during the period increased by the number of additional shares that would have been outstanding as dilutive securities.

xiii. Carrying value of long-lived assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

xiv. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

xv. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days to 90 days and therefore the majority are classified as current. Trade receivables are recognised initially at the transaction price, unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

xvi. Inventories

Inventories are measured at the lower of cost and net realisable value, with cost determined using the first-in, first-out principle and average cost methods for different components of inventory. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

xvii. Property, plant and equipment

Property, plant and equipment is measured at historical cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Assets under construction are carried at cost, less any provision for impairment. Depreciation is not recognised on assets under construction until the assets are ready for their intended use. The cost of certain items of property, plant and equipment at 1 January 2020, the Group's date of transition to IFRS standards, was determined with reference to its historical cost.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Buildings	5 - 50 years
Plant and equipment	1 - 30 years
Furniture & Fixtures / leasehold improvements	1 - 30 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see Note 5 xxvi. - Impairment of assets).

Normal maintenance and repairs of plant and equipment are charged to expense as incurred. Renewals, betterments, and major repairs that significantly extend the useful life of the assets are capitalised and the assets replaced, if any, are retired.

xviii. Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets or employee benefit assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

xix. Trade payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 50 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

xx. Leases

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for lease and non-lease components as a single lease component for all classes with the exception of buildings.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-to-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate giving consideration to its recent debt issuances as well as publicly available data for instruments with similar characteristics and making adjustments to reflect the terms of the lease and the type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group has leases with remaining lease terms of up to 90 years, some of which include options to extend the lease term for up to 20 years. Options are recognised as part of our right-of-use assets and lease liabilities when it is reasonably certain that we will extend that option.

Sublease arrangements and leases with residual value guarantees, sale leaseback terms or material restrictive covenants, are immaterial. Lease payments include fixed and variable lease components. Variable components are derived from usage or market-based indices, such as the consumer price index.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

xx. Leases (continued)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

See Note 25. Leases for further details on the Group's accounting policies for leases.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

xxi. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provisions are split between amounts expected to be settled within 12 months of the date of the consolidated statement of financial position (current) and amounts expected to be settled later (non-current).

Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Site restoration

Environmental-related restoration and remediation costs are recorded as liabilities when site restoration and environmental remediation and clean-up obligations are either known or considered probable and the related costs can be reasonably estimated. Other environmental expenditures that are principally maintenance or preventative in nature are recorded when expended and incurred and are expensed or capitalised as appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

xxi. Provisions (continued)

Asset retirement obligations

Venator accrues for asset retirement obligations, which consist primarily of asbestos abatement costs, demolition and removal costs, leasehold remediation costs and landfill closure costs, in the period in which the obligations are incurred. Asset retirement obligations are initially recorded at estimated fair value. When the related liability is initially recorded, Venator capitalises the cost by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its estimated settlement value and the capitalised cost is depreciated over the useful life of the related asset. Upon settlement of the liability, Venator will recognise a gain or loss for any difference between the settlement amount and the liability recorded. See Note 34. Provisions - Asset Retirement Obligations.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on incremental costs necessary to fulfil the obligation under the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

xxii. Financial instruments

The carrying amounts reported in the balance sheets for cash and cash equivalents, accounts receivable, amounts receivable from affiliates, accounts payable, current portion of amounts payable to affiliates, and accrued liabilities approximate their fair value because of the immediate or short-term maturity of these financial instruments. The fair value of non-qualified employee benefit plan investments is estimated using prevailing market prices. The estimated fair values of Venator's long-term debt are based on quoted market prices for the identical liability when traded as an asset in an active market.

Financial assets

Initial recognition and subsequent measurement

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL.

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial instruments not classified at amortised cost or FVOCI as described above are measured at FVTPL. As such, fair value through profit or loss represents a 'residual' category. Financial assets that are held for trading and those managed on a fair value basis are also included in this category.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

xxii. *Financial instruments (continued)*

Derecognition

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either
 - a. the Group has transferred substantially all the risks and rewards of the asset, or
 - b. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. However, if certain conditions are met, an asset may subsequently need to be reclassified.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through income or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through income or loss. The Group has not designated any financial liabilities at fair value through profit or loss.
- Loans and borrowings, this is the most relevant to the Group. After initial recognition interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate is included as finance costs in the income statement.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

When equity instruments are issued to a creditor to extinguish all or part of a financial liability, the equity issued is consideration paid in accordance with IFRS 9. The equity instruments will be measured at fair value at the date the financial liability is extinguished, unless that fair value cannot be reliably measured, in which case, the equity instrument would be valued based on the fair value liability extinguished. The difference between the carrying amount of the financial liability extinguished, and any consideration paid, is recognised in profit or loss. In the UK, when shares are issued, the amount to be credited to share premium is based on the value of the consideration received for the issue of the shares. When the consideration is the release from a liability, its value for this purpose is the full nominal value of the liability, which may be different from both the carrying amount of the liability at the transaction date and its fair value, being the valued credited to equity under IFRIC 19.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

xxii. *Financial instruments (continued)*

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liability simultaneously.

xxiii. *Derivative financial instruments and hedge accounting*

Derivative financial instruments

All derivatives are recorded on Venator's consolidated balance sheets at fair

The Group enters into a variety of financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit and loss immediately unless the derivative is designated as a hedging instrument, in which event the timing of the recognition in profit and loss depends on the nature of the hedge relationship. The Group designates certain derivatives as either hedges of fair value of recognised assets or liabilities or firm commitments (fair value hedges) or hedges of particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or hedges of a net investment in a foreign operation (net investment hedges).

Gains and losses on derivative instruments designated as cash flow hedges are recognized in other comprehensive income (loss) and reclassified from hedging reserve to profit or loss when the hedged item impacts earnings.

Gains and losses on derivative instruments designated as fair value hedges are presented in the same income statement line that is used to present the earnings effect of the hedged item. In regards to our cross-currency swaps, changes in fair value attributable to the change in spot foreign currency rates are recognised in foreign exchange gain (loss), and reported in Other operating expense (income) in our consolidated statement of profit or loss, along with the offsetting gains and losses of the related hedged item. We have elected to exclude the forward interest rate differential from the assessment of hedge effectiveness in the fair value hedge and account for it as an excluded component. The changes in fair value of the excluded component of the cross-currency swaps are recorded in Other comprehensive income (loss).

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedging arrangements

The Group applies hedge accounting for transactions entered into to manage the cash flow exposures of borrowings.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised directly in equity as other comprehensive income ("OCI") and is accumulated in the cash flow hedge reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss as part of other gains and losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

xxiii. Derivative financial instruments and hedge accounting (continued)

The gain or loss recognised in other comprehensive income is reclassified to the income statement when the hedged item impacts earnings, or the hedge relationship ends. Hedge accounting is discontinued when the hedging instrument expires, no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised or the hedging instrument is terminated. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve are immediately reclassified to profit or loss. Note 33. Derivatives contains details of the fair values of the derivative instruments used for hedging purposes.

xxiv. Fair value measurement

The Group measures certain financial instruments, such as derivatives, at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For purposes of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

xxv. Impairment of assets

Assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

xxv. *Impairment of assets (continued)*

Non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If an indication exists, or when impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's ("CGU's") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in assumptions used to determine the asset's recoverable amount since the last impairment was recognised. The reversal is limited so that the carrying value amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Financial assets

IFRS 9 introduces a new expected credit loss model which broadens the information than an entity is required to consider when determining its expectations of impairment. Under this new model, expectations of future events must be taken into account and this could result in the earlier recognition of larger impairments.

The Group has adopted the simplified expected credit loss model for its trade receivables and contract assets, in accordance with IFRS 9. This simplified approach to measuring expected credit losses uses a lifetime expected loss allowance for all classes of financial assets.

Trade receivables are carried at cost less allowances for loss. The allowance loss measurement is then determined by applying a simplified approach equalling the lifetime expected credit losses. Under this approach the tracking of credit is not required but instead the base expected credit loss at all times is applied. An allowance for loss is made for potentially impaired receivables during the year in which they are identified based on a periodic review of outstanding amounts. Trade receivables are deemed impaired when there is an indication of significant financial difficulties of the debtor.

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet the following criteria are generally not recoverable:

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate ("EIR").

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Material accounting policies (continued)

xxv. Impairment of assets (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the consolidated statement of profit or loss. Interest income (recorded as finance income in the consolidated statement of profit or loss) continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans, together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the consolidated statement of profit or loss.

The Group writes off a financial asset when there is information indicating that there is no realistic prospect of recovery from the debtor e.g. when the debtor has been placed under liquidation or has entered bankruptcy proceedings, or in the case of trade receivables when the amounts are over a certain time past due, with the time past due before write off being determined by local GAAP compliance requirements in each relevant jurisdiction depending on which legal entity owns the trade receivable.

xxvi. Equity Instruments

Ordinary shares are classified as equity where the instrument evidences a residual interest in the assets of the Company after deducting all of the Company's liabilities. Incremental costs directly attributable to the issue of ordinary shares are shown as a deduction in equity, net of tax, from the proceeds. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

xxvii. Carbon Emissions Allowances

Venator carries carbon emissions allowances at the lower of cost or market which are classified as "Trade and other receivables" on the consolidated balance sheets and are held until surrendered, at which point they are offset against the related carbon emissions obligation.

6. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Group's consolidated financial statements requires the directors to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

i. Critical accounting judgments

The following are critical accounting judgements that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Consolidated Financial Statements.

Going concern

The Directors have assessed the Group's ability to continue as a going concern and therefore the appropriateness of the going concern basis of preparation. The Directors have determined that the going concern basis is appropriate but have identified material uncertainties with respect to going concern. This is a critical accounting judgement, further details of the judgement and assumptions made by the Directors in this assessment and the nature of the material uncertainties identified are disclosed at Note 2 Basis of accounting - Going Concern in the Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Critical accounting judgements and key sources of estimation uncertainty (continued)

Impairment Accounting Judgements

We are required to assess at the end of each reporting period whether there is any indication that our long-lived tangible and intangible assets may be impaired, and also whenever events indicate that such carrying value may not be recoverable in the future or when management's plans change regarding those assets, such as idling or closing a plant.

Additionally, the Group also considered the reversal of previously recorded asset impairments. The Group expect a modest recovery in the market in 2024. As detailed in Note 16, the forecasted recovery leads to headroom in the determined recoverable value of previously impaired CGUs. With the exception of the US TiO₂ CGU, this recovery does not represent a change in the underlying estimates from the prior period impairment and the increase in the recoverable value of the CGUs, and is instead the result of the passage of time, or unwinding of the discount, and is not due to an increase in the service potential of the asset. Therefore, this is determined not be a triggering event for the reversal of previously recorded asset impairments as described in IAS 36 paragraphs 109-116. In regards to the US TiO₂ CGU, we reversed the impairment based on an increase in the estimated service potential of the asset from sale as supported by the sale of the investment in July 2024.

Income Taxes

We use the asset and liability method of accounting for income taxes. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial and tax reporting purposes. We evaluate deferred tax assets to determine whether it is more likely than not that they will be realised. Deferred tax assets are reviewed on a tax jurisdiction basis to analyse whether there is sufficient positive or negative evidence to support a change in judgment about the realisability of the deferred tax assets for each jurisdiction. These conclusions require significant judgment. In evaluating the objective evidence that historical results provide, we consider the cyclicity of businesses and cumulative income or losses during the applicable period. Cumulative losses incurred over the period limit our ability to consider other subjective evidence such as our projections for the future. Changes in expected future income in applicable jurisdictions could affect the realisation of deferred tax assets in those jurisdictions.

See Note 15, Income Taxes of the consolidated financial statements for more information regarding recognition of our deferred tax assets.

Impairment of PP&E: use of exit multiple

Venator's impairment models use an exit multiple approach rather than long term growth (which is explicitly mentioned in IAS 36). Management recognises that this is an unorthodox approach but believes that this approach gives the 'best estimate' for Venator of a normalised EBITDA and a multiple derived from assessment of current and historical market conditions, given that there is significant volatility in the Group's earnings which makes the Gordon Growth "steady state" growth less meaningful or applicable to Venator.

Classification of Louisiana Pigment Company as a Joint Venture

As detailed in Note 17, the Group evaluated the Louisiana Pigment Company, L.P. (the "LPC") Joint Venture Agreement (the "Agreement") in accordance with IFRS 11 Joint Arrangements noting the structure and legal form of the Agreement, and the terms agreed to by the parties in the Agreement support the classification of the joint arrangement as a joint venture. The Group also considered other facts and circumstances noting that while the plant's output of TiO₂ is purchased by the Partners, it is done so based on Offtake Agreements, which specify the nominated production for the JV partner for the period, which may differ from each Partner's ownership interest. This would not support treatment of the joint arrangement as a joint operation, and accounting for the joint agreement through proportionate consolidation, as the proportionate risks and costs of operating the plant will differ from each Partner's ownership interest.

Assessment of Related Parties

The Company evaluated the new ownership structure after to the emergence from Chapter 11 in accordance with IAS 24, which considers a rebuttable presumption of a 20% threshold for significant influence as noted per IAS 28. The Group evaluated each of the new equity owners, noting that no one single shareholder owns more than 25%, limiting their ability to significantly influence our operations. Furthermore, per the terms of the shareholder agreement, for each 15% of shares held by a shareholder, that shareholder is allowed to appoint one and remove one director. This clause in the shareholder agreement effectively does not allow any one shareholder to hold a significant influence over the Company, therefore the Company has concluded there are no related party relationships as a result of the new ownership structure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Critical accounting judgements and key sources of estimation uncertainty (continued)

i. Critical accounting judgments (continued)

Emergence from Chapter 11

On 12 October 2023, the Company filed a Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to chapter 11 of the Bankruptcy Code (the "Plan"), upon which the Plan became effective in accordance with its terms and the Debtors emerged from Chapter 11. In accordance with the Plan, all outstanding obligations under the Term Loan Facility, Senior Secured Notes, Senior Unsecured Notes, the DIP Facility, and related accrued interest, including the applicable indentures, credit agreements and guarantees governing such obligations, totalling \$1,289 million were cancelled in return for New Ordinary Shares. There was a total of 107,941,929,020 shares issued to the Holders of Claims (the "Holders"), which resulted in transfer of 99.9% of the ownership in the Company to the Holders. As the Holders effectively received 99.9% ownership of the Company after emergence, the Company valued the equity issued based on the enterprise value (EV) of the Company using a valuation analysis of the Company performed by Moelis & Company LLC as part of the bankruptcy process. The emergence from bankruptcy resulted in a significant change to the equity structure of the organization and required accounting judgements based on the valuation of the Company and accounting treatment for the retirement of debt for equity.

ii. Key sources of estimation uncertainty

The following are key sources of estimation uncertainty that the Directors have identified which may have a significant risk of causing material adjustments to the carrying value of assets and liabilities within the next financial year.

Climate Change Impact

Climate change is a global challenge and emerging risk to businesses, people and the environment across the world. Although commitments we have made to date form part of the cash flow projections within our going concern and impairment assessments, the impact of climate change is not judged to have been a key driver in determining the outcomes of these exercises and is therefore not currently classified as a key source of estimation uncertainty. The Group will continue to review this classification as the assessment of the impacts, risk, and opportunities presented by climate change and the Group's commitments to address the challenges presented evolve over the coming years.

Gain on Retirement of Debt

As noted above, on 12 October 2023, the Company emerged from Chapter 11. In accordance with the Plan, outstanding obligations totalling \$1,289 million were cancelled in return for New Ordinary Shares. There was a total of 107,941,929,020 shares issued to the Holders of Claims (the "Holders"), which resulted in transfer of 99.9% of the ownership in the Company to the Holders. As the Holders effectively received 99.9% ownership of the Company after emergence, the Company valued the equity issued based on the enterprise value (EV) of the Company using a valuation analysis of the Company performed by Moelis & Company LLC as part of the bankruptcy process. Moelis calculated a total distributable value of the Company of \$588 million as disclosed in the Disclosure Statement Relating to the Joint Prepackaged Plan of Reorganization of Venator Materials PLC. This amount was used as the Equity Value of the Successor entity emerging from bankruptcy, having been agreed to by the Holders as part of the prepackaged bankruptcy, and was highly scrutinized and challenged by a third party, before being agreed to in court. In preparing its valuation, Moelis performed a variety of financial analyses and considered a variety of factors, which consisted of (a) a discounted cash flow analysis, (b) a selected publicly traded companies analysis, and (c) a selected transactions analysis. A change in the valuation of 10% would have a \$59 million impact on the gain on retirement of debt.

Impairment of PP&E

We are required to evaluate the carrying value of our long-lived tangible and intangible assets at least at the end of each reporting period and whenever events indicate that such carrying value may not be recoverable in the future or when management's plans change regarding those assets, such as idling or closing a plant. We evaluate impairment by comparing discounted cash flows of the related asset groups that are largely independent of the cash flows of other asset groups to their carrying values. The estimates used in calculating discounted cash flows of the asset groups involve significant judgment by management and include assumptions with estimation uncertainty, such as the impact of projected cash flows, sales and production forecasts, and growth rates on forecasted EBITDA, discount rates, and the terminal value. In connection with our asset evaluation policy, we reviewed all of our long-lived assets for indicators that the carrying value may not be recoverable. For further details see Note 16. Property, plant and equipment - Impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Critical accounting judgements and key sources of estimation uncertainty (continued)

ii. Key sources of estimation uncertainty (continued)

Employee benefit programs

The Group sponsor several contributory and non-contributory defined benefit plans, covering employees primarily in the US, the UK, Germany and Finland, but also covering employees in a number of other countries. We fund the material plans through trust arrangements (or local equivalents) where the assets are held separately from us. We also sponsor unfunded post-retirement plans which provide medical and, in some cases, life insurance benefits covering certain employees in the U.S. and Canada. Amounts recorded in the consolidated and combined financial statements are recorded based upon actuarial valuations performed by various third-party actuaries. Inherent in these valuations are numerous assumptions regarding expected long-term rates of return on plan assets, discount rates, compensation increases, mortality rates and health care cost trends. We evaluate these assumptions at least annually. See Note 24. Employee benefits - Sensitivity analysis.

Legal and environmental provisions

Environmental remediation costs for our facilities are accrued when it is probable that a liability has been incurred and the amount can be reasonably estimated. Estimates of environmental liabilities require evaluating government regulation, available technology, site-specific information and remediation alternatives. We provide for an amount equal to our best estimate of the costs to remediate based upon the available information. The extent of environmental impacts may not be fully known and the processes and costs of remediation may change as new information is obtained or technology for remediation is improved. Our process for estimating the expected cost for remediation considers the information available, technology that can be utilised and estimates of the extent of environmental damage. Adjustments to our estimates are made periodically based upon additional information received as remediation progresses. As of 31 December 2023 and 2022, we had recognised a liability of \$4 million, respectively, related to these environmental matters.

For further details on environmental liabilities see Notes 35, Provisions and Note 28, Commitments and Contingencies.

The Group is subject to legal proceedings and claims arising out of its business operations. We routinely assess the likelihood of any adverse outcomes to these matters, as well as ranges of probable losses. A determination of the amount of the reserves required, if any, for these contingencies is made after analysis of each known claim. We have an active risk management program consisting of numerous insurance policies secured from many carriers. These policies often provide coverage that is intended to minimize the financial impact, if any, of the legal proceedings. The required reserves may change in the future due to new developments in each matter.

For further details on legal proceedings see Notes 35, Provisions and Note 28, Commitments and Contingencies.

7. Changes in significant accounting policies

Detailed below are the recent changes to IFRS standards that were required to be adopted in annual periods beginning on 1 January 2023.

Insurance contracts (IFRS 17)

Narrow scope amendments (amendments to IAS 1, IAS 8 and IFRS Practice statement 2)

Deferred tax related to assets and liabilities arising from a single transaction (amendments to IAS 12)

Definition of accounting estimates (amendments to IAS 8)

International tax reform – pillar two model rules (amendments to IAS 12)

These amended standards have not resulted in a significant impact on the Group's consolidated financial statements.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective. The Group is currently assessing the potential impact of adopting these new standards and interpretations, on the financial statements of the Group and the Company.

i. New Standards

At the date of authorisation of these financial statements, the Group has not yet applied the following new and revised IFRS Standards that have been issued but are not yet effective. Management is currently assessing the impact of the Standards on presentation and disclosures on the financial statements of the Group and the Company.

- Amendments to IAS 1: Presentation of financial statements' on classification of liabilities (effective 1 January 2024)
- Amendments to IAS 1: Presentation of financial statements' on non-current liabilities with covenants (effective 1 January 2024)
- Amendments to IFRS 16: Leases – lease liability in a sale and leaseback (effective 1 January 2024)
- Amendments to IAS 7 and IFRS 7: Supplier finance arrangements (effective 1 January 2024)
- IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information (effective 1 January 2024)
- IFRS S2: Climate-related Disclosures (effective 1 January 2024)
- Amendments to IAS 21: Lack of exchangeability (effective 1 January 2025)
- Amendments to Sustainability Accounting Standards Board (SASB): Amendments to the SASB standards to enhance their international applicability (effective 1 January 2025)
- Amendments to IFRS 10: Amended by Annual Improvements to IFRS Accounting Standards — Volume 11 (effective 1 January 2026)
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective 1 January 2026)
- Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments (effective 1 January 2026)
- IFRS 18: Presentation and Disclosures in Financial Statements (replaces IAS 1, effective 1 January 2027)
- IFRS 19: Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027)

9. Operating segments

We derive our revenues, earnings and cash flows from the manufacture and sale of a wide variety of chemical products. We have reported our operations through our 2 segments, Titanium Dioxide and Performance Additives, and organised our business and derived our operating segments around differences in product lines.

The major product groups of each reportable operating segment are as follows:

Segment	Product Group
Titanium Dioxide	Titanium dioxide
Performance Additives	Functional additives, color pigments, and timber treatment

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Operating segments (continued)

The table below summarises the key products, end markets and applications, representative customers, revenues and sales information by segment as of 31 December 2023.

	Titanium Dioxide	Performance Additives
Product Groups	Titanium dioxide (TiO ₂)	Metal Carboxylate Driers, Ultra Marine Blue, Barium Sulfate, Zinc Sulfide and Timber Treatment
End Markets and Applications	Coatings, Plastics, Paper, Printing Inks, Fibers and Films, Pharmaceuticals, Food, Cosmetics, Agriculture and Water Purification	Coatings, Plastics, Cosmetics, Pharmaceuticals, Personal Care, Timber Treatment (Decking, Fencing and Fire Retardant Treated Wood) and Water Purification
Representative Customers	AkzoNobel, Ampacet, Avient, Colortech, Jotun, LG, LyondelBasel, PPG, Standridge and Tosaf	Avient, Axalta, BASF, Kansai, Lyondell Basell, Mankiewicz, Nordmann, PPG, Sabic and Sherwin Williams

The following table shows sales by geographical region for the years ended 31 December 2023 and 31 December 2022:

	2023		2022	
	TiO ₂	Performance Additives	TiO ₂	Performance Additives
Europe	46 %	28 %	47 %	32 %
North America	25 %	55 %	24 %	50 %
APAC ⁽¹⁾	18 %	14 %	19 %	15 %
Other	11 %	3 %	10 %	3 %
Total	100 %	100 %	100 %	100 %

⁽¹⁾ "APAC" refers to the Asia-Pacific region including India.

The following table shows sales by end markets for the years ended 31 December 2023 and 31 December 2022:

	2023		2022	
	TiO ₂	Performance Additives	TiO ₂	Performance Additives
Plastics	43 %	20 %	42 %	14 %
Architectural coatings	26 %	9 %	23 %	14 %
Industrial coatings	12 %	12 %	14 %	13 %
Construction	1 %	49 %	1 %	49 %
Other	18 %	10 %	20 %	10 %
Total	100 %	100 %	100 %	100 %

Sales between segments are generally recognized at external market prices and are eliminated in consolidation. Adjusted EBITDA is presented as a measure of the financial performance of our global business units and for reporting the results of our operating segments. The revenues and adjusted EBITDA for each of the two reportable operating segments are as follows:

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Operating segments (continued)

<i>(in millions)</i>	Year ended 31 December	
	2023	2022
Revenues:		
Titanium Dioxide	\$ 1,180	\$ 1,597
Performance Additives	376	576
Total	\$ 1,556	\$ 2,173
Adjusted EBITDA₍₁₎:		
Titanium Dioxide	\$ (212)	\$ 33
Performance Additives	18	34
	\$ (194)	\$ 67
Corporate and other	(45)	(41)
Total	\$ (238)	\$ 26
Reconciliation of adjusted EBITDA to net (loss):		
Interest expense	(147)	(54)
Interest income	4	1
Income tax expense	(18)	(52)
Depreciation and amortisation	(47)	(115)
Net income attributable to noncontrolling interests	12	7
Other adjustments:		
Gain on early extinguishment of debt	716	—
Legal, professional and other bankruptcy related fees	(99)	(1)
Separation (expense), net	—	(1)
Gain on disposition of businesses/assets	12	40
Certain legal expenses/ settlements	—	80
Amortisation of pension and postretirement actuarial losses	1	—
Net plant incident credits	20	17
Restructuring, impairment and plant closing and transition costs	(6)	(744)
Net income (loss)	\$ 210	\$ (796)
Depreciation and Amortisation:		
Titanium Dioxide	\$ 37	\$ 88
Performance Additives	16	26
Corporate and other	(6)	1
Total	\$ 47	\$ 115
Capital expenditures:		
Titanium Dioxide	\$ 49	\$ 52
Performance Additives	8	17
Corporate and other	—	—
Total	\$ 57	\$ 69
Total assets:		
Titanium Dioxide	\$ 671	\$ 772
Performance Additives	195	178
Assets held for sale	—	200
Corporate and other	284	195
Total	\$ 1,150	\$ 1,345
Income tax (expense) / benefit - continuing operations		
Titanium Dioxide	\$ (11)	\$ (56)
Performance Additives	(6)	5
Corporate and other	(1)	(1)
Total	\$ (18)	\$ (52)

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Operating segments (continued)

<i>(in millions)</i>	Year ended 31 December	
	2023	2022
Impairment (reversals) / losses		
Titanium Dioxide	\$ (21)	\$ 617
Performance Additives	6	100
Total	\$ (15)	\$ 717

- (1) Our management uses adjusted EBITDA to assess financial performance. Adjusted EBITDA is defined as net income/loss before interest income/expense, net; income tax expense/benefit, depreciation and amortisation and net income attributable to non-controlling interests, as well as eliminating the following adjustments: (a) business acquisition and integration expenses/credits; (b) separation gain/expense, net; (c) loss/gain on disposition of business/assets; (d) certain legal expenses / settlements; (e) amortisation of pension and postretirement actuarial losses/gains; (f) net plant incident costs/credits; and (g) restructuring, impairment, and plant closing and transition costs/credits. We believe that net income is the performance measure calculated and presented in accordance with GAAP that is most directly comparable to adjusted EBITDA.

<i>(in millions)</i>	Year ended 31 December	
	2023	2022
By Geographic Area		
Revenues ⁽¹⁾:		
United States	\$ 478	\$ 622
Germany	124	189
United Kingdom	76	97
China	68	91
Italy	86	133
Spain	65	86
France	72	79
India	71	92
Other nations	516	784
Total	\$ 1,556	\$ 2,173

Non-current Assets ⁽²⁾:		
Germany	\$ 41	\$ 17
United Kingdom	16	16
Italy	9	5
United States	26	31
Malaysia	3	1
Other nations	33	36
Total	\$ 128	\$ 106

- (1) Geographic information for revenues is based upon countries into which product is sold.
(2) Includes intangible assets, investment property, PP&E and right-of-use assets.

10. Revenue

We account for revenues from contracts with customers under IFRS 15, Revenue from Contracts with Customers, which became effective 1 January 2018. As part of the adoption of IFRS 15, we applied the new standard as of 1 January 2020. No adjustment to retained earnings was necessary as no revenue recognition differences were identified when comparing the revenue recognition criteria under IFRS 15 to previous requirements.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Revenue (continued)

We generate substantially all of our revenues through sales of inventory in the open market and via long-term supply agreements. At contract inception, we assess the goods promised in our contracts and identify a performance obligation for each promise to transfer to the customer a distinct good. In substantially all cases, a contract has a single performance obligation to deliver a promised good to the customer. Revenue is recognised when the performance obligations under the terms of our contracts are satisfied. Generally, this occurs at the time of shipping, at which point the control of the goods transfers to the customer. Further, in determining whether control has transferred, we consider if there is a present right to payment and legal title, along with risks and rewards of ownership having transferred to the customer. Revenue is measured as the amount of consideration we expect to receive in exchange for transferred goods.

Sales, value-added, and other taxes we collect concurrent with revenue-producing activities are excluded from revenue. Incidental items that are immaterial in the context of the contract are recognised as expense. All shipping and handling activities are fulfilment costs and we recognise these costs for shipping and handling when control over products have transferred to the customer as an expense in cost of goods sold. We have elected to expense commissions when incurred as the amortisation period of the commission asset that we would have otherwise recognised is less than one year.

The following table disaggregates our revenue by major geographical region for the years ended 31 December 2023 and 31 December 2022.

<i>(in millions)</i>	2023			2022		
	Titanium Dioxide	Performance Additives	Total	Titanium Dioxide	Performance Additives	Total
Europe	\$ 548	\$ 107	\$ 655	\$ 758	\$ 187	\$ 945
North America	292	208	500	376	287	663
APAC	212	51	263	306	86	392
Other	128	10	138	157	16	173
Total Revenues	\$ 1,180	\$ 376	\$ 1,556	\$ 1,597	\$ 576	\$ 2,173

The following table disaggregates our revenue by major product line for the years ended 31 December 2023 and 31 December 2022.

<i>(in millions)</i>	2023			2022		
	Titanium Dioxide	Performance Additives	Total	Titanium Dioxide	Performance Additives	Total
TiO ₂	\$ 1,180	\$ —	\$ 1,180	\$ 1,597	\$ —	\$ 1,597
Color Pigments ¹	—	94	94	—	297	297
Functional Additives	—	119	119	—	129	129
Timber Treatment	—	163	163	—	150	150
Total Revenues	\$ 1,180	\$ 376	\$ 1,556	\$ 1,597	\$ 576	\$ 2,173

¹ Iron Oxide business was sold in March 2023

The amount of consideration we receive and revenue we recognise is based upon the terms stated in the sales contract, which may contain variable consideration such as discounts or rebates. We also give our customers a limited right to return products that have been damaged, do not satisfy their specifications, or other specific reasons. Payment terms on product sales to our customers typically range from 30 days to 90 days. Although certain exceptions exist where standard payment terms are exceeded, these instances are infrequent and do not exceed one year. Discounts are allowed for some customers for early payment or if certain volume commitments are met. As our standard payment terms are less than one year, we have elected to not assess whether a contract has a significant financing component. In order to estimate the applicable variable consideration at the time of revenue recognition, we use historical and current trend information to estimate the amount of discounts, rebates, or returns to which customers are likely to be entitled. Historically, actual discount or rebate adjustments relative to those estimated and accrued at the point of which revenue is recognised have not materially differed.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Income and expenses

<i>Other operating (expense) / income</i>	Year ended 31 December 2023	Year ended 31 December 2022
<i>(in millions)</i>		
Gain on fixed asset disposals	\$ 10	\$ 20
Employee costs	(5)	(4)
Legal settlement	—	26
Calais pipeline matter	—	(2)
Sale and leaseback costs	—	(1)
Corporate legal fees	(2)	(2)
Consultant fees	(38)	(3)
Foreign exchange loss	(1)	(5)
Other expense items	—	(5)
	<u>\$ (36)</u>	<u>\$ 24</u>

In June 2022, Venator P&A Finland Oy received \$23 million from a legal settlement with Neste Engineering Services Oy. The additional \$3 million reported within legal settlement relates to the write off of VAT on cancellation of invoices included as part of the settlement.

Venator Materials PLC received \$85 million from a legal settlement with Tronox on 25 April 2022 which has been recorded within other non operating income in the consolidated statement of profit or loss. The remainder of the balance in 2023 and the balance in 2022 relates to non-operating pension amounts.

<i>Operating expenditures</i>	Year ended 31 December 2023	Year ended 31 December 2022
<i>(in millions)</i>		
Operating costs for the years ended 31 December has been arrived at after charging:		
Employee benefit expenses (see note 29)	\$ 226	\$ 296
Depreciation of fixed assets (see note 16)	40	97
Depreciation of right-of-use assets (see note 25)	5	9
Intangible asset amortisation	3	9
Impairment of assets (see note 16)	6	717
Reversal of impairment loss (see note 17)	21	—
Restructuring costs	21	27
Research and development	10	12
Loss allowance on trade receivables (see note 31)	1	—
Write downs of inventories recognised as an expense (see note 20)	4	16
Share based compensation (see note 14)	7	9
Government grant income	—	(2)
Auditor remuneration (see note 28)	<u>7</u>	<u>5</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Net finance costs

<i>Finance income:</i>	Year ended 31	
<i>(in millions)</i>	December	
	2023	2022
<i>Interest income under the effective interest method on:</i>		
Cash and cash equivalents	\$ 4	\$ 1
Finance income arising from financial assets	\$ 4	\$ 1
<i>Finance costs:</i>	Year ended 31	
<i>(in millions)</i>	December	
	2023	2022
<i>Financial liabilities measured at amortised cost:</i>		
Interest and finance charges payable for lease liabilities	27 \$ 3	\$ 3
Interest expense	134	70
	\$ 137	\$ 73
Net foreign exchange loss	\$ 1	\$ 15
Cost of hedging - transfer from OCI	13	(29)
Provisions - unwinding of discount	34 (3)	(4)
	\$ 148	\$ 55
Amount capitalised	(1)	(1)
Finance costs expensed	\$ 147	\$ 54
Net finance costs recognised in profit or loss	\$ (143)	\$ (53)

13. Loss per share

Basic loss per share excludes dilution and is computed by dividing net loss attributable to Venator ordinary shareholders by the weighted average number of shares outstanding during the period. Diluted loss per share reflects all potential dilutive ordinary shares outstanding during the period and is computed by dividing net loss available to Venator ordinary shareholders by the weighted average number of shares outstanding during the period increased by the number of additional shares that would have been outstanding as dilutive securities.

On 12 October 2023, in accordance with the Joint Prepackaged Plan of Reorganization of Venator Materials PLC (the "Plan"), the Company issued 107,941,929,020 shares of New Ordinary Shares to Holders of Claims entitled to receive New Ordinary Shares. On January 9, 2024, Venator Materials PLC completed its share consolidation on the basis of 1 new ordinary share of \$137.523 each (a "New Ordinary Share") for every 137,523 ordinary shares of \$0.001 each (the "Existing Ordinary Shares"). Pursuant to the Share Consolidation, every 137,523 issued Existing Ordinary Shares were consolidated into 1 New Ordinary Share resulting in the nominal value per New Ordinary Share of \$137.523. In accordance with IAS 33, all shares of common stock and per share data that are presented in the Consolidated Financial Statements have been adjusted to reflect the reverse stock split on a retroactive basis. For more information on updates that occurred subsequent to the balance sheet date, see Note 36. Post balance sheet events.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Loss per share (continued)

Basic and diluted loss per share is determined using the following information:

<i>(in millions)</i>	Year ended 31 December 2023	Year ended 31 December 2022
Numerator:		
<i>Basic and diluted gain (loss) from continuing operations:</i>		
Gain (loss) from continuing operations attributable to Venator Materials PLC ordinary shareholders	\$ 198	\$ (803)
<i>Basic and diluted gain (loss):</i>		
Gain (loss) attributable to Venator Materials PLC ordinary shareholders	\$ 198	\$ (803)
Denominator:		
Weighted average shared outstanding	175	1
Dilutive share-based awards	—	—
Total weighted average shares outstanding, including dilutive shares	175	1

The number of anti-dilutive employee share-based awards excluded from the computation of diluted EPS was nil for the year ended 31 December 2023 as all employee share-based awards were cancelled in accordance with the Joint Prepackaged Plan of Reorganization of Venator Materials PLC. (2022: \$5 million).

14. Share based payment arrangements

On 1 August 2017, our compensation committee and board of directors adopted the Venator Materials 2017 Stock Incentive Plan (the "LTIP") to provide for the granting of non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock, phantom shares, performance awards and other stock-based awards to our employees and directors, and to employees of our subsidiaries, provided that incentive stock options may be granted solely to employees. The terms of the grants are fixed at the grant date. As at 31 December 2022, we were authorised to grant up to 17.8 million shares under the LTIP and we had 5.4 million shares remaining under the LTIP available for grant. During 2023, as a result of our bankruptcy, the outstanding stock-based awards under our LTIP plan were cancelled on our Effective Date, and as at 31 December 2023, no shares were authorised or available for grant.

Stock option awards had a maximum contractual term of 10 years and generally had an exercise price at least equal to the market price of Venator's ordinary shares on the date the stock option award was granted. Share-based awards generally vested over a three-year period; certain performance awards vested over a two-year period and awards to Venator's directors vested on the grant date.

We incurred \$7 million and \$9 million in stock-based compensation expense for the years ended 31 December 2023 and 31 December 2022, respectively. The total income tax benefit recognised in the consolidated statements of operations for stock-based compensation arrangements was \$1 million and \$1 million for the years ended 31 December 2023 and 31 December 2022, respectively. We incurred \$2 million in additional stock-based compensation expense in 2023 related to the cancellation of the awards.

Stock options

The fair value of the stock option awards were estimated using the Black-Scholes valuation model that uses the assumptions noted in the following table. Expected volatilities were based on a weighted average of the historical volatility of Huntsman's common stock and our ordinary shares through the grant date, whereby the volatility of Huntsman's common stock was used to estimate historical volatility for periods prior to the separation. The expected term of stock options granted was estimated using the safe harbour approach calculated as the vesting period plus remaining contractual term divided by two. The risk-free rate for the periods within the expected life of the option was based on the U.S. Treasury yield curve in effect at the time of grant. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Share based payment arrangements (continued)

Stock options (continued)

The assumptions noted below represent the weighted average of assumptions utilised for stock options granted during 2022 under the LTIP. No awards were granted in 2023.

	Year ended 31 December 2022
Dividend yield	—
Expected volatility	62.1 %
Risk-free interest rate	2.7 %
Expected life of stock options granted during the period	6.0 years

The table below presents the changes in stock option awards for the Company's ordinary shares from 1 January 2022 through 31 December 2023.

	Shares (in thousands)	Weighted average exercise price \$	Weighted average remaining contractual term (years)	Aggregate Intrinsic value \$'m
Outstanding at 1 January 2022	4,330	6.45		
Granted during the year	1,784	2.47		
Exercised during the year	—	0.00		
Forfeited during the year	(36)	3.23		
Expired during the year	(35)	9.44		
Outstanding at 31 December 2022	6,043	5.28	7.4	—
Exercisable at 31 December 2022	3,089	7.50	6.3	—
Granted during the year	—	0.00		
Forfeited during the year	(94)	2.89		
Expired during the year	(5,949)	5.32		
Outstanding at 31 December 2023	—	0.00	—	—
Exercisable at 31 December 2023	—	0.00	—	—

Intrinsic value is the difference between the market value of our ordinary shares and the exercise price of each stock option multiplied by the number of stock options outstanding for those stock options where the market value exceeds their exercise price. During the years ended 31 December 2023 and 31 December 2022, the total intrinsic value of stock options exercised was nil, each.

No stock options were granted during 2023. The weighted-average grant-date fair value of stock options granted during 2022 was \$2.47. As of 31 December 2023, there was nil of total unrecognised compensation cost related to non-vested stock option arrangements granted under the LTIP (2022: \$3 million).

As a result of the cancellation of awards on emergence from bankruptcy, no outstanding stock-based awards remain as of 31 December 2023. Of the share options awards outstanding as at 31 December 2022, the weighted average exercise price was \$5.28. The range of exercise prices for these outstanding share option awards was \$1.89 to \$22.83.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Share based payment arrangements (continued)

Restricted Stock Units

The fair value of the restricted stock units are based on the closing share price on the date of grant. For the performance unit awards granted during the year ended 31 December 2022, the number of shares earned varies based on the Company achieving certain performance criteria over a three-year performance period. The performance criteria are total stockholder return of our ordinary shares relative to the total stockholder return of a specified industry peer-group for the three-year performance period. Additionally, performance unit awards were granted during the year ended 31 December 2021 based on achieving a certain return on net assets. The fair value of each performance unit award was estimated using a Monte Carlo simulation model that uses various assumptions, including an expected volatility rate and a risk-free interest rate. For the year ended 31 December 2022, the weighted-average expected volatility rate was 84.1% and the weighted-average risk-free interest rate was 1.8%. No awards were granted during 2023.

The table below presents the changes in non-vested awards for our ordinary shares from 1 January 2022 through 31 December 2023.

	Shares (in thousands)	Weighted average grant date fair value (\$)
Non-vested at 1 January 2022	3,278	4.72
Granted during the year	2,698	2.77
Vested during the year ⁽¹⁾	(1,218)	3.95
Forfeited and expired during the year	(237)	8.53
Non-vested at 31 December 2022	4,521	3.56
Granted during the year	—	—
Vested during the year ⁽¹⁾	(1,338)	3.00
Forfeited and expired during the year	(3,183)	3.80
Non-vested at 31 December 2023	—	—

(1) As at 31 December 2023, due to the cancellation of awards on emergence from bankruptcy, no outstanding restricted stock units remain vested but not yet issued (2022: 258,440). These shares have not been reflected as vested shares in the table because, in accordance with the restricted stock unit agreements, these shares are not issued for vested restricted stock until termination of employment.

As at 31 December 2023, due to the cancellation of awards on emergence from bankruptcy, no unrecognised compensation cost related to non-vested share compensation arrangements granted under the LTIP remains (2022: \$7 million). As at December 31 2022, that cost was expected to be recognised over a weighted-average period of 1.8 years.

Net settlement feature for withholding tax obligations

In some countries, an employee may be subject to taxes on receipt of a share-based payment arrangement. The Group is settling the share-based payment arrangements on a net basis by withholding the number of shares with a fair value equal to the monetary value of the employee's tax obligation and only issuing the remaining shares on completion of the vesting period.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes

The components of income tax expense (benefit) were as follows:

a) Consolidated Income Statement:

(in millions)	Year ended 31 December					
	2023			2022		
	UK	Non-UK	Total	UK	Non-UK	Total
Total current tax	\$ —	\$ 2	\$ 2	\$ 1	\$ 7	\$ 8
In respect of current year	—	2	2	1	8	9
In respect of prior years	—	—	—	—	(1)	(1)
Total deferred tax	\$ —	\$ 16	\$ 16	\$ —	\$ 44	\$ 44
In respect of current year	—	16	16	—	(34)	(34)
Change of recognition	—	—	—	—	78	78
Total income tax recognised	\$ —	\$ 18	\$ 18	\$ 1	\$ 51	\$ 52

The reconciliation of the differences between income taxes at the U.K. statutory rate to Venator's provision for income taxes is as follows:

(in millions)	Year ended 31 December	
	2023	2022
Income (loss) from continuing operations before income taxes	\$ 223	\$ (744)
Expected tax expense / (credit) at U.K. statutory rate ¹	42	(142)
Change resulting from:		
Non-UK tax rate differentials	(48)	(65)
Other non- tax effects, including non-deductible expense, and transfer pricing adjustments	3	5
Tax authority audits and dispute resolutions/settlements	—	—
Tax effects of Chapter 11 bankruptcy and related restructuring	(111)	—
Movement in unrecognised deferred tax assets	106	175
Movement in (recognition) / de-recognition of deferred tax assets	—	78
Tax effects of 2023 disposal and 2022 impairment of Assets Held for Sale	24	1
Other, net	2	—
Total income tax expense	\$ 18	\$ 52

Venator operates in over 18 non-U.K. tax jurisdictions with no specific country earning a predominant amount of its off-shore earnings. Some of these countries have income tax rates that are approximately the same as the U.K. statutory rate, while other countries have rates that are higher or lower than the U.K. statutory rate. Losses earned in countries with higher average statutory rates than the U.K., resulted in higher tax benefit of \$48 million and \$65 million, respectively, for the years ended 31 December 2023, and 2022.

¹A statutory rate of 19% is used due to U.K. taxable income being negative.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes (continued)

b) Consolidated Statement of Other Comprehensive Income:

(in millions)	Year ended 31 December					
	2023			2022		
	Pre tax	Tax impact	After tax	Pre tax	Tax impact	After tax
<i>Items that will not be reclassified to income statement in subsequent periods:</i>						
Re-measurements of retirement benefit obligation	\$ (6)	\$ 1	\$ (5)	\$ (70)	\$ (1)	\$ (71)
Currency translation adjustment	—	—	—	—	(4)	—
Income tax charged to OCI	\$ (6)	\$ 1	\$ (5)	\$ (70)	\$ (5)	\$ (71)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes (continued)

c) *Deferred tax movement schedule:*

	2023		
<i>(in millions)</i>	Opening Balance 1 January	Recognised in (loss) / income	Ending Balance 31 December
Deferred tax assets			
Net operating loss carry forwards	\$ 8	\$ (7)	1
Pension and other employee compensation	1	(1)	—
Property, plant and equipment	8	(6)	2
Intangible assets	1	(1)	—
Operating Lease, Liability	8	18	26
Other, net	18	(18)	—
Net deferred tax assets	<u>\$ 44</u>	<u>\$ (15)</u>	<u>29</u>
Deferred tax liabilities			
Property, plant and equipment	\$ (17)	\$ (5)	(22)
Operating Lease, right of use asset	(4)	2	(2)
Pension and other employee compensation	(6)	(3)	(9)
Other, net	(7)	5	(2)
Deferred tax liabilities	<u>\$ (34)</u>	<u>\$ (1)</u>	<u>(35)</u>
Net deferred tax assets / (liabilities)	<u>\$ 10</u>	<u>\$ (16)</u>	<u>(6)</u>
Deferred tax assets	44	(15)	29
Deferred tax liabilities	(34)	(1)	(35)
Net deferred tax assets / (liabilities)	<u>\$ 10</u>	<u>\$ (16)</u>	<u>(6)</u>

The above presents the deferred tax balances by type. The group has then considered the jurisdictional right of offset requirements under IAS12 and as a result the above are presented on the face of the balance sheet as a deferred tax liability of \$11 million and a deferred tax asset of \$5 million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes (continued)

c) *Deferred tax movement schedule (continued):*

	2022				
<i>(in millions)</i>	Opening Balance 1 January	Recognised in (loss) / income	Recognised in other comprehensive income / (loss)	Reclasses	Ending Balance 31 December
Deferred tax assets					
Net operating loss carry forwards	\$ 57	\$ (47)	\$ (1)	\$ (1)	8
Pension and other employee compensation	4	(2)	(1)	—	1
Property, plant and equipment	34	(23)	(1)	(2)	8
Intangible assets	—	1	—	—	1
Operating lease, Liability	10	—	—	(2)	8
Other, net	46	(27)	(1)	—	18
Net deferred tax assets	\$ 151	\$ (98)	\$ (4)	\$ (5)	44
Deferred tax liabilities					
Property, plant and equipment	\$ (44)	\$ 25	\$ (1)	\$ 3	(17)
Operating Lease, right of use asset	(9)	4	—	1	(4)
Intangible assets	—	—	—	—	—
Pension and other employee compensation	(38)	32	—	—	(6)
Other, net	—	(7)	—	—	(7)
Deferred tax liabilities	\$ (91)	\$ 54	\$ (1)	\$ 4	(34)
Net deferred tax assets / (liabilities)	\$ 60	\$ (44)	\$ (5)	\$ (1)	10
Deferred tax assets	151	(98)	(4)	(5)	44
Deferred tax liabilities	(91)	54	(1)	4	(34)
Net deferred tax assets / (liabilities)	\$ 60	\$ (44)	\$ (5)	\$ (1)	10

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes (continued)

d). Unrecognised deductible temporary differences, unused tax losses and unused tax credits for the years 31 December:

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits there from.

<i>(in millions)</i>	2023		2022	
	Gross amount	Tax effect	Gross amount	Tax effect
Deductible temporary differences	\$ 864	\$ 243	\$ 1,352	\$ 307
Tax losses	2,487	576	2,950	622
		<u>\$ 819</u>		<u>\$ 929</u>

Deferred tax liabilities for unremitted earnings

Due to the material uncertainty over our ability to continue as a going-concern, Venator is no longer able to control the decision to indefinitely reinvest earnings of our non-U.K. subsidiaries. The financial uncertainty that exists creates a presumption that unremitted non-U.K. earnings will be needed to meet existing obligations. As a result, we have recognized a deferred tax liability of \$1 million related to undistributed earnings of non-U.K. subsidiaries at December 31, 2023. For the year ended 31 December 2023 and 2022, our non-U.K. subsidiaries made no distribution of earnings that caused them to be subject to material U.K., or other local country taxation.

Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

<i>(in millions)</i>	Amount	Expiration Date
Expire	\$ 1,546	2028-2036
Never expire	943	
	<u>\$ 2,489</u>	

Venator has total NOLs of \$2,489 million in various jurisdictions, principally in Finland, Germany, Italy, Luxembourg, Spain, South Africa, U.S and the U.K, all of which have no expiration dates except for \$1,546 million, which begin to expire on 31 December 2028. Of these \$2,487 million are unrecognised due to the uncertainty surrounding the realisation of the benefits of these losses.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes (continued)

d). Unrecognised deductible temporary differences, unused tax losses and unused tax credits for the years 31 December (continued):

Amounts recognised directly in equity

<i>(in millions)</i>	2023			2022		
	Before tax	Tax (benefit)	Net of tax	Before tax	Tax (benefit)	Net of tax
Share-based payments	\$ 7	\$ (1)	\$ 6	\$ 8	\$ (1)	\$ 7

The Group incurred \$7 million and \$8 million in stock based compensation expense for the years ended 31 December 2023 and 2022, respectively. The total income tax benefit recognised in the consolidated statements of operations for stock based compensation arrangements was \$1 million and \$1 million for the years ended 31 December 2023 and 2022, respectively.

Recognised and unrecognised deferred tax assets are reviewed each period on a tax jurisdiction by jurisdiction basis to analyse whether there is sufficient positive or negative evidence to support a change in judgment about the realisability of the related deferred tax assets. These conclusions require significant judgment. In evaluating the objective evidence that historical results provide, we consider the cyclical nature of businesses and cumulative income or losses during the applicable period. Uncertainties regarding expected future income in certain jurisdictions could affect the realisation of deferred tax assets in those jurisdictions.

Venator began to experience global inflationary pressures during 2021, particularly in Europe, where we experienced significant increases in energy costs during periods subsequent to the COVID-19 pandemic shutdowns. The inflationary pressures on European energy were exacerbated in 2022 after Russia's invasion of Ukraine while other operating costs also remained inflated. Beginning in the third quarter of 2022, we began to experience a significant reduction in demand for our TiO₂ products sold in Europe and APAC while energy market prices reached record highs and other cost inflation continued to increase. For further information regarding going concern, see "Note 2 Basis of accounting".

At 31 December 2022, we concluded that there was insufficient positive evidence in our Spanish business to overcome this negative evidence. As a result, we concluded that net deferred tax assets will not be recognized in our Spanish entities in the amount of \$67 million.

Based on management's ongoing analysis of positive and negative evidence within our Malaysia business we determined during 2022 that there was insufficient positive evidence to overcome a history of losses. As a result, we concluded that net deferred tax assets will not be recognized in our Malaysian entities in the amount of \$30 million.

US Cancellation of Debt and Reduction of Tax Attributes Related to Bankruptcy Restructuring

As a result of the reorganization process (see Note 1), Venator's U.S. tax attributes have been reduced by the amount of Venator's excluded cancellation of indebtedness income ("COD Income") that is attributable to Venator's U.S. operations.

In general, absent an exception, a debtor will realize and recognize COD Income upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied, over (b) the sum of (i) the amount of Cash paid, (ii) the issue price of any new indebtedness of the taxpayer issued, and (iii) the fair market value of any other new consideration (including stock of the debtor) given in satisfaction of such satisfied indebtedness at the time of the exchange. Under section 108 of the U.S. Internal Revenue Code ("IRC"), a debtor is not, however, required to include any amount of COD Income in gross income if the debtor is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a debtor must reduce its tax attributes by the amount of COD Income that it excluded from gross income pursuant to section 108 of the IRC.

COD Income of \$64 million has been realized by the Company for U.S. federal income tax purposes and reflected on the 2023 U.S. Federal income tax return filed in October 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes (continued)

d). Unrecognised deductible temporary differences, unused tax losses and unused tax credits for the years 31 December (continued):

US Limitation of NOL Carryforwards and Other Tax Attributes

Pursuant to Sections 382 and 383 of the US Internal Revenue Code, utilisation of tax attributes, including loss carry forwards, are subject to annual limitations due to any ownership changes of 5% owners. In general, an ownership change, as defined by Section 382, results when the ownership of certain stockholders or public groups increases by more than 50 percentage points over a three-year period. If an ownership change occurs, the annual limitation on the future utilisation of tax attributes existing on the change date is equal to the value of the stock of the corporation times the long term tax exempt rate. This amount may then be increased or decreased in the five years after the change by recognised built in gains or losses that existed in the Company's assets on the change date.

SK Capital's acquisition of 42.5 million Venator shares from Huntsman on 23 December 2020 resulted in a change of control pursuant to Section 382. As a result, certain Venator deferred tax assets, including U.S. tax net operating losses with an unlimited carry forward period, will be subject to an annual limitation on the amount of taxable income which can be offset. The limitations from the ownership change may cause the Group to pay U.S. federal income taxes earlier. Based on management's analysis of positive and negative evidence within our U.S. business, and especially considering historical earnings and the evidence of estimated future income in an amount sufficient to exceed the limitation, we have concluded at December 31, 2022, that there was sufficient positive evidence that our U.S. deferred tax assets will be realised. Net deferred tax assets in our U.S. business were \$4 million at December 31, 2022.

As a result of the Chapter 11 reorganization process, the Company has experienced a change of more than 50% of the shareholders at the level of Venator Materials PLC. After giving effect to the reduction in tax attributes pursuant to excluded COD income described above, to the extent the Company has any remaining tax attributes, the reorganized Company's ability to use any remaining attributes post-emergence will be subject to certain limitations under sections 382 and 383 of the IRC.

Under sections 382 and 383 of the IRC, if a corporation undergoes an "ownership change," the amount of its NOLs and, if the corporation has an overall "net unrealized built-in loss" in its assets, certain other Tax Attributes of the Debtors allocable to periods prior to the Effective Date (collectively, "Pre-Change Losses") that may be utilized to offset future taxable income generally are subject to an annual limitation. This discussion refers to the limitation determined under section 382 of the IRC in the case of an "ownership change" as the "Section 382 Limitation." The rules of section 382 of the IRC are complicated, but as a general matter, the Debtors believe that the issuance of new common stock and the subscription rights resulted in an "ownership change" of the Reorganized Debtors for these purposes, and that the Reorganized Debtors' use of their Pre-Change Losses will be subject to limitation unless an exception to the general rules of section 382 of the IRC applies. As discussed below, however, special rules may apply in the case of a corporation which experiences an ownership change as the result of a bankruptcy proceeding.

The precise impact of the Section 382 Limitation on the Company for U.S. federal income tax purposes will not be determinable until completion of the US Valuation and filing of the 2023 U.S. Federal income tax return. Nevertheless, the Company has estimated based on information available, that future utilization of its U.S. tax attributes following the reorganization will be limited by the provisions of Section 382 to an annual base limitation of approximately \$1 million.

German Attribute Reduction

Under the German change of control rules, if a German corporation undergoes an "ownership change," whereby more than 50 percent of its shares, voting rights, etc., are transferred, either directly or indirectly to a new shareholder, to related parties or a group of new shareholders with convergent interests, within a five-year period, its German tax attributes are generally forfeited unless an exemption applies.

The Company believes that as a result of the reorganization process (see Note 1) its German operations underwent an ownership change for German change of control purposes and does not anticipate any exemptions to apply. We anticipate tax attributes existing at the date of reorganization will be fully forfeited. The gross and tax effected amounts of unrecognized deferred tax assets at 31 December 2023 related to German tax attributes that we expect to forfeit is as follows:

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes (continued)

d). *Unrecognised deductible temporary differences, unused tax losses and unused tax credits for the years 31 December (continued):*

<i>(in millions)</i>	2023		2022	
	Gross Amount	Tax Effect	Gross Amount	Tax Effect
Deductible temporary differences	\$ 24	\$ 4	\$ 262	\$ 44
Tax loss	45	8	984	165
		<u>\$ 12</u>		<u>\$ 209</u>

UK Attribute Reduction

As a result of the reorganization process under the Plan, we believe a change of ownership at the level of Venator Materials PLC has occurred for U.K. tax purposes. Where there are changes in the capital of an investment company, such as Venator Materials PLC, following a change of ownership within a prescribed time frame, and the increase in capital exceeds a certain threshold, then the use of tax losses and other attributes carrying forward to offset current year taxable income may be restricted.

As a result of the analysis performed as of 31 December 2023, and based on existing facts and knowledge, the Company does not expect that there will be a restriction of tax attributes for Venator Materials PLC. Ongoing testing will occur on future changes in capital and debt for the three years following the change in ownership, including entering into the incremental \$100 million committed delayed draw term loan on 16 January 2024, of which \$50 million was drawn at close, \$25 million on 20 June and \$25 million on 16 July, 2024 (see Note 35. Capital Management). It is possible that these transactions may result in the restriction of the use of tax losses or other attributes.

e). *The following is a reconciliation of our reserve for uncertain tax positions, excluding interest and penalties for the years ended 31 December:*

<i>(in millions)</i>	2023	2022
Beginning balance 1 January	\$ 23	\$ 19
Additions based on tax positions related to current year	—	4
Additions for tax positions of prior years	—	1
Reductions for tax positions of prior years	(13)	(1)
Global Settlements	(1)	—
Ending balance 31 December	<u>\$ 9</u>	<u>\$ 23</u>

As of 31 December 2023 and 2022, the amount of unrecognised tax benefits that, if recognised, would affect the effective tax rate is \$3 million and \$9 million, respectively. The reduction in unrecognized tax benefits was due to closure of a tax authority audit during 2023.

In accordance with Venator's accounting policy, we recognise interest and penalties accrued related to unrecognised tax benefits in income tax expense, which were insignificant for each of the years ended 31 December 2023 and 2022.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes (continued)

e). The following is a reconciliation of our reserve for uncertain tax positions, excluding interest and penalties for the years ended 31 December: (continued)

Certain of Venator's U.S. and non-U.S. income tax returns are currently under various stages of audit by applicable tax authorities and the amounts ultimately agreed upon in resolution of the issues raised may differ materially from the amounts accrued. The statute of limitations is open for the following years, by jurisdictions:

France	2019 and later
Germany	2019 and later
Italy	2017 and later
Malaysia	2016 and later
Spain	2019 and later
United Kingdom	2021 and later
United States Federal	2019 and later

Venator estimates that it is reasonably possible that no change of its unrecognised tax benefits could occur within 12 months of the reporting date.

For U.S. federal income tax purposes Huntsman recognised a gain as a result of the IPO and the separation to the extent the fair market value of the assets associated with our U.S. businesses exceeded the basis of such assets for U.S. federal income tax purposes at the time of the separation. As a result of such gain recognised, the basis of the assets associated with our U.S. businesses was increased. Pursuant to the tax matters agreement entered into at the time of the separation, we are required to make a future payment to Huntsman for any actual U.S. federal income tax savings we recognise as a result of any such basis increase for tax years through 31 December 2028. As of each of December 31, 2023 and 2022, we expected future payments to be \$9 million. Any subsequent adjustment asserted by U.S. taxing authorities could change the amount of gain recognized with a corresponding basis and liability adjustment for us under the tax matters agreement.

Louisiana Pigment Company Uncertain Tax Position

Venator has a 50% ownership interest in Louisiana Pigment Company L.P. ("LPC" or "JV"), a Delaware Limited Partnership. LPC was formed in 1993, by Tioxide Americas Inc., and Kronos Louisiana Inc., with each party taking a 50% interest. Venator acquired its interest in LPC from Huntsman in 2017, as a part of a taxable transaction related to its IPO and separation from Huntsman.

As a part of its initial formation, and in the joint venture agreement, the partners agreed to cause the JV to make a timely election in accordance with the provisions of Internal Revenue Code ("the Code") Section 761(a). The partners also agreed that the JV should make no other tax election or filing without the mutual consent of the partners. A valid §761(a) election has the effect that certain eligible partnerships can be excluded from the provisions of subchapter K of the Code, in other words, the legal partnership is no longer treated as a partnership for U.S. tax purposes and provides for reduced reporting requirements. Each partner is instead deemed to own directly an undivided interest in the partnership assets. Any U.S. income tax impacts, such as taxation of income, and tax ownership and depreciation of assets, are reported directly on the U.S. corporate income tax return filed by each partner. Accordingly, LPC has not filed U.S. Federal partnership returns since formation, and from the time of its 2017 acquisition, Venator has continued the legacy U.S. tax reporting methodology for LPC that Huntsman had used, based on the assumption that a proper §761(a) election had been made in 1993.

As mentioned above, the 2017 separation transaction resulted in a taxable gain to Huntsman, on which they paid U.S. income tax, and a step-up in the tax basis of LPC assets for Venator. No additional tax elections were made by LPC or Venator at the time of this ownership change. This resulted in LPC assets for Venator being stepped up to their fair market value. And because Venator was deemed for U.S. tax purposes to directly own 50% of LPC assets, it was as if Venator had purchased the individual LPC assets from Huntsman and received a step up in value that would be depreciated going forward. The step up in U.S. tax basis of LPC assets because of the separation was \$78 million.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes (continued)

e). The following is a reconciliation of our reserve for uncertain tax positions, excluding interest and penalties for the years ended 31 December: (continued)

In February 2024, as a part of the work to determine the U.S. tax impact of our recent emergence from the U.S. Chapter 11 bankruptcy process, we have examined the validity of LPC's original 761(a) election in 1993. We have learned that limited liability partnerships face challenges in gaining §761(a) election eligibility, and following a detailed review, Venator has concluded that, upon examination, it is more likely than not the IRS would deem the §761 election was not available to LPC and would therefore assert that LPC was subject to subchapter K of the Code and should have been treated as a partnership for U.S. tax purposes from inception.

As a result of the §761(a) election being unable to be made in 1993, and the fact that Venator did not make a timely §754 election in 2017, having assumed this was not required, then it is more likely than not that Venator has an uncertain tax position ("UTP") for benefits claimed on its 2018-2022 U.S. tax returns related to the step up in tax basis on LPC assets stemming from the 2017 separation from Huntsman. The correction of this position on amended tax returns, if and when filed, would result in Venator owing the Internal Revenue Service ("IRS") approximately \$4.8 million of tax and \$0.3 million of interest. In addition, a total estimated amount of \$1 million of state tax and interest would be due to various states.

If a taxpayer fails to timely file a valid §754 election and automatic relief under Treasury Regs. §301.9100-2 is not available, the only recourse may be to seek relief under Treasury Regs. §301.9100-3 directly from the IRS. Based on the communication from the IRS to date—and after consulting with our tax advisors, the Company does not believe it is more likely that not that relief would be granted in the case Venator decides to pursue the ruling process. No benefit has therefore been recognized in relation to any potential relief which might be granted under Treasury Regs. §301.9100-3.

At the time of the separation, Huntsman and Venator entered into the Tax Matters Agreement ("TMA"). One of the provisions of the TMA is that Venator is required to pay Huntsman for any actual U.S. Federal income tax savings Venator receives due to the higher depreciation resulting from the step up of assets occurring at the separation. The TMA is valid until the end of 2028.

Increased payments of U.S. Federal income tax as a result of not claiming benefit of the LPC basis step up would mean that under the TMA, Huntsman would be obliged to make repayment to Venator.

f). The liabilities related to our reserve for uncertain tax positions as at 31 December are comprised of the following:

<i>(in millions)</i>	As at 31 December	
	2023	2022
Reserve for uncertain tax positions, including interest and penalties	\$ 8	\$ 9

g). Taxes receivable and payable consist of the following:

	As at 31 December	
	2023	2022
Current Income Taxes Receivable	\$ 13	\$ 15

h). International tax reform - Pillar Two

For the year ended December 2023 Venator has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Company neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

On 11 July 2023, the government of the U.K., where Venator's Parent Company, Venator Materials PLC, is incorporated, enacted the Pillar Two income taxes legislation, effective from 1 January 2024. Under the legislation Venator Materials PLC is subject to the Pillar Two regime and will be required to pay in the U.K., Multinational top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15 percent.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Income taxes (continued)

h. International tax reform - Pillar Two (continued)

Venator plans to utilize the transitional safe harbour for accounting periods beginning on or before 31 December 2026, starting in 2024. Preliminary analysis indicates that Venator expects to pass at least one safe harbour test in most countries. Each country that may fail all safe harbour tests has a statutory tax rate above the 15 percent minimum tax rate. As a result, Venator believes it has an immaterial risk of top-up tax.

The Group is continuing to assess the impact of the Pillar Two income tax legislation on its future financial performance.

16. Property, plant and equipment

<i>(in millions)</i>	2023						Total
	Land and land improvements	Buildings	Plant and equipment	Furniture & Fixtures Leasehold Improvement	Assets under construction		
Cost at 1 January 2023	\$ 48	\$ 194	\$ 1,798	\$ 5	\$ 75	\$	2,120
Transfers	1	—	21	—	(22)		—
Additions	—	—	13	—	33		46
Disposals	(3)	(11)	(172)	(1)	(3)		(190)
Effects of movements in exchange rates	—	6	61	—	2		69
Cost at 31 December 2023	\$ 46	\$ 189	\$ 1,721	\$ 4	\$ 85	\$	2,045
Accumulated depreciation and impairment losses at 1 January 2023	\$ (19)	\$ (167)	\$ (1,773)	\$ (4)	\$ (74)	\$	(2,037)
Depreciation for the year	—	(2)	(38)	—	—		(40)
Disposals	—	10	172	—	—		182
Impairment loss	—	(3)	(3)	—	—		(6)
Effects of movements in exchange rates	—	(3)	(31)	—	—		(34)
Accumulated depreciation and impairment losses at 31 December 2023	\$ (19)	\$ (165)	\$ (1,673)	\$ (4)	\$ (74)	\$	(1,935)
Net book value							
As at 1 January 2023	\$ 29	\$ 27	\$ 25	\$ 1	\$ 1	\$	83
As at 31 December 2023	\$ 27	\$ 24	\$ 48	\$ —	\$ 11	\$	110

The Group reported a gain on disposal within other income / expense in its consolidated statement of profit or loss, of \$10 million during the year ended 31 December 2023.

Obligations under the Term Loan Credit are guaranteed by Venator and substantially all of our subsidiaries (the "Guarantors"), and are secured by substantially all of the assets of Venator and the Guarantors, in each case subject to certain exceptions. Obligations under the ABL Credit Agreement are guaranteed by Venator Group Canada Inc., Venator Chemicals LLC, and Venator Materials LLC (the "ABL Guarantors") and, subject to customary exceptions, are secured by substantially all of the ABL Borrowers' and ABL Guarantors' assets. Lien priority as between the Term Loan Facility and the ABL Facility with respect to the collateral is governed by an intercreditor agreement. The amount pledged as security for the Tioxide Pension Fund is nil as at 31 December 2023 (2022: \$61 million) as the pledge was released in 2023.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Property, plant and equipment (continued)

<i>(in millions)</i>	2022						Total
	Land and land improvements	Buildings	Plant and equipment	Furniture & Fixtures Leasehold Improvement	Assets under construction		
Cost at 1 January 2022	\$ 90	\$ 253	\$ 2,088	\$ 8	\$ 109	\$	2,548
Transfers	—	5	58	—	(63)		—
Additions	—	1	27	—	40		68
Disposals	(10)	(8)	(23)	—	—		(41)
Effects of changes in discount rates	—	—	(8)	—	—		(8)
Held for sale (Iron Oxide)	(29)	(44)	(213)	(3)	(4)		(293)
Effects of movements in exchange rates	(3)	(13)	(131)	—	(7)		(154)
Cost at 31 December 2022	\$ 48	\$ 194	\$ 1,798	\$ 5	\$ 75	\$	2,120
Accumulated depreciation and impairment losses at 1 January 2022	\$ (30)	\$ (150)	\$ (1,487)	\$ (3)	\$ —	\$	(1,670)
Depreciation for the year	—	(9)	(88)	—	—		(97)
Disposals	—	5	18	—	—		23
Impairment loss	(6)	(56)	(446)	(3)	(74)		(585)
Held for sale (Iron Oxide)	16	35	135	2	—		188
Effects of movements in exchange rates	1	8	95	—	—		104
Accumulated depreciation and impairment losses at 31 December 2022	\$ (19)	\$ (167)	\$ (1,773)	\$ (4)	\$ (74)	\$	(2,037)
Net book value							
As at 1 January 2022	\$ 60	\$ 103	\$ 601	\$ 5	\$ 109	\$	878
As at 31 December 2022	\$ 29	\$ 27	\$ 25	\$ 1	\$ 1	\$	83

The Group reported a gain on disposal within other income / expense in its consolidated statement of profit or loss, of \$20 million during the year ended 31 December 2022.

Sales proceeds of \$56 million were received in the year in relation to the disposals, \$51 million from the sale of the LA property (sale and leaseback transaction) and \$4 million for external asset sales related to the Pori site. Only \$17 million of the gain on the sale of the LA property in 2022 was recognised under IFRS 16, representing the gain related to the rights transferred to the buyer-lessor in the sale and leaseback transaction. The remaining gain of \$23 million (sale proceeds less carrying value of the assets) was adjusted against the right-of-use asset recognised on the leaseback. Also reported within net disposals in the note above is \$5 million related to the write down of assets in Germany, the costs associated with these write downs were netted within indirect costs against a provision for accelerated depreciation.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Property, plant and equipment (continued)

Sale of our Iron Oxide Business

The sale of the Iron Oxide business to Cathay Industries completed on 31 March 2023. The enterprise value of the transaction was \$140 million and cash proceeds were received of \$132 million net of working capital adjustments, taxes, fees and other closing cash adjustments and recognized a gain on sale of approximately \$15 million, which is included in Other (expense) income.

The disposal group was included in our Performance Additives operating segment, and the assets and liabilities of the disposal group were classified as assets held-for-sale as of 31 December 2022 on the consolidated balance sheet.

For the year ended 31 December 2022 the carrying value of the assets held-for-sale was written down to the fair value less cost to sell and recognised an impairment of \$85 million, which was recorded within impairment costs in our consolidated statement of profit or loss.

Sale-Leaseback of our Los Angeles Colour Pigments Facility

On 10 October 2022, the Group closed on a sale-leaseback transaction for the Colour Pigments manufacturing facility located in Los Angeles, California. The Group received proceeds of \$42 million, net of \$9 million of taxes and other expenses, and recorded a gain of \$17 million which is included in other operating (income) expense, net in the consolidated statement of profit or loss. As part of the transaction, the Group entered into an agreement to lease the property for an initial period of 15 years, with an option to extend the lease for two additional terms of approximately 10 years each.

Impairment

In connection with the preparation of the Group's consolidated financial statements included in this Annual Report, consistent with our accounting policies discussed in "Note 5 - Summary of Significant Accounting Policies", we evaluate our property, plant and equipment for impairment whenever there are changes in facts which suggest that the value of the asset is not recoverable.

In accordance with IAS 36.6, we measure the recoverable amount of our property, plant and equipment as either the higher of its fair value less costs of disposal or its value in use. The recoverable amount of all in use property, plant and equipment has been determined based on value-in-use calculations using present value of future cash flow projections. The fair value less costs of disposal of the USA TiO₂ CGU was derived using the post year end sales proceeds and disposal costs. This was determined to be an appropriate proxy for the fair value less costs of disposal as at 31 December 2023. For the remaining CGUs there is no readily determinable fair value. Therefore, the Group used value-in-use calculations using present value of future cash flow projections for the recoverable amount of the assets for those CGUs. As part of our impairment analysis, we make assumptions and estimates regarding future market conditions.

During the years ended 31 December 2023 and 2022, we identified indicators that certain assets may be impaired. Such indicators included market capitalisation below the value of net assets for the Group, a further fall in the share price and a significant deterioration in market conditions in 2022.

As a result, the carrying amounts on certain of our assets were written down to their recoverable amount resulting in an impairment charge of \$6 million and \$630 million during the years ended 31 December 2023 and 2022.

For the purposes of IAS 36, at the balance sheet date, the following have been determined by management as the CGUs for Venator, which is subject to change based on changes in the operating characteristics of the Company:

Europe TiO₂ and FAD
USA TiO₂
Malaysia TiO₂
Pori
Scarlino
Ultramarine Blue (UMB)
Driers
Timber Treatment

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Property, plant and equipment (continued)

The above asset groupings reflect how Management review and monitor operations and internal reporting for Venator. For instance when reviewing TiO₂ results, the results are split into Europe, NAFTA (US & Canada) and APAC (Malaysia).

In prior years the colour entities were collated as one CGU as there were many cash inflow interdependencies across the segment. However, with the sale of the majority of the colour pigment sites / entities to Cathay Industries in 2022, the majority of these interdependencies are broken and no longer remain between the two main remaining sites, Birtley and Comines, which will largely operate independently of each other going forwards. As a result of the sale, the remaining two sites have, for the 2023 impairment review, been treated as separate CGUs (Driers and UMB, respectively) in line with the 2022 impairment review.

With the closure of the UV plant in 2022 and the Pori Finishing Plant in 2021, all operations in Pori have ceased, and the plant closure process has begun. The remaining Pori assets would be considered as a separate cash generating unit from the currently operating European TiO₂ and FAD locations as the only remaining cash flows generated from the site are from asset sales as the site continues to be dismantled.

In January 2023, we concluded, due to our inability to obtain required approvals from regulatory authorities for various options for gypsum disposal thus far and our assessment of the likelihood of obtaining these approvals prior to the end of the first quarter, that the useful life of the Scarlino property, plant and equipment should be reduced to the end of the second quarter of 2023. As a result of this, and the fact that the plant is no longer producing and only selling off remaining inventory, it has been considered a separate CGU for 2023.

Where indicators of impairment are identified, an impairment assessment is undertaken. In assessing whether an asset group has been impaired, the net book value of the asset group is compared to its recoverable amount. The recoverable amount is the higher of its fair value less costs of disposal and its value in use.

The Group also considered the reversal of previously recorded asset impairments. The Group expects a modest recovery in the market in 2024 as the forecasted recovery leads to headroom in the determined recoverable value of previously impaired CGUs. With the exception of the US TiO₂ CGU, this recovery does not represent a change in the underlying estimates from the prior period impairment and the increase in the recoverable value of the CGUs, and is instead the result of the passage of time, or unwinding of the discount, and is not due to an increase in the service potential of the asset. Therefore, this is determined not be a triggering event for the reversal of previously recorded asset impairments as described in IAS 36 paragraphs 109-116. In regards to the US TiO₂ CGU, we reversed the impairment based on an increase in the estimated service potential of the asset from sale as supported by the sale of the investment in July 2024.

For the purpose of estimating the value in use of CGUs, management has used a discounted cash flow approach. The calculations use cash flow projections based on forecasts approved by management covering a three-year period including management's best estimate about future developments and market assumptions. The key assumptions used by management in the value in use calculations were:

Discount rates

The discount rate used in the 2023 impairment review used the capital asset pricing model to estimate the cost of equity. All relevant premia (including size premia and any company-specific risk, as relevant) was considered and a separate discount rate was estimated for the different geographies (thereby incorporating company specific risk).

The discount rates calculated and used for the impairment reviews of the CGUs were as follows:

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Property, plant and equipment (continued)

CGU	2023		2022	
	Post-Tax	Pre-Tax	Post-Tax	Pre-Tax
USA TiO2 Timber	10.3%	13.5%	10.2%	13.3%
TiO2 + FAD Europe Ultramarine Blue Driers Pori Scarlino	10.5%	14.3%	10.5%	14.3%
TiO2 Malaysia	11.7%	15.5%	11.2%	14.8%
TiO2 South Africa	12.5%	17.1%	11.3%	15.7%
Colour Worldwide	10.5%	14.0%	10.5%	14.3%

Terminal value

The terminal value is based on a multiple of 6x which represents a midpoint in the peer group's range of (derived from S&P Capital IQ) NTM ("Next Twelve Months") EBITDA multiples.

The peer group multiples have been typically above that of Venator until November 2022 when Venator's NTM EBITDA declined from approximately \$200 million to approximately \$50 million, decoupling Venator's EBITDA multiple from the peers. Venator's multiple remained above 20x into March 2023 where data was no longer available, with Venator later delisting. This is not likely reflective of a sustainable multiple for the business and Management have therefore discounted using this multiple for the impairment test.

The 5-year peer median trading multiple up to January 2024 was between 5.6x and 6.8x. Management believes taking into account the average multiple for Venator of 6.6x as of 31st December 2022 prior to the delisting, and the peer median of between 5.6x and 6.8x, that using a midpoint of the peer median range of 6x is a reasonable estimate for a normalised multiple to apply to the discounted cash flows (normalised cash flows).

Exit multiple versus long term growth

Venator's impairment models use an exit multiple approach rather than long term growth (which is explicitly mentioned in IAS 36). Management recognises that this is an unorthodox approach but believes that this approach gives the 'best estimate' for Venator of a normalised EBITDA and a multiple derived from assessment of current and historical market conditions, given that there is significant volatility in the Group's earnings which makes the Gordon Growth "steady state" growth less meaningful or applicable to Venator.

EBITDA

EBITDA is used as an estimate for the cash flows of the business and is deemed an appropriate measure to use as it removes the non cash operating expenses.

Nominal cash flows are used in the model - the EBITDA is forecast on a nominal basis and therefore by definition the assessment of the normalised EBITDA to capitalise is also nominal.

Management have produced the 2024 budget and forecasts covering a 3 year period. The budget and forecasts were approved by the board in January 2024. These approved forecasts form the basis for the EBITDA used in the impairment reviews.

Beyond the 3 year budget / forecast period a normalised EBITDA has been used for the cash flows through year 10 plus the terminal value as this equalises out the cyclical nature of the business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Property, plant and equipment (continued)

EBITDA (continued)

This normalised EBITDA is based on average VCM ("Variable Contribution Margin") through a TiO₂ cycle, indirect cost and SG&A forecasts and reflects the ongoing business plan.

Climate change

Venator is in the early stages of assessing the impact of climate change at an individual site level and determining all actions needed in order to meet the climate change targets set by the Company. The EBITDA and cash flow forecasts are management's best estimate and whilst they include an assessment of the impact of climate change there are significant uncertainties that still exist regarding the full impact of climate change as Venator is still in the early stages of the quantification of its financial impact. The Group's assets that are at risk of physical impacts from extreme weather events such as major storms which may be accentuated by increased frequency of weather incidents, thereby leading to possible asset damage are not generally predictable, however major storm costs are covered through our insurance plans, and the costs of those plans have been included in the forecast. Additionally, any damages, net of deductibles and disallowances, incurred by the Group are recoverable in future periods under our rate plans.

The Group has also considered the useful lives of our assets, noting the majority of the Group's assets have useful lives that end ahead of the medium- to long-term timescales expected for extreme climate events to occur. Where we forecast short term impacts, we have included the projects implemented in response to those impacts where available. One project the Company has begun investigating is the Greatham Flood Defense Scheme to develop the tidal flood defenses of the Tees Estuary. The project would be developed with governmental grants, and any anticipated future costs have been included in future budgets.

The impact of climate in the 2024 EBITDA and near term cash flow forecasts for the Group remains minimal and there remains uncertainty in how climate change related developments will impact the forecasted cash flows and the determined recoverable values going forwards.

For more information on climate change, please refer to our CFD disclosures.

Other cash items

The capex cash flow includes maintenance / sustenance capital expenditures, and excludes capex to support the implementation of business improvement projects including growth. The working capital needs are consistent with the forecast assumptions. Beyond the 3 year period, the working capital needs reach a normalised level. Restructuring is based on management's best estimates and past experience and pension cash flows are estimated based on the latest actuarial report.

Approved forecast period

Forecast cash flows for the initial three-year period are based on actual cash flows for the current year and applying assumptions around the market conditions and growth assumptions in light of the current global economic climate and energy crisis.

The key assumptions used by management in setting the financial forecasts for the initial three-year period were as follows:

Forecast EBITDA: Forecast EBITDA is largely driven by forecast growth rates in volume and price, taking into account changes in the market and predictions from industry commentators (TZMI). Manufacturing sites are operating within their name plate capacities and are therefore able to meet demand. Operating profits are forecast based on historical experience of TiO₂ cycles, operating margins, adjusted for the impact of inflation and cost-saving initiatives. Other cash items, including capex, Pori closure and restructuring are based on management's best estimates. Pension cash flows are estimated based on the latest actuarial report. Forecast EBITDA assumes management plans to permanently close TiO₂ production in Duisburg and the intention to maintain offline the facility in Scarlino pending local regulatory developments and improvement in TiO₂ market conditions for its products.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Property, plant and equipment (continued)

Impairment (continued)

Allocation of corporate cash flows

Corporate cash flows have been allocated across the asset groups using revenue as the basis of allocation. Revenue is one of the key allocation keys used to allocate corporate charges across the Group so is deemed the most appropriate method to allocate the corporate costs for the purposes of the discounted cash flows.

Sensitivity to change in assumptions

The level of impairment is predominantly dependent upon judgements used in arriving at future growth rates and the discount rates applied to cash flow projections. The impact on the impairment result of applying a reasonably possible change in assumptions to the growth rates used in the three-year forecasts, long-term growth rates and in the pre-tax discount rates would result in the change in the (impairment loss) / headroom (value in use in excess of asset values) to:

	Asset Group						
	TiO2 and FAD Europe	TiO2 Malaysia	Pori	UMB	Driers	Timber	Scarlino
(Impairment Charge) / Headroom (value in use in excess of asset value)	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
(Impairment charge) / headroom (base impairment assessment)	326.0	3.0	—	(6.1)	5.4	61.0	—
(Impairment charge) / headroom if discount rates were increased by 2% pt	254.0	(8.0)	—	(9.2)	5.0	50.0	—
(Impairment charge) / headroom if discount rates were decreased by 2% pt	411.0	16.0	—	(2.6)	6.0	73.0	—
(Impairment charge) / headroom if terminal value was increased by 1 point	368.0	9.0	—	(4.5)	6.0	65.0	—
(Impairment charge) / headroom if terminal value was decreased by 1 point	284.0	(3.0)	—	(7.8)	5.0	56.0	—
(Impairment charge) / headroom (Severe but plausible downside scenario)	75.0	2.0	—	(18.0)	2.0	2.0	—

The USA TiO2 CGU was excluded from the above analysis as the fair value was derived using the fair value less costs of disposal of LPC, and was based on the value defined in the sales agreement. The fair value less cost of disposal was determined to be \$146 million based on the \$185 million purchase price, less purchase price adjustments of \$44 million plus \$5 million for the remaining US TiO2 CGU value.

Prior year sensitivities

In prior year the sensitivities management deemed to be reasonable and believed would cover all reasonably possible outcomes were:

- Discount rate +/- 2%
- Terminal value +/- 1 point
- EBITDA +/- 10%
- Reasonably possible downside scenario

The discount rates used in 2023 are within a range of 2% movement compared to the prior year. (In 2022 the discount rate range was between 13.3% and 15.7%, compared to 13.5 and 17.1% in 2023).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Property, plant and equipment (continued)

Impairment (continued)

Impairment results

The discounted cash flows base case calculations suggest an impairment for one of the eight CGUs as the value in use is lower than the net book value for these asset groups. The total impairment of these asset groups for the year ended 31 December 2023 is \$6 million related to our UMB CGU.

Additionally, the Group also considered the reversal of previously recorded asset impairments. The Group expected a modest recovery in the market in 2024. As detailed above, the forecasted recovery leads to headroom in the determined recoverable value of previously impaired CGUs. With the exception of the US TiO₂ CGU, this recovery does not represent a change in the underlying estimates from the prior period impairment and the increase in the recoverable value of the CGUs, and is instead the result of the passage of time, or unwinding of the discount, and is not due to an increase in the service potential of the asset. Therefore, this is determined not to be a triggering event for the reversal of previously recorded asset impairments as described in IAS 36 paragraphs 109-116.

In regards to the US TiO₂ CGU, as noted above, the fair value less cost of disposal was determined to be \$146 million, which exceeded the book value of the investment by \$55 million. Therefore, the Group reversed the \$21 million impairment recorded in 2022 based on an increase in the estimated service potential of the asset from sale as supported by the sale of the investment in July 2024.

17. Investment in unconsolidated affiliates

Investments in companies in which we exercise significant influence, but do not control, are accounted for using the equity method. Venator Investments Ltd., a wholly-owned subsidiary of Venator, has a 50%-owned joint venture with Kronos. Located in Lake Charles, Louisiana, Louisiana Pigment Company L.P ("LPC") produces TiO₂ for each of the joint venture partners. Sales to the joint venture partners are managed in accordance with terms of the Offtake Agreements, which specify the nominated production for the joint venture partner for the period, which may differ from each Partner's ownership interest. In accordance with the joint venture agreement, this plant operates on a break-even basis. This investment is accounted for using the equity method and totalled \$112 million and \$93 million at 31 December 2023 and 31 December 2022 respectively.

For the year ended 31 December 2022 we wrote down the carrying value of our investment in LPC and recognised an impairment of \$21 million, which was recorded in impairment loss in our consolidated statement of profit or loss. For the year ended 31 December 2023, we reversed the impairment based on an increase in the estimated service potential of the asset from sale as supported by the sale of the investment in July 2024. See impairment details in note 18.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Investment in unconsolidated affiliates (continued)

Summary balance sheets of LPC (prepared under US GAAP, with appropriate adjustments made to ensure conformity with the group's accounting policies) are shown below:

<i>(in millions)</i>	As at December 31	
	2023	2022
Assets		
Current assets	\$ 119	\$ 122
Property and equipment, net	141	144
Prepaid pension	7	4
Total assets	\$ 267	\$ 270
Liabilities and Partners' Equity		
Current liabilities	\$ 36	\$ 36
Non-current liabilities	6	5
Partners' equity	225	229
Total liabilities and partners' equity	\$ 267	\$ 270

Included in current assets is cash and cash equivalents of \$2 million as at 31 December 2023 (2022: \$2 million).

The reconciliation of the summarised financial information presented above to the carrying amount of our interest in LPC as at 31 December 2023 and 2022 is included below:

<i>(in millions)</i>	As at December 31	
	2023	2022
Partners' equity	\$ 225	\$ 229
Ownership Percentage	50 %	50 %
	\$ 113	\$ 115
Recorded impairments	—	(21)
Other adjustments	(1)	(1)
Total investment in LPC	\$ 112	\$ 93

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Investment in unconsolidated affiliates (continued)

Summary income statements of LPC (prepared under US GAAP) are shown below:

<i>(in millions)</i>	Year ended 31 December	
	2023	2022
Revenues and other income:		
Kronos	\$ 232	\$ 226
Venator Investments Ltd	232	226
Total revenues and other income	\$ 464	\$ 452
Cost and expenses:		
Cost of sales	\$ 463	\$ 451
General and administrative	1	1
Total costs and expenses	\$ 464	\$ 452
Net income	\$ —	\$ —
Other comprehensive income		
Defined benefit pension plan	\$ 3	\$ 1
Total Comprehensive income	\$ 3	\$ 1

Included in costs and expenses is depreciation and amortisation of \$13 million for the year ended 31 December 2023 (2022: \$12 million).

18. Investment in consolidated joint ventures

We evaluate our investments and transactions to identify entities for which the Group holds 50% or less of the share capital and voting rights, but for which we are the primary beneficiary and can exert control. Any such entities will be consolidated into the results of the Venator Group.

We hold a 50% interest in the following joint ventures for which we are the primary beneficiary and can exert control and therefore consolidate into the Group results:

Pacific Iron Products Sdn Bhd is our 50% - owned joint venture with Coogee Chemicals that manufactures products for Venator. It was determined that the activities that most significantly impact its economic performance are raw material supply, manufacturing and sales. In this joint venture we supply all the raw materials through a fixed cost supply contract, operate the manufacturing facility and market the products of the joint venture to customers. Through a fixed price raw materials supply contract with the joint venture we are exposed to the risk related to the fluctuation of raw material pricing. As a result, we concluded that we do have power over the investee, we have exposure to variable returns from involvement with the investee and we can use our power over the investee to affect the amount of the investor's returns and therefore do have control over the entity and would include this entity in the consolidated results.

Viance is our 50% - owned joint venture with Lanxess. Viance markets timber treatment products for Venator. It was determined that the activity that most significantly impacts Viance's economic performance is manufacturing. The joint venture sources all of its products through a contract manufacturing arrangement at our Harrisburg, North Carolina facility and we bear a disproportionate amount of working capital risk of loss due to the supply arrangement whereby we control manufacturing on Viance's behalf. As a result, we concluded that we do have power over the investee, we have exposure to variable returns from involvement with the investee and we can use our power over the investee to affect the amount of the investor's returns and therefore do have control over the entity and would include this entity in the consolidated results.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Investment in consolidated joint ventures (continued)

Creditors of these entities have no recourse to Venator's general credit. As we have control of these 50% owned joint ventures at 31 December 2023 and 31 December 2022, the joint ventures' assets, liabilities and results of operations are included in Venator's consolidated and combined financial statements.

The revenues, income before income taxes and net cash provided by operating activities for our consolidated joint ventures are as follows:

<i>(in millions)</i>	As at 31 December	
	2023	2022
Revenues	\$ 144	\$ 128
Income from continuing operations before income taxes	24	14
Net cash provided by operating activities	20	18

19. Cash and cash equivalents

<i>(in millions)</i>	As at 31 December	
	2023	2022
Current assets:		
Cash at bank and in hand	\$ 69	\$ 114
Restricted cash	4	—
	\$ 73	\$ 114

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are payable within short notice with no penalties. Restricted cash consists of the remaining balance funded by the DIP Facility during our bankruptcy proceedings.

Obligations under the Term Loan Credit are guaranteed by Venator and substantially all of our subsidiaries (the "Guarantors"), and are secured by substantially all of the assets of Venator and the Guarantors, in each case subject to certain exceptions. Obligations under the ABL Credit Agreement are guaranteed by Venator Group Canada Inc., Venator Chemicals LLC, and Venator Materials LLC (the "ABL Guarantors") and, subject to customary exceptions, are secured by substantially all of the ABL Borrowers' and ABL Guarantors' assets. Lien priority as between the Term Loan Facility and the ABL Facility with respect to the collateral is governed by an intercreditor agreement.

20. Inventories

Inventories are stated at the lower of cost or market, with cost determined using first in, first out and average cost methods for different components of inventory.

<i>(in millions)</i>	As at 31 December	
	2023	2022
Raw materials and consumables	\$ 154	\$ 218
Work in progress	51	33
Finished goods and goods for resale	272	248
Spare Parts	2	2
Total	\$ 479	\$ 501

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Inventories (continued)

All obligations under the Term Loan Credit are guaranteed by Venator and substantially all of our subsidiaries (the "Guarantors"), and are secured by substantially all of the assets of Venator and the Guarantors, in each case subject to certain exceptions. Obligations under the ABL Credit Agreement are guaranteed by Venator Group Canada Inc., Venator Chemicals LLC, and Venator Materials LLC (the "ABL Guarantors") and, subject to customary exceptions, are secured by substantially all of the ABL Borrowers' and ABL Guarantors' assets. Lien priority as between the Term Loan Facility and the ABL Facility with respect to the collateral is governed by an intercreditor agreement. The inventories of the Venator Group are all included in the assets pledged as security.

For the year ended 2022, we recorded an impairment of \$26 million that was allocated the value of spare parts <1 year. See note 16. Property, plant and equipment for more information regarding the impairment.

21. Trade and other receivables

<i>(in millions)</i>	As at 31 December	
	2023	2022
Non-current		
Debt issuance costs	\$ 4	\$ 3
Other non-current assets	—	1
Total non-current trade and other receivables	\$ 4	\$ 4
Current		
Accounts receivable, net	\$ 189	\$ 187
Interest receivable	—	4
Prepaid expenses and deposits	30	27
Other taxes receivable	9	25
Emissions allowances	1	3
Other current assets	70	19
Total current trade and other receivables	\$ 299	\$ 265

As at 31 December 2023 and 2022, trade receivables (net of credit balances) of \$5 million and \$15 million were past due but not impaired, respectively. These relate to a number of independent customers for whom there is no recent history of default.

Of the \$15 million past due as at 31 December 2022, \$4 million related to trade receivable balances held for sale.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Trade and other receivables (continued)

The ageing analysis of these trade receivables not including credit balances is as follows:

<i>(in millions)</i>	1 - 30 days	31 - 90 days	91 - 120 days	121 - 180 days	Over 180 days	Total
Overdue balances as at 31 December 2023	\$ 12	\$ 2	\$ —	\$ —	\$ —	14
Overdue balances as at 31 December 2022	\$ 14	\$ 7	\$ 1	\$ —	\$ 1	23

Other current assets consists mainly of collateralized letters of credit held at banks as a part of our new credit agreement. The cash is recoverable when the letters of credit are released.

All obligations under the Senior Credit Facilities are guaranteed by Venator and substantially all of our subsidiaries (the "Guarantors"), and are secured by substantially all of the assets of Venator and the Guarantors, in each case subject to certain exceptions. The trade and other receivables of the Venator Group are all included in the assets pledged as security.

22. Trade and other payables

<i>(in millions)</i>	As at 31 December	
	2023	2022
Non-current		
Employee benefit accrual	\$ 2	\$ 3
Other non-current liabilities	1	17
Total non-current trade payables and other payables	\$ 3	\$ 20
Current		
Trade payables	\$ 191	\$ 244
Capital accruals	11	10
Payroll and other benefits	15	16
Interest	6	22
Rebate accruals	3	7
Accrued taxes	6	2
Carbon credits	38	16
Other current payables	48	29
Total current trade payables and other payables	\$ 318	\$ 346

We have accrued \$33 million related to the Gasum matter which has been included in Other current payables. See Note 26. Commitments and contingencies for more information.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note 23. Loans and borrowings

Short-term debt and current portion of long-term debt

Outstanding short-term debt as of 31 December 2023 and 31 December 2022, respectively consisted of the following:

<i>(in millions)</i>	As at 31 December	
	2023	2022
Current portion of Term Loan facility and Senior Notes	\$ —	\$ 4
ABL Revolving Credit facility	—	80
Notes payable	—	14
	<u>\$ —</u>	<u>\$ 98</u>

Long-term debt

Outstanding debt, net of issuance costs of \$13 million and \$10 million as of 31 December 2023 and 31 December 2022, respectively, consisted of the following:

<i>(in millions)</i>	As at 31 December	
	2023	2022
Term Loan due October 2028	\$ 170	\$ —
ABL Credit Agreement	40	—
Term Loan Facility due August 2024	—	354
Senior Secured Notes due July 2025	—	219
Senior Unsecured Notes due July 2025	—	373
ABL Revolving Credit facility	—	80
Notes payable	—	14
Total debt	\$ 210	\$ 1,040
Less: current portion of long-term debt	—	98
Total long-term debt	<u>\$ 210</u>	<u>\$ 942</u>

The estimated fair value of the Term Loan is \$191 million as of 31 December 2023. The estimated fair value of the Term Loan Facility was \$264 million as at 31 December 2022. The estimated fair value of the Senior Secured Notes was \$162 million as at 31 December 2022. The estimated fair value of the Senior Unsecured Notes was \$114 million as at 31 December 2022. The estimated fair values of the Term Loan Facility, Senior Secured Notes and Senior Unsecured Notes were based upon quoted market prices (Level 1), and the estimated fair value of the Term Loan is based on discounted cash flows (Level 3).

The aggregate principal outstanding under our ABL Credit Agreement was \$40 million as at 31 December 2023 at an interest rate of approximately 10%, and the ABL Facility was \$80 million 31 December 2022, at an interest rate of approximately 2.7% on our outstanding balances.

The weighted average interest rate on our outstanding balances under the Term Loan Facility as of 31 December 2023 is approximately 7%, plus 8% for any Paid in Kind (PIK) Interest incurred, for a total of 15% (2022: 7%).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Loans and borrowings (continued)

Terms and repayment schedule

The terms and conditions of outstanding debt are as follows:

<i>(in millions)</i>	Currency	Nominal interest rate	Year of maturity	31 December 2023		31 December 2022	
				Face value	Carrying amount	Face value	Carrying amount
Term Loan Facility	USD	5.75 %	2024	\$ —	\$ —	\$ 375	\$ 354
Senior Secured Notes	USD	9.50 %	2025	—	—	225	219
Senior Unsecured Notes	USD	5.75 %	2025	—	—	375	373
Term Loan	USD	SOFR+2%, 8% PIK until 2025	2028	175	170	—	—
Term Loan Facility and Senior Notes, net of debt issuance costs				\$ 175	\$ 170	\$ 975	\$ 946

Pre-Emergence Indebtedness*Senior Secured Notes*

On 22 May 2020, the Group completed an offering of \$225 million in aggregate principal amount of senior secured notes (the "Senior Secured Notes") due on 1 July 2025 at 98% of their face value. The Senior Secured Notes were obligations of our wholly owned subsidiaries, Venator Finance S.à r.l. and Venator Materials LLC (the "Issuers") and bore interest of 9.5% per year payable semi-annually in arrears. The Senior Secured Notes were guaranteed on a senior secured basis by Venator and each of Venator's restricted subsidiaries (other than the Issuers and certain other excluded subsidiaries) that was a guarantor under Venator's Term Loan Facility and ABL Facility. The Senior Secured Notes were secured on a first-priority basis by liens on all of the assets that secure the Term Loan Facility on a first-priority basis and were secured on a second-priority basis in all inventory, accounts receivable, deposit accounts, securities accounts, certain related assets and other current assets that secure the ABL Facility on a first-priority basis and the Term Loan Facility on a second-priority basis, in each case, other than certain excluded assets. The Senior Secured Notes contained covenants that were usual and customary for facilities of this type, including events of default and financial, affirmative and negative covenants. Upon the occurrence of certain change of control events, holders of the Venator Senior Secured Notes would have the right to require that the Issuers purchase all or a portion of such holder's Senior Secured Notes in cash at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of repurchase.

Senior Unsecured Notes

The Senior Unsecured Notes were general unsecured senior obligations of the Issuers and were guaranteed on a general unsecured senior basis by Venator and certain of Venator's subsidiaries. The indenture related to the Senior Unsecured Notes imposed certain limitations on the ability of Venator and certain of its subsidiaries to, among other things, incur additional indebtedness secured by any principal properties, incur indebtedness of non-guarantor subsidiaries, enter into sale and leaseback transactions with respect to any principal properties, consolidate or merge with or into any other person or lease, sell or transfer all or substantially all of its properties and assets. The Senior Unsecured Notes bore interest of 5.75% per year payable semi-annually and would mature on 15 July 2025. The Senior Unsecured Notes would be redeemable in whole or in part at any time at the redemption prices set forth in the indenture, plus accrued and unpaid interest, if any, up to, but not including, the redemption date. Upon the occurrence of certain change of control events (other than the separation), holders of the Venator Senior Unsecured Notes would have the right to require that the Issuers purchase all or a portion of such holder's Senior Unsecured Notes in cash at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of repurchase.

Senior Credit Facilities

Our Senior Credit Facilities provided for first lien senior secured financing of up to \$705 million, consisting of:

- the Term Loan Facility in an aggregate principal amount of \$375 million, with a maturity of August 2024; and
- the ABL Facility in an aggregate principal amount of up to \$330 million, with a maturity of 15 October 2026, or if earlier, 91 days prior to maturity of any indebtedness in an amount in excess of \$75 million.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Loans and borrowings (continued)

The Term Loan Facility amortised in aggregate annual amounts equal to 1% of the original principal amount of the Term Loan Facility, and was paid quarterly.

The Company failed to deliver an unqualified opinion without an explanatory paragraph regarding going concern, in connection with the US GAAP audited financial statements for the year ended 31 December 2022, to the lenders under its Term Loan Facility and ABL Facility by 31 March 2023, as was required by the respective Term Loan Facility and ABL Facility credit agreements. This resulted in a “default” under the respective Term Loan Facility and ABL Facility credit agreements. The failure to timely cure such default, which cure was required no later than 30 April 2023, constituted an “event of default” under the Senior Credit Facilities and under our Senior Credit Facilities and as a result thereof our lenders may accelerate the repayment of the outstanding borrowings under our facilities and exercise other rights and remedies that they have under applicable laws. In addition, an event of default under our Term Loan Facility or ABL Facility that remained uncured for 30 days constituted an event of default under our 9.5% Senior Secured Notes due 2025 (the “Senior Secured Notes”) and our 5.75% Senior Unsecured Notes due 2025 (the “Senior Unsecured Notes”). Prior to filing the Chapter 11 Cases on 14 May 2023, which gave us the benefit of the automatic stay, we entered into the Forbearance Agreements with respect to the Term Loan Facility and the ABL Facility, dated 30 April 2023, pursuant to which our lenders party thereto agreed to forbear from exercising any rights or remedies with respect to certain events of default until the earlier of 8 May 2023 or the occurrence of certain events of termination, subject to the terms and conditions thereof (the “Forbearance Agreements”). Following further discussions, the forbearance was extended by another week and the Forbearance Agreements expired on 14 May 2023.

Availability to borrow under the \$330 million of commitments under the ABL Facility was subject to a borrowing base calculation comprised of accounts receivable and inventory in U.S., Canada, the U.K., and Germany and accounts receivable in France and Spain, that fluctuate from time to time and may be further impacted by the lenders’ discretionary ability to impose reserves and availability blocks that might incrementally decrease borrowing availability. As a result, the aggregate amount available for extensions of credit under the ABL Facility at any time was the lesser of \$330 million and the borrowing base calculated according to the formula described above minus the aggregate amount of extensions of credit outstanding under the ABL Facility at such time.

Borrowings under the Term Loan Facility bore interest at a rate equal to, at Venator’s option, either (a) a LIBOR based rate determined by reference to the costs of funds for Eurodollar deposits for the interest period relevant to such borrowing, adjusted for certain additional costs subject to an interest rate floor to be agreed or (b) a base rate determined by reference to the highest of (i) the rate of interest per annum determined from time to time by JPMorgan Chase Bank, N.A. as its prime rate in effect at its principal office in New York City, (ii) the federal funds rate plus 0.50% per annum and (iii) the one-month adjusted LIBOR plus 1.00% per annum, in each case plus an applicable margin to be agreed upon. Borrowings under the ABL Facility bore interest at a variable rate equal to an applicable margin based on the applicable quarterly average excess availability under the ABL Facility plus either a LIBOR or a base rate. The applicable margin percentage was calculated and established once every three calendar months and varies from 150 to 200 basis points for LIBOR loans depending on the quarterly average excess availability under the ABL Facility for the immediately preceding three-month period. The Senior Credit Facilities contained covenants that were usual and customary for facilities of this type, including events of default and financial, affirmative and negative covenants. In addition, the ABL Facility contained a springing financial covenant that required the Company and its restricted subsidiaries to maintain a consolidated fixed charge coverage ratio of at least 1:1 for certain periods of time, if borrowing availability was less than 10% of the facility line cap. The Senior Credit Facilities contained customary change of control provisions, the breach of which entitled the lenders to take various actions, including the acceleration of amounts due under the facility.

Chapter 11 Bankruptcy

On 14 May 2023, the Company and certain of its subsidiaries filed voluntary petitions for relief under chapter 11 of the United States Code in the Bankruptcy Court. Additionally, the Company filed with the Bankruptcy Court a motion seeking approval (“Interim DIP Order”) of debtor-in-possession financing in the form of the DIP Facility. The Company and certain of its subsidiaries entered into a DIP Credit Agreement (the “DIP Credit Agreement”) with the DIP Lenders for the DIP Facility. The facility provided \$100 million upon entry of the Interim DIP Order, and \$175 million upon entry of the final order by the Bankruptcy Court approving the DIP Facility, for a total of \$275 million. On 12 October 2023 (the “Effective Date”), the Company filed a Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to chapter 11 of the Bankruptcy Code (the “Plan”), upon which

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Loans and borrowings (continued)

the Plan became effective in accordance with its terms and the Debtors emerged from Chapter 11. In accordance with the Plan, on the Effective Date, all outstanding obligations under the Term Loan Facility, Senior Secured Notes, Senior Unsecured Notes, the DIP Facility, and related accrued interest, including the applicable indentures, credit agreements and guarantees governing such obligations, totalling \$1,289 million were cancelled in return for New Ordinary Shares of the Company, resulting in a \$716 million gain on the settlement of debt.

Post-Emergence Indebtedness

Term Loan Credit Agreement

On 12 October 2023, and pursuant to the Reorganization Plan on the emergence of bankruptcy, the Company, Venator Finance S.à r.l. and Venator Materials LLC (the “Borrowers”), entered into a credit agreement (the “Term Loan Credit Agreement”) with the lenders party thereto (the “Lenders”) and Acquiom Agency Services LLC and Seaport Loan Products LLC, as co-administrative agents and Acquiom Agency Services LLC as collateral agent (in such capacities, respectively, the “Administrative Agent” and the “Collateral Agent”), providing for:

- i. the Initial Term Loan Lenders (as defined in the Term Loan Credit Agreement) to extend credit to the Borrowers on the Effective Date in the form of Initial Term Loans in an aggregate principal amount of \$150 million,
- ii. the DDTL Lenders (as defined in the Term Loan Credit Agreement) to make credit available to the Borrowers in the form of committed Delayed Draw Term Loans (as defined in the Term Loan Credit Agreement), in an aggregate principal amount of \$25 million,
- iii. an uncommitted accordion upsize tranche of up to an additional \$95 million (plus customary additional amounts), and
- iv. certain other financial accommodations to the Borrowers, in order to
 1. provide for the ongoing working capital needs of the Borrowers and their Subsidiaries in connection with the Borrowers’ exit from the Chapter 11 Cases,
 2. repay in full all Existing Indebtedness (as defined in the Term Loan Credit Agreement) and
 3. pay fees and expenses related to the Transactions (as defined in the Term Loan Credit Agreement), in each case subject to the terms and conditions set forth in the Term Loan Credit Agreement.

The commitments under the Term Loan Credit Agreement are backstopped by participating members of the Term Lender Group and the Cross-Holder Group. The Term Loans bear interest based on Term SOFR (plus a spread of 8.00%) or the ABR (plus a spread of 7.00%) and for the first two years of the facility, certain portions of the interest may be paid in kind subject to an additional 2.00% spread, deferred and added to the principal balance of the loan. Unless otherwise extended in accordance with the Term Loan Credit Agreement, the Term Loans mature on 12 October 2028.

The Term Loan Credit Agreement requires the Borrowers to comply with a minimum liquidity of \$40,000,000 measured as of end of day Wednesday each week.

In addition, the Term Loan Credit Agreement contains customary affirmative covenants including, among other things, the delivery of quarterly and annual financial statements and compliance certificates, conduct of business, maintenance of property and insurance, compliance with environmental laws, and the granting of security interest to the Collateral Agent for the benefit of the secured parties thereunder on after-acquired real property, fixtures and future subsidiaries. The Exit Term Loan Credit Agreement also contains customary negative covenants, including, among other things, the incurrence of liens, indebtedness, asset dispositions, and restricted payments.

The Term Loan Credit Agreement contains customary events of default and remedies for credit facilities of this nature. If the Company does not comply with the financial and other covenants in the Term Loan Credit Agreement, the Lenders may, subject to customary cure rights, require immediate payment of all amounts outstanding under the Term Loan Credit Agreement and any outstanding unfunded commitments may be terminated.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Loans and borrowings (continued)

ABL Credit Agreement

On 12 October 2023, and pursuant to the Reorganization Plan on the emergence of bankruptcy, the Company, Venator Group Canada Inc., and Venator Materials LLC (the "ABL Borrowers"), entered into a credit agreement (the "ABL Credit Agreement") with the lenders party thereto (the "ABL Lenders") and Eclipse Business Capital LLC, as administrative agent and collateral agent (in such capacities, respectively, the "ABL Administrative Agent" and the "ABL Collateral Agent"), providing for:

- i. the ABL Lenders (as defined in the ABL Credit Agreement) to extend credit to the Borrowers on the Effective Date in the form of Revolving Loans and Letters of Credit in an aggregate principal amount of up to \$100 million at any time and
- ii. certain other financial accommodations to the ABL Borrowers, in order to
 1. provide for the ongoing working capital needs of the ABL Borrowers and their Subsidiaries in connection with the ABL Borrowers' exit from the Chapter 11 Cases, and
 2. pay fees and expenses related to the Transactions (as defined in the ABL Credit Agreement), in each case subject to the terms and conditions set forth in the ABL Credit Agreement (the "Revolving Credit Facility").

The Revolving Loans bore interest based on a benchmark rate of either Base Rate or Term SOFR, in each case, plus an applicable spread. Base Rate Loans bore interest at a spread of 3.75% per annum and Term SOFR Loans bore interest at a spread of 4.75% per annum. Unless otherwise extended in accordance with the Exit ABL Credit Agreement, the Revolving Loans would mature on 12 October 2026.

The ABL Credit Agreement required the ABL Borrowers to comply with a minimum Excess Availability of no less than the greater of (i) \$10,000,000 and (ii) 10.0% of the Line Cap (as defined in the ABL Credit Agreement).

In addition, the ABL Credit Agreement contained customary affirmative covenants including, among other things, the delivery of quarterly and annual financial statements and compliance certificates, conduct of business, maintenance of property and insurance, compliance with environmental laws, and the granting of security interest to the ABL Collateral Agent for the benefit of the secured parties thereunder on after-acquired real property, fixtures and future subsidiaries. The ABL Credit Agreement also contained customary negative covenants, including, among other things, the incurrence of liens, indebtedness, asset dispositions, and restricted payments.

The ABL Credit Agreement contained customary events of default and remedies for credit facilities of this nature. If the Company did not comply with the financial and other covenants in the ABL Credit Agreement, the ABL Lenders may have, subject to customary cure rights, required immediate payment of all amounts outstanding under the ABL Credit Agreement and any outstanding unfunded commitments may have been terminated.

In July 2024, as a consequence of the sale of the interest in LPC and the subsequent reduction of US based collateral, the Company extinguished the Exit ABL Credit Agreement and repaid the outstanding \$40 million at the time of the sale of LPC.

Guarantees

Obligations under the Term Loan Credit are guaranteed by Venator and substantially all of our subsidiaries (the "Guarantors"), and are secured by substantially all of the assets of Venator and the Guarantors, in each case subject to certain exceptions. Obligations under the ABL Credit Agreement are guaranteed by Venator Group Canada Inc., Venator Chemicals LLC, and Venator Materials LLC (the "ABL Guarantors") and, subject to customary exceptions, are secured by substantially all of the ABL Borrowers' and ABL Guarantors' assets. Lien priority as between the Term Loan Facility and the ABL Facility with respect to the collateral is governed by an intercreditor agreement.

Letters of Credit

As of 31 December 2023 we had \$65 million (2022: \$77 million) issued and outstanding letters of credit and bank guarantees to third parties. Of this amount, \$4 million (2022: \$10 million) were issued by various banks on an unsecured basis with the remaining \$61 million (2022: \$67 million) issued from the Group's lenders.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Loans and borrowings (continued)

Other Short-Term Notes Payable

In the third quarter of 2022 we entered into an agreement to finance the premiums for some of our corporate insurance programs. The premium finance agreement includes an initial amount of \$23 million and interest is payable at 4.4% per annum. Payment of principal and interest is due in monthly instalments with the final amount paid in June 2023.

Related Party Notes Payable of Venator to Subsidiaries of Huntsman International

We have a note payable of \$9 million as of 31 December 2023 and 2022, each to Huntsman for a liability pursuant to the tax matters agreement entered into at the time of the separation. Approximately \$8 million is current as of 31 December 2023 and 2022, respectively, and has been presented as accounts payable to affiliates on the consolidated balance sheet, while less than \$1 million has been presented as non-current payable to affiliates on the consolidated balance sheets as of 31 December 2023 and 31 December 2022, respectively. See "Note 15. Income Taxes" for further discussion.

Maturities

The scheduled maturities of our debt (excluding debt to affiliates) by year as of 31 December 2023 and 31 December 2022 are as follows:

(in millions)	As at 31 December	
	2023	2022
Year 1	\$ —	\$ 98
Year 2	—	350
Year 3	40	592
Year 4	—	—
Year 5	170	—
Thereafter	—	—
Total	\$ 210	\$ 1,040

Reconciliation of movements of liabilities to cash flows arising from financing activities:

(in millions)	1 January 2023	Financing Cash Flows	ROU Additions	Lease terminations	Interest expense	Interest paid	Other Changes	31 December 2023
Loans and borrowings	\$ 1,040	\$ 382	\$ —	\$ —	\$ —	\$ 57	\$ (1,269)	\$ 210
Lease Liabilities	66	(6)	1	—	(3)	3	(38)	23
Accounts payable to affiliates	9	—	—	—	—	—	(1)	8
Derivative financial instruments	19	(27)	—	—	—	—	8	—
	\$ 1,134	\$ 349	\$ 1	\$ —	\$ (3)	\$ 60	\$ (1,300)	\$ 241

Accounts payable to affiliates as at 31 December 2023, included an \$8 million (2022: \$8 million) note payable to Huntsman for a liability pursuant to the tax matters agreement entered into at the time of the separation. The remaining note payable of less than \$1 million as at 31 December 2023 and 2022 respectively, is presented as current payable to affiliates. (see Note 30: Related party transactions for further details).

Other changes with respect to loans and borrowings primarily relate to the extinguishment of debt agreements in return for equity due to our chapter 11 bankruptcy proceedings and the additions of new post emergence debt agreements. (see Note 1: General information for more details.)

Derivative financial instruments financing cash flows relate to proceeds from the termination of cross currency swaps.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Loans and Borrowings (continued)

Reconciliation of movements of liabilities to cash flows arising from financing activities (continued):

<i>(in millions)</i>	1 January 2022	Financing Cash Flows	ROU Additions	Lease terminations	Interest expense	Interest paid	Other changes	31 December 2022
Loans and borrowings	\$ 946	\$ 83	\$ —	\$ —	\$ 4	\$ —	\$ 7	\$ 1,040
Lease liabilities	41	(9)	31	—	(3)	3	3	66
Accounts payable to affiliates	9	—	—	—	—	—	—	9
Derivative financial instruments	1	25	—	—	—	—	(7)	19
	\$ 997	\$ 99	\$ 31	\$ —	\$ 1	\$ 3	\$ 3	\$ 1,134

Accounts payable to affiliates as at 31 December 2022, included a \$8 million note payable to Huntsman for a liability pursuant to the tax matters agreement entered into at the time of the separation. The remaining note payable of less than \$1 million as at 31 December 2022 is presented as Non-current payable to affiliates. (see note 30: Related party transactions for further details). Other changes with respect to accounts payable to affiliates of \$14 million accounts for the reclassification of the note payable from non-current to current in 2022.

Other changes with respect to loans and borrowings primarily relate to foreign currency translation on the ABL facility liability - the funds were drawn down in Euros in October 2022 and therefore cash flows represent the transaction exchange rate at that date whilst the liability is reported in USD as at 31 December 2022 converted using the month end spot rate. Also included within 'other changes' is the impact of foreign currency translation on the lease liabilities.

Derivative financial instruments financing cash flows relate to proceeds from the termination of cross currency swaps. Other changes primarily relate to excluded component elements reported within other comprehensive income. Also included is the impact of foreign currency translation on the lease liabilities.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits

<i>(in millions)</i>	As at 31 December	
	2023	2022
Net defined benefit pension asset	\$ (40)	\$ (23)
Total employee benefit asset	\$ (40)	\$ (23)
Net defined benefit pension liability ⁽¹⁾	\$ 110	\$ 135
Post-employment medical benefit liability	—	2
Other long term benefit plan liability	—	1
Termination benefit liability	Note 35	7
Payroll benefits (incl. bonus, vacation accrual, payroll taxes)	Note 24	15
Other post-employment benefits	2	2
Total employee benefit liabilities	\$ 126	\$ 163
Non-current	112	141
Current	14	22
	\$ 126	\$ 163

⁽¹⁾ Net defined benefit pension liability as of 31 December 2022 includes liabilities of \$4 million related to assets held for sale reported within current liabilities held for sale on the consolidated balance sheet.

Employee benefit programs

The Group operates a number of pension and other post-retirement benefit schemes for the benefit of its employees. We sponsor several contributory and non-contributory defined benefit plans, covering employees primarily in the U.S., the U.K., Germany and Finland, but also covering employees in a number of other countries. The Group fund the material plans through trust arrangements (or local equivalents) where the assets are held separately from us. We also sponsor unfunded post-retirement plans which provide medical and, in some cases, life insurance benefits covering certain employees in the U.S. and Canada. Amounts recorded in the consolidated financial statements are recorded based upon actuarial valuations performed by various third-party actuaries. Inherent in these valuations are numerous assumptions regarding discount rates, compensation increases, mortality rates and health care cost trends. We evaluate these assumptions at least annually.

Defined benefit and other post-retirement benefit plans

Venator sponsors defined benefit plans in a number of countries outside of the UK in which employees of Venator participate. The availability of these plans and their specific design provisions are consistent with local competitive practices and regulations.

Of the total projected benefit obligations for Venator as of 31 December 2023 and 31 December 2022, the amount related to the UK benefit plans was \$458 million and \$420 million respectively, or 66% and 62%, respectively. Of the total fair value of plan assets for Venator, the amount related to the UK benefit plans for 31 December 2023 and 31 December 2022 was \$482 million and \$442 million, respectively, or 77% and 78%, respectively.

The majority of benefit payments are from trustee-administered funds; however, there are also a number of underfunded and unfunded plans where the Group meets the benefit payment obligation as it falls due. (As of 31 December 2023, our net deficit under our defined benefit plans was \$70 million (2022: \$111 million)), the majority of which related to funding obligations for our pension plans in Finland and Germany. Plan assets held in trusts are governed by local regulations and practice in each country, as is the nature of the relationship between the Group and the trustees (or equivalent) and their composition.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits (continued)

Responsibility for governance of the plans including investment decisions and contributions schedules lies jointly with the Group and the board of trustees. The board of trustees must be composed of representatives of the Group and plan participants in accordance with the plan's regulations.

UK pension plans

In the UK there are two defined benefit pension plans, The Tioxide Pension Fund and the Huntsman Global Pension Scheme.

The Tioxide Pension Fund is a funded multi-employer defined benefit pension scheme, for all qualifying employees. The principal employer for the scheme is Venator Materials PLC and the participating employer is Venator Materials UK Limited. The defined benefit pension scheme was closed to future service for existing members from 1 January 2011 and from this date there are no additional service costs.

In December 2022, we entered into an insurance buy-in contract for the U.K. Tioxide defined benefit plan which was funded from existing pension plan assets with no adjustment made to the benefit obligations. Under the terms of the contract, which is issued by a third-party insurance company with no affiliation to us, the insurer is liable to pay the benefits to the plan, but the plan still retains full legal responsibility to pay the benefits to plan participants using the insurance payments. The buy-in contract will be treated as an asset of the plan.

The UK Tioxide plan shows a surplus as at 31 December 2023 and 31 December 2022 of \$21.6 million and \$18.7 million respectively. As required by IAS19 and IFRIC14, a restriction must be placed on the amount of surplus, or potential surplus that may be recognised by the sponsor if it is not going to be recoverable (directly or indirectly) by the sponsor. IFRIC 14 provides guidance on assessing any restriction. Venator believe that this surplus is recognisable under IAS19 on the basis that the employer would have an unconditional right to a refund assuming the scheme runs on until the last member has drawn their benefits and then any surplus assets are refunded to the sponsor at that point in time.

The UK Offshore plan shows a surplus as at 31 December 2023 and 31 December 2022 of \$3.1 million and \$3.2 million, respectively. It is the Trustee's and Venator's opinion that this surplus is recognisable under IAS19 on the basis that the Company has an unconditional right to any surplus. The Spain plans (20 and 21) were also in surplus positions as at 31 December 2022 of \$1 million. Venator believe that these surpluses are recognisable under IAS19 on the basis that the employer would have an unconditional right to a refund assuming the scheme runs on until the last member has drawn their benefits and then any surplus assets are refunded to the sponsor at that point in time.

In June 2023, the UK High Court issued a ruling in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others relating to the validity of certain historical pension changes. In July 2024, the Court of Appeal upheld the High Court's decision that unless the relevant certification was in place, the change is not legally binding. The Group is considering, together with their advisors, whether or not this judgement has any impact on the benefits payable under the Fund. As such, a liability may be present, but it cannot be reliably estimated as the Group awaits further guidance

No other plans are in surplus at 31 December 2023 and 31 December 2022 and there are no minimum funding requirements that may result in the possible need to recognise additional liabilities.

US Pension and Other Post-retirement Medical Plans

Venator's U.S. employees participated in a trustee, non-contributory defined benefit pension plan (the "Plan") that covered substantially all of Huntsman International's full-time U.S. employees. In July 2004, the Plan formula for employees not covered by a collective bargaining agreement was converted to a cash balance design. For represented employees, participation in the cash balance design was subject to the terms of negotiated contracts. For participating employees, benefits accrued under the prior formula were converted to opening cash balance accounts.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits (continued)

The new cash balance benefit formula provides annual pay credits from 4% to 12% of eligible pay, depending on age and service, plus accrued interest. Participants in the plan as of 1 July 2004 were eligible for additional annual pay credits from 1% to 8%, depending on their age and service as of that date, for up to 5 years. Beginning 1 July 2014, the Huntsman Defined Benefit Pension Plan was closed to new, non-union entrants and as of 1 April 2015, it was closed to new union entrants. After closure, new hires were provided with a defined contribution plan with a non-discretionary employer contribution of 6% of pay and a company match of up to 4% of pay, for a total company contribution of up to 10% of pay. In connection with the separation, Venator adopted a non-contributory defined benefit pension plan for union entrants prior to April 2015.

Our U.S. employees participate in a postretirement benefit plan that provides a fully insured Medicare Part D plan including prescription drug benefits affected by the Medicare Prescription Drug, Improvement and Modernisation Act of 2003 (the "Act"). Venator has not determined whether the medical benefits provided by these postretirement benefit plans are actuarially equivalent to those provided by the Act. Venator does not collect a subsidy, and our net periodic postretirement benefits cost, and related benefit obligation, do not reflect an amount associated with the subsidy.

Germany other long-term benefit plan

Other post-retirement benefit plans include a Jubilee Plan related to Venator Uerdingen GmbH, a subsidiary of Venator Materials PLC. The IAS19 results have been based on the local GAAP reports provided by the local actuary at the same date, and converted to the equivalent IAS19 standard.

a). Amounts recognised in the income statement for the years ended 31 December:***Defined benefit pension schemes***

<i>(in millions)</i>	Year ended 31 December	
	2023	2022
UK Defined benefit pension schemes:		
Past service cost	\$ 3	\$ —
Net interest (income) on retirement benefit obligations	(1)	(3)
Administrative expenses	2	2
Total charge in respect of UK defined benefit pension schemes	\$ 4	\$ (1)
Non-UK Defined benefit pension schemes:		
Current service cost	\$ 1	\$ 2
Past service cost	(38)	—
Net interest expense on retirement benefit obligations	5	2
Administrative expenses	1	1
Total charge in respect of non-UK defined benefit pension schemes	\$ (31)	\$ 5
Total charge in respect of defined benefit pension schemes	\$ (27)	\$ 4

During 2022, plan administration expenses related to the UK Tioxide Pension plan started being paid from plan assets, rather than directly by the Company. These have been included explicitly within the P&L, as is required by IAS 19, increasing the cost by \$2 million in 2023 and 2022, each.

Of the expense (service cost) for the year ended 31 December 2023, for both the defined benefit pensions and other post-retirement benefit plans, \$3 million (2022: \$2 million) has been included in administrative expenses. The net interest expense has been included within administrative expenses. The remeasurement of the net defined benefit liability is included in other comprehensive income.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits (continued)

b). Amounts recognised in the balance sheet:

Defined benefit pension schemes

The following shows a breakdown of the defined benefit obligation and plan assets by UK and Non-UK scheme.

<i>(in millions)</i>	As at 31 December 2023		
	UK	Non-UK	Total
Present value of obligations	\$ 458	\$ 235	\$ 693
Fair value of plan assets	(482)	(141)	(623)
	\$ (24)	\$ 94	\$ 70
Effect of asset ceiling / (onerous liability)	—	—	—
Net (asset) / liability on defined benefit pension plans	\$ (24)	\$ 94	\$ 70

	As at 31 December 2022		
	UK	Non-UK	Total
Present value of obligations	\$ 420	\$ 256	\$ 676
Fair value of plan assets	(442)	(123)	(565)
	\$ (22)	\$ 133	\$ 111
Effect of asset ceiling / (onerous liability)	—	—	—
Net (asset) / liability on defined benefit pension plans	\$ (22)	\$ 133	\$ 111

Other post-retirement benefit plans

The following shows a breakdown of the defined benefit obligation and plan assets by UK and Non-UK scheme.

<i>(in millions)</i>	As at 31 December 2023		
	UK	Non-UK	Total
Present value of obligations	\$ —	\$ 2	\$ 2
Fair value of plan assets	—	—	—
	\$ —	\$ 2	\$ 2
Effect of asset ceiling / (onerous liability)	—	—	—
Net (asset) / liability on defined benefit pension plans	\$ —	\$ 2	\$ 2

	As at 31 December 2022		
	UK	Non-UK	Total
Present value of obligations	\$ —	\$ 2	\$ 2
Fair value of plan assets	—	—	—
	\$ —	\$ 2	\$ 2
Effect of asset ceiling / (onerous liability)	—	—	—
Net (asset) / liability on defined benefit pension plans	\$ —	\$ 2	\$ 2

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits (continued)

c). Movements in the present value of retirement benefit obligations and the fair value of plan assets for the years ended 31 December:

Defined benefit pension schemes

(in millions)	2023			2022		
	Present value of obligations	Fair value of plan assets	Total	Present value of obligations	Fair value of plan assets	Total
As at 1 January	\$ 676	\$ (565)	\$ 111	\$ 1,072	\$ (1,028)	\$ 44
Current service cost	\$ 1	\$ —	\$ 1	\$ 2	\$ —	\$ 2
Interest expense / (income)	29	(25)	4	15	(16)	(1)
Administration costs	3	—	3	2	—	2
Plan Amendments	(34)	—	(34)	—	—	—
Total amount recognised in profit or loss	\$ (1)	\$ (25)	\$ (26)	\$ 19	\$ (16)	\$ 3
Remeasurements:						
Return on plan assets, excluding amounts included in interest (income)	\$ —	\$ (31)	\$ (31)	\$ —	\$ 350	\$ 350
Loss from change in financial assumptions	30	—	30	(305)	—	(305)
Experience (gains) / losses	11	—	11	26	—	26
Total amount recognised in other comprehensive income	\$ 41	\$ (31)	\$ 10	\$ (279)	\$ 350	\$ 71
Exchange differences	\$ 33	\$ (30)	\$ 3	\$ (90)	\$ 91	\$ 1
Contributions paid by the employer	—	(24)	(24)	—	(9)	(9)
Benefits paid	(45)	45	—	(46)	46	—
Divestiture	(11)	7	(4)	—	—	—
Other	—	—	—	—	1	1
As at 31 December	\$ 693	\$ (623)	\$ 70	\$ 676	\$ (565)	\$ 111

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits (continued)

c). Movements in the present value of retirement benefit obligations and the fair value of plan assets for the years ended 31 December (continued):

Other post-retirement benefit plans

<i>(in millions)</i>	2023			2022		
	Present value of obligations	Fair value of plan assets	Total	Present value of obligations	Fair value of plan assets	Total
As at 1 January	\$ 2	\$ —	\$ 2	\$ 3	\$ —	\$ 3
Total amount recognised in profit or loss	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Remeasurements:						
Experience (gains)	\$ —	\$ —	\$ —	\$ (1)	\$ —	\$ (1)
Total amount recognised in other comprehensive income	\$ —	\$ —	\$ —	\$ (1)	\$ —	\$ (1)
As at 31 December	\$ 2	\$ —	\$ 2	\$ 2	\$ —	\$ 2

d). Amounts recognised in other comprehensive income for the years ended 31 December are as follows:

Defined benefit pension schemes (UK)

<i>(in millions)</i>	2023	2022
The return on plan assets (excluding amounts included in net interest expense)	\$ (25)	\$ 338
Actuarial losses / (gains) arising from changes in financial assumptions	12	(222)
Actuarial losses arising from experience adjustments	7	19
Remeasurement of the net defined benefit asset	\$ (6)	\$ 135

Defined benefit pension schemes (Non-UK)

<i>(in millions)</i>	2023	2022
The return on plan assets (excluding amounts included in net interest expense)	\$ (5)	\$ 12
Actuarial losses / (gains) arising from changes in financial assumptions	17	(83)
Actuarial losses arising from experience adjustments	4	7
Remeasurement of the net defined benefit liability	\$ 16	\$ (64)

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits (continued)

c). Movements in the present value of retirement benefit obligations and the fair value of plan assets for the years ended 31 December (continued):

Other post-retirement benefit plans (Non-UK)

<i>(in millions)</i>	2023	2022
The return on plan assets (excluding amounts included in net interest expense)	\$ —	\$ —
Actuarial (gains) arising from changes in demographic assumptions	—	—
Actuarial (gains) and losses arising from changes in financial assumptions	—	—
Actuarial (gains) arising from experience adjustments	—	(1)
	<u>\$ —</u>	<u>\$ (1)</u>
Remeasurement of the net defined benefit liability	<u>\$ —</u>	<u>\$ (1)</u>

e). Analysis of fair value of pension scheme assets:

Our investment strategy with respect to pension assets is to pursue an investment plan that, over the long term, is expected to protect the funded status of the plan, enhance the real purchasing power of plan assets and not threaten the plan's ability to meet currently committed obligations. Additionally, our investment strategy is to achieve returns on plan assets, subject to a prudent level of portfolio risk. Plan assets are invested in a broad range of investments. These investments are diversified in terms of domestic and international equities, both growth and value funds, including small, mid and large capitalisation equities; short-term and long-term debt securities; real estate; and cash and cash equivalents. The investments are further diversified within each asset category. The portfolio diversification provides protection against a single investment or asset category having a disproportionate impact on the aggregate performance of the plan assets.

Our pension plan assets are managed by outside investment managers. The investment managers value our plan assets using quoted market prices, other observable inputs or unobservable inputs. For certain assets, the investment managers obtain third-party appraisals at least annually, which use valuation techniques and inputs specific to the applicable property, market or geographic location. We have established target allocations for each asset category. Venator's pension plan assets are periodically rebalanced based upon our target allocations.

In December 2022, we entered into an insurance buy-in contract for the U.K. Tioxide defined benefit plan which was funded from existing pension plan assets with no adjustment made to the benefit obligations. Under the terms of the contract, which is issued by a third-party insurance company with no affiliation to us, the insurer is liable to pay the benefits to the plan, but the plan still retains full legal responsibility to pay the benefits to plan participants using the insurance payments. The buy-in contract will be treated as an asset of the plan, and has been classified as a Level 3 "Fixed Income" asset.

The fair value of plan assets for the pension plans was \$623 million and \$565 million at 31 December 2023 and 31 December 2022, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits (continued)

e). Analysis of fair value of pension scheme assets: (continued):

The following plan assets are measured at fair value on a recurring basis:

<i>(in millions)</i>	As at 31 December 2023				As at 31 December 2022			
	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%
Equities	\$ 27	\$ —	\$ 27	4 %	\$ 36	\$ —	\$ 36	6 %
Bonds	73	—	73	12 %	50	—	50	9 %
Liability driven investment ("LDI")	444	—	444	71 %	398	—	398	70 %
Real estate	—	—	—	— %	—	—	—	— %
Cash and other equivalents	19	—	19	3 %	37	—	37	7 %
Other quoted securities	60	—	60	10 %	44	—	44	8 %
Total pension plan	\$ 623	\$ —	\$ 623		\$ 565	\$ —	\$ 565	

Equity securities in Venator's pension plans did not include any equity securities of Huntsman Corporation or Venator and its affiliates as at 31 December 2023 and 31 December 2022. All above securities have quoted prices in active markets.

f). Financial assumptions:

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	2023	2022
Benefit obligations		
Discount rate	4.06 %	4.40 %
Inflation rate	2.98 %	3.01 %
Salary increases	3.12 %	3.06 %
Net benefit cost / (income)		
Discount rate	4.40 %	1.58 %
Inflation rate	3.01 %	3.04 %
Salary increases	3.06 %	2.34 %

Policies regarding defined benefit plans

The Venator Group has no policy for sharing risks of defined benefit plans between entities under common control and for determining contributions to be paid by entity for shared defined benefit schemes.

Risks

The Group is exposed to a number of risks arising from operating its defined benefit pension schemes and post-employment medical plans, the most significant of which are detailed below. The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash obligations under the pension schemes. The Group has not changed the process used to manage defined benefit scheme risks during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits (continued)

f). Financial assumptions: (continued)

Asset volatility

In determining the present value of schemes' defined benefit obligations, liabilities are discounted using interest rates of high quality corporate bonds. To the extent the actual return on schemes' assets is below this yield, the retirement benefit obligations recognised in the consolidated financial statements would increase. This risk is partly mitigated by funded schemes investing in liability driven investment assets ("LDIs") where the investment strategy closely matches the behaviour of the pension liabilities, such that changes in asset values are then offset by similar changes in the value of scheme liabilities. However, the Group also invests in other asset types such as equities and debt securities. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

Interest risk

In determining the present value of schemes' defined benefit obligations, liabilities are discounted using interest rates of high quality corporate bonds. If these yields fall, the retirement benefit obligations recognised in the consolidated financial statements would increase. This risk is partly mitigated through the funded schemes investing in LDI assets as described above. The Group currently does not use derivatives to mitigate this risk.

Inflation risk

In determining the present value of schemes' defined benefit obligations, estimates are made as to the levels of salary inflation, inflation increases that will apply to deferred benefits during deferment and pensions in payment, and healthcare cost inflation. To the extent actual inflation exceeds these estimates, the retirement benefit obligations recognised in the consolidated financial statements would increase. The majority of the plan's assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.

Longevity risk

In determining the present value of schemes' defined benefit obligations, assumptions are made as to the life expectancy of members during employment and in retirement. To the extent life expectancy exceeds this estimate, the retirement benefit obligations recognised in the consolidated financial statements would increase. The Group currently does not use derivatives to mitigate this risk.

No shares of Venator were included in equity securities at either 31 December 2023 or 2022.

Other information*Mortality assumptions*

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. The estimates below are based on the most material plans in Finland, Germany, UK and USA. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 65:

	2023	2022
Retiring at the end of the reporting period:		
Male	21.6	21.6
Female	24.1	24.2
Retiring 15 years after the end of the reporting period:		
Male	22.7	22.6
Female	25.4	25.4

At 31 December 2023, the weighted-average duration of the defined benefit obligation was 11.9 years (2022: 12 years).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits (continued)

f). Financial assumptions: (continued)

Expected future contributions and benefit payments as at 31 December 2023 are as follows:

<i>(in millions)</i>	<u>Defined Benefit Plans</u>	<u>Other Post-retirement Benefit Plans</u>
2024 expected employer contributions		
To plan trusts	\$ 6	\$ —
Estimated future payments		
2024	\$ 46	\$ —
2025	47	—
2026	47	—
2027	48	—
2028	50	—
2029-2033	261	1

Expected future contributions and benefit payments as at 31 December 2022 were as follows:

<i>(in millions)</i>	<u>Defined Benefit Plans</u>	<u>Other Post-retirement Benefit Plans</u>
2023 expected employer contributions		
To plan trusts	\$ 8	\$ —
Estimated future payments		
2023	\$ 46	\$ —
2024	47	—
2025	49	—
2026	49	—
2027	50	—
2028-2032	258	1

Future benefit payments represent payments to either active or terminated employees who have a vested pension, but who have yet to begin their annuity as well as current annuitants and their expected length of payments based on mortality tables. Whether or not the plans require funding is dictated by the annual valuation report in the US and the triennial valuation report in the UK. There are prescribed funding levels which if the actuaries determine we are below in a given plan, will trigger funding in order to at least meet the passing threshold level. The above tables summarise our estimated future benefit payments as at 31 December 2023 and 31 December 2022.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Employee benefits (continued)

f). Financial assumptions: (continued)

Sensitivity analysis

Reasonably possible changes to one of the actuarial assumptions, holding other assumptions constant (in practice, this is unlikely to occur, and changes in some of the assumptions may be correlated), would have increased / (decreased) the defined benefit obligation by the amounts shown below:

<i>(in millions)</i>	31 December 2023		31 December 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	\$ (75)	\$ 86	\$ (73)	\$ 88
Future salary growth (1% movement)	—	—	3	(3)
Future price inflation (1% movement)	32	(32)	52	(48)
Future mortality (1 year movement in life expectancy)	16	(16)	17	(17)

Other post-employment benefits

The majority of the other post employment benefits liability of \$2 million at 31 December 2023 (2022: \$3 million), relates to an accrual for severance pay / redundancy compensation in Italy known as *Trattamento di Fine Rapporto* ("TFR"). The TFR is a legally required severance pay and is payable in any case of termination of employment (2023: \$2 million; 2022: \$2 million).

Payroll benefits

Payroll benefits liability of \$14 million at 31 December 2023 primarily relates to bonus / profit share (\$7 million), vacation accrual (\$2 million) and payroll taxes (\$2 million).

Payroll benefits liability of \$16 million at 31 December 2022 primarily relates to bonus / profit share (\$6 million), vacation accrual (\$3 million) and payroll taxes (\$5 million).

Defined Contribution Pension Plans

The Group also operates defined contributions plans in a variety of locations. The Group's legal or constructive obligation for these plans is limited to the contributions.

UK and Non - US Defined Contribution Plans

The Group has defined contribution plans in a variety of non-US locations. Venator's combined expense for these defined contribution plans for the years ended 31 December 2023 and 31 December 2022 was \$8 million and \$10 million, respectively, primarily related to the UK Pension Plan.

All UK associates are eligible to participate in the Huntsman U.K. Pension Plan, a contract-based arrangement with a third party. Company contributions vary by business during a 5 year transition period. Plan participants elect to make voluntary contributions to this plan up to a specified amount of their compensation. The Group contributes a matching amount not to exceed 12% of the participant's salary for new hires and 15% of the participant's salary for all other participants.

Note 25. Leases

The Group has leases for warehouses, office space, land, office equipment, production equipment and automobiles. Right of Use ("ROU") assets and lease obligations are recognised at the lease commencement date based on the present value of lease payments over the lease term.

Lease ROU assets and liabilities are included in right-of use assets, current lease liabilities and long-term lease liabilities on our consolidated balance sheet.

This note provides information for leases where the Group is a lessee.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Leases (continued)

Amounts recognised in the balance sheet

The balance sheet shows the following amounts related to leases:

<i>(in millions)</i>	As at 31 December	
	2023	2022
Right-of-use assets ⁽¹⁾		
Land	\$ 2	\$ 7
Buildings	7	16
Plant & equipment	7	11
Transportation equipment	3	3
Furniture & fixtures	—	—
Total	\$ 19	\$ 37
Lease liabilities		
Current	\$ 4	\$ 6
Non-current	19	59
	\$ 23	\$ 65

(1) Right-of-use assets as at 31 December 2022, include assets of \$16 million related to assets held for sale (land \$5 million, buildings \$10 million, and plant & equipment \$1 million). These are reported within current assets held for sale on the consolidated balance sheet.

(2) Lease liabilities as at 31 December 2022, include liabilities of \$40 million related to assets held for sale (current \$2 million, non-current \$38 million). These are reported within current liabilities held for sale on the consolidated balance sheet.

Included in the right-of-use asset balance of \$19 million (2022: \$37 million) as at 31 December 2023, is \$2 million (2022: \$9 million) related to right-of-use additions during 2023.

Sale-leaseback of Los Angeles Color Pigments Facility

On 10 October 2022, the Group closed on a sale-leaseback transaction for our Color Pigments manufacturing facility located in Los Angeles, California. The Group received proceeds of \$42 million, net of \$9 million of taxes and other expenses, and recorded a gain of \$17 million which is included in other operating (income) expense, net in our consolidated profit or loss.

As part of the transaction, the Group entered into an agreement to lease the property for an initial period of 15 years, with an option to extend the lease for two additional terms of approximately 10 years each. Included in the right-of-use asset balance and 2022 additions is \$29 million related to the lease on the Los Angeles facility. This also forms part of the assets held for sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Leases (continued)

Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

<i>(in millions)</i>	Year ended 31 December	
	2023	2022
Depreciation charge of right-of-use assets		
Buildings	\$ 2	\$ 4
Plant & equipment	2	4
Transportation equipment	1	1
Furniture & fixtures	—	—
Total	\$ 5	\$ 9
Interest expense (included in finance cost)	\$ 3	\$ 3

Amounts recognised in the statement of cash flows

The statement of cash flows shows the following amounts relating to leases:

<i>(in millions)</i>	31 December 2023	31 December 2022
Principal elements of lease payments	\$ 6	\$ 9
Interest on lease payments	2	3
Total cash outflow for leases	\$ 8	\$ 12

Maturities of lease liabilities were as follows:

<i>(in millions)</i>	As at 31 December	
	2023	2022
Year 1	\$ 6	\$ 12
Year 2	5	10
Year 3	4	9
Year 4	3	9
Year 5	3	8
Thereafter	25	73
Total lease payments	\$ 46	\$ 122
Less: Interest	(23)	(56)
Present value of lease liability ⁽¹⁾	\$ 23	\$ 65

(1) Lease liabilities as at 31 December 2022 include liabilities of \$41 million related to assets held for sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Leases (continued)

Average remaining lease term:

	As at 31 December	
	2023	2022
Weighted average remaining lease term (years)	18.6	13.6

The Group leases various warehouses, office space, land, office equipment, production equipment and vehicles.

We determine if an arrangement is a lease or contains a lease at inception.

Contracts may contain both lease and non-lease components. The Group associates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for all asset classes with the exception of buildings for which the Group is a lessee it has elected not to separate lease and non-lease components and instead account for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments, less any lease incentives receivable)
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Certain leases contain renewal options that can extend the term of the lease for one year or more. The Group's leases have remaining lease terms of up to 90 years, some of which include options to extend the lease term for up to 20 years. Options are recognised as part of the Group's ROU assets and lease liabilities when it is reasonably certain that the Group will extend that option. Sublease arrangements and leases with residual value guarantees, sale leaseback terms or material restrictive covenants, are immaterial. Lease payments include fixed and variable lease components. Variable components are derived from usage or market-based indices, such as the consumer price index.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The rate is based on information available at the commencement date of the lease.

To determine the incremental borrowing rate, the Group:

- gives consideration to our recent debt issuances as well as publicly available data for instruments with similar characteristics.
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Venator, which does not have recent third party financing, and makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Leases (continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less that do not contain a purchase option. The Group does not apply a minimum lease value when capitalising leases (all leases with a term over 12 months irrespective of value are capitalised).

Note 26. Commitments and contingencies

Purchase commitments

We have various purchase commitments extending through 2028 for materials, supplies and services entered into in the ordinary course of business. Included in the purchase commitments table below are contracts which require minimum volume purchases that extend beyond one year or are renewable annually and have been renewed for 2024. Certain contracts allow for changes in minimum required purchase volumes in the event of a temporary or permanent shutdown of a facility. To the extent the contract requires a minimum notice period; such notice period has been included in the table below. The contractual purchase prices for substantially all of these contracts are variable based upon market prices, subject to annual negotiations. We have estimated our contractual obligations by using the terms of our current pricing for each contract. We also have a limited number of contracts which require a minimum payment even if no volume is purchased.

Total purchase commitments as of 31 December 2023 and 31 December 2022 were as follows:

<i>(in millions)</i>	As at 31 December	
	2023	2022
Year 1	\$ 206	\$ 159
Year 2	113	170
Year 3	97	63
Year 4	13	41
Year 5	4	39
Thereafter	4	4
Total	\$ 437	\$ 476

Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

<i>(in millions)</i>	As at 31 December	
	2023	2022
Property, plant and equipment	\$ 6	\$ 10

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note 26. Commitments and contingencies (continued)

Contractual obligations and commercial commitments

The Group's obligation under long term debt (including the current portion), lease agreements and other contractual commitments as of 31 December 2023 are summarised below:

<i>(in millions)</i>	2024	2025-2026	2027-2028	After 2028	Total
Long term debt, including current portion	\$ —	\$ 40	\$ 175	\$ —	\$ 215
Interest ⁽¹⁾	19	55	52	—	126
Leases	6	8	7	25	46
Purchase commitments (as shown above)	206	210	17	4	437
Total	\$ 231	\$ 313	\$ 251	\$ 29	\$ 824

⁽¹⁾ Interest calculated using actual and forecasted interest rates as of 31 December 2023 and contractual maturity dates and does not include debt entered into after 31 December 2023.

Our obligation under long term debt (including the current portion), lease agreements and other contractual commitments as of 31 December 2022 are summarised below:

<i>(in millions)</i>	2023	2024-2025	2026-2027	After 2027	Total
Long term debt, including current portion	\$ 98	\$ 952	\$ —	\$ —	\$ 1,050
Interest ⁽¹⁾	70	76	—	—	146
Leases ⁽²⁾	12	19	17	74	122
Purchase commitments (as shown above)	159	234	80	3	476
Total	\$ 339	\$ 1,281	\$ 97	\$ 77	\$ 1,794

(1) Interest calculated using actual and forecasted interest rates as of 31 December 2022 and contractual maturity dates.

(2) This amount includes leases classified as held for sale as of 31 December 2022.

Legal Proceedings*Overview*

The Group provides for liabilities related to legal matters when we have a present obligation arising from a past event, it is either known or is considered probable (>50%) that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Legal matters are inherently unpredictable and subject to significant uncertainties, and significant judgment is required to determine both probability and the estimated amount. Some of these uncertainties include the stage of litigation, available facts, uncertainty as to the outcome of any legal proceedings or settlement discussions, and any novel legal issues presented.

In addition to the matters discussed below, we are a party to various other proceedings instituted by private plaintiffs, governmental authorities and others arising under provisions of applicable laws, including various environmental, products liability and other laws. Except as otherwise disclosed in these consolidated financial statements, we do not believe that the outcome of any of these matters will have a material effect on our financial condition, results of operations or liquidity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Commitment and contingencies (continued)

Legal Proceedings (continued)

Tronox Litigation

On 26 April 2019, we acquired intangible assets related to the European paper laminates product line from Tronox. A separate agreement with Tronox entered into on 14 July 2018 requires that Tronox promptly pay us a “break fee” of \$75 million upon the consummation of Tronox’s merger with The National Titanium Dioxide Company Limited (“Cristal”) once the sale of the European paper laminates business to us was consummated, if the sale of Cristal’s Ashtabula manufacturing complex to us was not completed.

On 14 May 2019, we commenced a lawsuit in the Delaware Superior Court against Tronox arising from Tronox's breach of its obligation to pay the break fee. We sought a judgment for \$75 million, plus pre- and post-judgment interest, and reasonable attorneys' fees and costs. On 6 April 2022, the Superior Court granted judgment as a matter of law in Venator’s favour for \$75 million plus interest, and rejected Tronox’s counterclaim for damages. On 18 April 2022, we and Tronox entered into a settlement agreement and release pursuant to which each party agreed to settle and release its claims against the other party in the Delaware Superior Court and pursuant to which Tronox agreed to pay Venator \$85 million, which payment was made on 25 April 2022, and recorded to Other (income) / expense, net in our consolidated statements of operations.

Neste Engineering Services Matter

We were party to an arbitration proceeding initiated by Neste Engineering Services Oy (“NES”) on 19 December 2018 for payment of invoices allegedly due of approximately €14 million in connection with the delivery of services by NES to the Company in respect of the Pori site rebuild project.

A settlement agreement regarding all claims and the counterclaim in the arbitration, without admission of liability by either party, was reached on 3 July 2022, pursuant to which NES’s outstanding invoices allegedly due, for which we previously accrued, are deemed to have been discharged in full and NES was required to make a payment to Venator of approximately \$13 million in connection with Venator’s counterclaim. Payment was received on 14 July 2022. We recognised \$10 million of income in Other operating (income) expense in the consolidated statements of operations as a result of the settlement with NES during the second quarter of 2022 and we recognised a further approximately \$13 million in the third quarter of 2022 upon receipt of the payment from NES.

Calais Pipeline Matter

The Region Hauts-de-France (the “Region”) has issued two duplicate title perception demands against us requiring repayment of €12 million, or \$13 million using exchange rates at 31 December 2023. This sum was previously paid to us by the Region under a settlement agreement, pursuant to which we were required to move an effluent pipeline at our Calais site. We filed claims with the Administrative Court in Lille, France on 14 February 2018 and 12 April 2018, requesting orders that the demands be set aside, which suspended enforcement of the demands. On 12 July 2018, the court set aside the first demand. On 15 July 2022, the court set aside the second demand and determined the original settlement agreement to be null and void. The judgement did not include a requirement for Venator to make any payments and was subject to appeal by both parties. Venator filed an appeal against the 15 July 2022 judgement on 14 September 2022. No date has been set for the appeal hearing.

Four new title perception demands were issued by the Region dated 30 November 2022, requiring payment of a total of €12 million. Venator filed a claim with the Administrative Court in Lille on 27 January 2023 requesting an order that the new demands be set aside, which will suspend enforcement of the demands.

A settlement was agreed between Venator and the Region on 25 April 2023, subject to certain conditions which are currently under final evaluation by the Region, pursuant to which Venator has agreed to transfer the Calais site to the Region and to make a payment to the Region of €2 million. In December 2024, the Group signed a deed of sale to transfer the site to the Region, along with €2 million.

As of 31 December 2023, we have accrued \$2 million related to this matter.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Commitment and contingencies (continued)

Legal Proceedings (continued)

Scarlino Gypsum Developments

Our Scarlino, Italy TiO₂ manufacturing facility generates gypsum from the manufacturing process, which has been landfilled on-site and also transported for use in a reclamation project at Montioni, a nearby former quarry owned and operated by third parties. Venator Italy Srl, the quarry operator and site management are subjects of an investigation by the Italian Public Prosecutor's Office concerning whether our Scarlino site and the quarry operator are in full compliance with applicable laws and permits with regard to the use of gypsum for reclamation at the quarry.

In the second quarter of 2021, we requested regional approval for a project for the use of gypsum in a specified on-site area on our Scarlino site. Following a review with relevant regional representatives, we submitted a revised request for regional approval in the first quarter of 2022. Following its determination that a preliminary (or screening) environmental impact assessment would be required, in November 2022 the Tuscany Region issued a further decree requiring a full environmental impact assessment before the project can be approved. We submitted the additional requested information to the Region during the first quarter of 2023, but the Region has not yet approved the project.

In September 2022, Venator was the successful bidder in an auction to purchase the La Vallina quarry in Tuscany. Venator successfully completed the purchase of the quarry on 19 January 2023. If the Scarlino facility restarts and receives the required approvals from regional authorities to operate the quarry as a landfill, at a future point the La Vallina quarry could be used as a landfill to provide longer-term disposal capacity for gypsum produces at the Scarlino site.

In January 2023, it was concluded that, due to a lack of space for future gypsum disposal, the useful life of the Scarlino property, plant and equipment should be reduced to the end of the second quarter of 2023. Venator Italy Srl continues to work with key local stakeholders to secure approvals for both temporary gypsum storage and permanent landfill capacity. Since the third quarter of 2022, TiO₂ production was suspended from two of the three calciner streams at the facility to reduce the rate at which the remaining gypsum capacity both on-site and in the Montioni reclamation project was being used. By the first quarter 2023, as there was no longer sufficient capacity for the gypsum disposal, it was clear it would not be economically viable to operate the site and therefore all remaining production at the Scarlino site was suspended in July 2023. Venator Italy Srl has its own cash reserves and the local board continues independently to explore options for the site future, including the potential of a plant restart if they receive sufficient approvals for the temporary storage of gypsum and commitments to approve projects for longer-term permanent landfill capacity. However, the financial viability of the site depends on the market recovering enough to allow recovery of operating margin, and demand being such to allow for TiO₂ production from at least two of the three calciner streams.

Gasum Matter

On 15 November 2022, Gasum LNG Oy initiated an arbitration proceeding seeking the full and immediate payment of a total of €33 million plus interest from 14 October 2022 for all amounts allegedly owed under a natural gas supply agreement that we entered into with Skangas Oy (predecessor to Gasum) in 2015 to supply natural gas to our Pori, Finland manufacturing facility.

Under the agreement, we were required to purchase a minimum annual quantity, subject to a mechanism for making up shortfalls. The minimum annual quantity could be reduced (even to zero) in the event of a "Force Majeure Event." We declared that the fire at our Pori facility in January 2017 was a Force Majeure Event under the agreement, reducing the minimum annual quantity to the actual quantity purchased. Gasum alleged that this Force Majeure Event subsequently ceased to apply after an initial period following the fire and that we were thereafter again obliged to purchase the minimum annual quantities and filed arbitration proceedings seeking declaratory relief to require us to "take or pay" for the minimum annual quantities of natural gas. On 6 August 2021, the arbitration tribunal issued its decision in the matter, ruling that we were obligated to continue to purchase the minimum annual quantity under the supply agreement until termination of the supply agreement, which subsequently occurred on 31 August 2022.

We dispute that any sums are yet due and outstanding other than a €3 million termination fee as of 13 October 2022. In the current arbitration proceeding, the arbitral panel has been appointed, and a case management conference took place on 15 May 2023. On 9 June 2023, the Tribunal issued Procedural Order 1 to set out the timetable for the proceedings. On 13 June 2023, the Tribunal issued Procedural Order 2 to stay the proceedings pending the completion of Venator's Chapter 11 process.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Commitment and contingencies (continued)

Legal Proceedings (continued)

As part of the Reorganization Plan confirmed by the Bankruptcy Court, as of 12 October 2023, the Venator Finnish legal entity waived €42.3 million of its receivables against the Group and was released from its guarantees on loans.

Following the conclusion of the Chapter 11 process, previous arrangements for cash pooling and other parent company support were withdrawn, but a short-term liquidity facility was extended to the Finnish legal entity (this facility has expired, but the balance drawn has not been repaid).

The Finnish legal entity continues to recognise a liability in relation to the arbitration with Gasum. For the financial year 2023, the management of the Finnish legal entity and its parent company have assessed the Finnish legal entity's ability to continue as a going concern and concluded that, although there are significant material uncertainties (including the possible realisation of the provision for LNG deliveries included in the mandatory provisions and a possible adverse decision in relation to the arbitration with Gasum), the Finnish legal entity is not currently in a position where it needs to liquidate its assets or cease operations.

On 15 November 2022, Gasum LNG Oy initiated an arbitration proceeding seeking payment of €34 million plus interest for all amounts allegedly owed under the supply agreement. On 5 June 2024, the arbitral hearing took place, and on 30 September 2024, the arbiter awarded that all claims made by Venator Finland were dismissed and Venator Finland is ordered to pay the claims as made by Gasum totaling €33 million, in addition to the legal fees of Gasum.

On 14 October 2024, Venator Finland filed its own application for bankruptcy with a District Court in Finland. On 15 October 2024, the court declared the Venator Finland bankrupt and appointed an attorney from DLA Piper Finland as the bankruptcy estate administrator. As a result of the appointment of the bankruptcy estate administrator the Company deconsolidated the Venator Finland subsidiary in accordance with IFRS standards, and the Group no longer retained control of the subsidiary.

We have accrued \$33 million related to this matter all of which is current and has been included in accrued liabilities on our consolidated balance sheet at 31 December 2023.

Environmental Liabilities

We accrue liabilities relating to anticipated environmental clean-up obligations, site reclamation and closure costs, and known penalties. Liabilities are recorded when we have a present obligation arising from a past event, it is either known or is considered probable (>50%) that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Our liability estimates are based upon requirements placed upon us by regulators, available facts, existing technology, and past experience. The environmental liabilities do not include amounts recorded as asset retirement obligations. As of 31 December 2023 and 2022, we had environmental liabilities of \$4 million, respectively. We may incur additional losses for environmental remediation.

We have incurred, and we may in the future incur, liabilities to investigate and clean up waste or contamination at our current or former facilities or facilities operated by third parties at which we may have disposed of waste or other materials. Similarly, we may incur costs for the clean up of waste that was disposed of prior to the purchase of our businesses. Under some circumstances, the scope of our liability may extend to damages to natural resources.

In the EU, the Environmental Liability Directive (Directive 2004/35/EC) has established a framework based on the "polluter pays" principle for the prevention and remediation of environmental damage, which establishes measures to prevent and remedy environmental damage. The directive defines "environmental damage" as damage to protected species and natural habitats, damage to water and damage to soil. Operators carrying out dangerous activities listed in the Directive are strictly liable for remediation, even if they are not at fault or negligent.

Under EU Directive 2010/75/EU on industrial emissions, permitted facility operators may be liable for significant pollution of soil and groundwater over the lifetime of the activity concerned. We are in the process of plant closures at facilities in the EU and liability to investigate and clean up waste or contamination may arise during the surrender of operators' permits at these locations under the directive and associated legislation such as the Water Framework Directive (Directive 2000/60/EC) and the Groundwater Directive (Directive 2006/118/EC).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Commitment and contingencies (continued)

Environmental Liabilities (continued)

Under CERCLA and similar state laws, a current or former owner or operator of real property in the U.S. may be liable for remediation costs regardless of whether the release or disposal of hazardous substances was in compliance with law at the time it occurred or whether it owned or operated the facility at the time of the release. Outside the U.S., analogous contaminated property laws, such as those in effect in France, can hold past owners and/or operators liable for remediation at former facilities. We have not been notified by third parties of claims against us for cleanup liabilities at former facilities or third-party sites, including, but not limited to, sites listed under CERCLA.

Under RCRA in the U.S. and similar state laws, we may be required to remediate contamination originating from waste disposed of at our properties. Similar laws exist in a number of locations in which we currently operate, or previously operated, manufacturing facilities. Some of our manufacturing sites have an extended history of industrial chemical manufacturing and use, including on-site waste disposal and we have made accruals for related remediation activity. We are aware of soil, groundwater or surface contamination from past operations at some of our sites and have recorded a provision for related remediation activity, and we may find contamination at other sites in the future.

Recent developments in climate change related policy and regulations include the Green Deal in the EU; mandatory CFD disclosures in the U.K. and the U.K. commitment to becoming carbon neutral by 2050. Other nations have made or indicated a desire to make similar policy changes and commitments, including the Corporate Governance Improvement and Investor Protection Act in the U.S. These changes could affect us in a number of ways including potential requirements to decarbonise manufacturing processes and increased costs of GHG allowances. We are currently monitoring these developments closely while investigating appropriate climate change strategies to enable us to comply with the new regulations and conform to new disclosure requirements, including CFD. We expect that our facilities will be subject to additional regulation related to climate change and climate change itself may also have some impact on our operations. However, these impacts are currently uncertain and we cannot predict the nature and scope of these impacts.

Scarlino Investigation

Our Scarlino, Italy TiO₂ manufacturing facility generates gypsum from the manufacturing process, which has been landfilled on-site and also transported for use in a reclamation project at Montioni, a nearby former quarry owned and operated by third parties. Venator Italy Srl, the quarry operator and Scarlino site management are subjects of an investigation by the Italian Public Prosecutor's Office concerning whether our Scarlino site and the quarry operator are in full compliance with applicable laws and permits with regard to the use of gypsum for reclamation at the quarry. Additional environmental investigations were carried out in the fourth quarter of 2022.

Harrisburg Remediation

We are engaged in source removal and groundwater remediation at our facility in Harrisburg, NC, under a corrective action plan agreed with the North Carolina Department of Environmental Quality. The agreed interim corrective measures include the removal of a settlement lagoon and the relining of lagoons and containment areas prior to risk based remediation of groundwater. The site has completed the application for a Special Use Permit (SUP) to the Town of Harrisburg for the new site landfill that will be used for the sediment removed from the settling lagoon. We have environmental reserves of \$2 million at 31 December 2023 for this remediation obligation however the risk-based remediation of the groundwater following the remediation of the lagoons and containment areas cannot be reliably estimated at this stage, and these costs could be material to our consolidated financial statements.

Calais Remediation

Following the closure of our manufacturing facility in Calais, France the Group is engaged in a site assessment and a remediation assessment. The Group has reserves of less than \$1 million at 31 December 2023 related to decontamination of structures on the site. The Group has not otherwise set environmental reserves for this remediation obligation as the risk-based targets for remediation and the extent of any required remediation are yet to be agreed with regulators and cannot be reliably estimated. However, these costs could be material to our consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Commitment and contingencies (continued)

Environmental Liabilities (continued)

Duisburg Remediation

The Group is engaged in the assessment of metals in the groundwater and the hydrogeological nature of the groundwater beneath our Duisburg, Germany facility and has carried out a risk assessment regarding the status of the groundwater body.

We are commencing an assessment of available remediation techniques to determine the technical solution which could be used to treat the impacted groundwater.

We have reserves of \$1 million at 31 December 2023 for investigation into environmental contamination. Any remediation of the plume has not been demonstrated to be required and is not reliably estimable at this stage and will require further technical assessment and regulatory agreement, but these costs could be material to our consolidated financial statements.

27. Capital and reserves

Share capital

As of 31 December 2023, Venator Materials PLC had 108,048 million shares outstanding and trading as compared to 108.1 million shares outstanding and trading as at 31 December 2022. At 31 December 2023, the Company has only one allocated class of share, being the \$0.001 ordinary shares. These shares carry a right to one vote per share, with no entitlement to fixed dividend income. There are no restrictions on the repayment of capital. All other share capital issued during the year carried the same voting, dividend and capital rights. The Company has authorised share capital of 200.0 million as at 31 December 2023 and 31 December 2022.

On 12 October 2023, in accordance with the Joint Prepackaged Plan of Reorganization of Venator Materials PLC (the "Plan"), the Company issued 107,941,929,020 shares of New Ordinary Shares to Holders of Claims entitled to receive New Ordinary Shares. On 9 January 2024, Venator Materials PLC completed its share consolidation on the basis of 1 new ordinary share of \$137.523 each (a "New Ordinary Share") for every 137,523 ordinary shares of \$0.001 each (the "Existing Ordinary Shares"). Pursuant to the Share Consolidation, every 137,523 issued Existing Ordinary Shares were consolidated into 1 New Ordinary Share resulting in the nominal value per New Ordinary Share of \$137.523. Additionally, on 12 October 2023, in accordance with the Plan, 3 million in outstanding restricted stock awards under our LTIP plan were cancelled.

In accordance with IAS 33, all shares of common stock and per share data that are presented in the Consolidated Financial Statements have been adjusted to reflect the reverse stock split on a retroactive basis. For more information on updates that occurred subsequent to the balance sheet date, see Note 36. Post balance sheet events.

The declaration and payment of dividends require the authorisation of the Board of Directors of Venator Materials PLC, provided that such dividends on issued share capital may be paid only out of Venator Materials PLC's distributable reserves on its statutory balance sheet in accordance with UK law.

Therefore, Venator Materials PLC is not permitted to pay dividends out of share capital, which includes share premium. Venator has not paid dividends since incorporation. The payment of future dividends will depend on our results of operations, financial condition, cash requirements, future business prospects, contractual and indenture restrictions and other factors deemed relevant by the Board of Directors.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Capital and reserves

<i>(in millions)</i>	As at 31 December	
	2023	2022
Shares outstanding and trading:		
Ordinary shares of \$0.001 each	108,048	108
	Ordinary shares outstanding	Share capital (par value)
Balance as at 1 January 2022	107	—
Issuance of shares	1	—
Balance as at 31 December 2022	108	—
Net issuance of shares	107,940	109
Balance as at 31 December 2023	108,048	109

<i>(in millions)</i>	Share premium account reserve	Share option reserve	Other reserves
Balance as at 1 January 2022	\$ 1,308	\$ 32	\$ (194)
Other comprehensive income	—	—	(157)
Credit to equity for equity settled share-based payment	—	(1)	—
Share-based payment expense	—	9	—
Balance as at 31 December 2022	\$ 1,308	\$ 40	\$ (351)
Other comprehensive expense	—	—	27
Issue of share capital	—	(1)	—
Share-based payment credit	—	7	—
Release of share option reserve	—	(46)	—
Activity related to issuance of common stock to creditors in connection with the Plan	—	—	—
Share premium related to cancellation of debt for equity	—	—	—
Balance as at 31 December 2023	\$ 1,308	\$ —	\$ (324)

Share premium account - This reserve represents the capital provided from the Parent Company as consideration for the transfer of subsidiary investments.

Share option reserve - This reserve represents the share-based payment expense recognised in profit or loss in respect of the share awards granted by the Company.

Retained earnings - This represents the cumulative profits and losses of the Company, net of any dividends payable.

Other reserves - This reserve consists of other comprehensive income of unconsolidated affiliates, re-measurements of retirement benefit obligations and foreign currency translation adjustments.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Capital and reserves

<i>(in millions)</i>	Other comprehensive income of unconsolidated affiliates	Defined benefit pension items	Foreign currency items	Total
Balance as at 1 January 2022	\$ (5)	\$ (215)	\$ 26	\$ (194)
Re-measurements of retirement benefit obligations, gross of tax	—	(70)	—	(70)
Re-measurements of retirement benefit obligations, tax (expense)	—	(1)	—	(1)
Foreign currency translation adjustments	—	—	(89)	(89)
Other comprehensive income	3	—	—	3
Balance as at 31 December 2022	\$ (2)	\$ (286)	\$ (63)	\$ (351)
Re-measurements of retirement benefit obligations, gross of tax	—	(6)	—	(6)
Re-measurements of retirement benefit obligations, tax (expense)	—	1	—	1
Foreign currency translation adjustments	—	—	31	31
Other comprehensive income	1	—	—	1
Balance as at 31 December 2023	\$ (1)	\$ (291)	\$ (32)	\$ (324)

28. Auditor remuneration

Services provided by the Company's auditor and its associates.

During the year the Group (including its overseas subsidiaries) obtained the following services from the Company's auditor and its associates:

<i>(in thousands)</i>	Year ended 31 December	
	2023	2022
Group		
Fees payable to Company's auditor and its associates for the audit of Parent Company and consolidated financial statements ¹	\$ 3,161	\$ 865
Fees payable to Deloitte LLP and its associates for other services:		
• Audit of Company's subsidiaries	540	3,482
• Audit related assurance services	116	5
• Taxation compliance services	845	488
• Taxation advisory services	2,281	206
	\$ 6,943	\$ 5,046

¹ Prior to 2023, the audit of the consolidated financial statements was performed by Deloitte US and included in the above table under "Audit of Company's subsidiaries."

Non-audit fees

Where Deloitte LLP is engaged to provide non-audit services, this results from its extensive knowledge of Venator's business and the sector generally, as well as demonstrating the required expertise and capability to provide good value for money.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Employee information

Average number of people employed

The following table illustrates our average number of employees by functional area as at 31 December:

Group	Year ended 31 December	
	2023	2022
Monthly average number of people (including executive directors) employed:		
Production	1,922	2,236
Sales and distribution	179	242
Administration, research and development	736	970
Total Average Monthly Headcount	2,837	3,448

Employee costs

Employee benefit expenses for the Group during the years ended 31 December were as follows:

<i>(in millions)</i>	Year ended 31 December	
	2023	2022
Wages and salaries	\$ 202	\$ 231
Social security costs	35	39
Equity settled share-based payments	7	9
Contributions to defined contribution plans	7	11
Expenses related to post-employment defined benefit plans	(27)	4
Other pension related expenses	2	2
Total employee benefit expense	\$ 226	\$ 296

Compensation of key management personnel

The following table details compensation earned by the executive leadership team and non executive directors of the board, during the years ending 31 December:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Employee information (continued)

<i>(in millions)</i>	Year ended 31 December	
	2023	2022
Emoluments	\$ 13	\$ 12
Amounts receivable (other than shares and share options) under long-term incentive schemes	—	5
Sums paid to directors in lieu of company defined benefit pension contributions	1	1
	<u>\$ 14</u>	<u>\$ 18</u>
Non-executive directors	2	1
	<u>\$ 16</u>	<u>\$ 19</u>

Three (2022: three) of the executive leadership team are members of three of the defined benefit pension schemes within the Group (Tioxide Pension Fund (UK), Huntsman Global Pension Fund and Huntsman Top-Up Payment); the present value of the accumulated benefits under the three schemes for these personnel was \$6 million as at 31 December 2023 (2022: \$10 million).

One director received shares under the Company's long term incentive scheme ("LTIP").

There are no accrued lump sums. The non-executive directors do not receive any retirement benefits.

30. Related Party Transactions

Transactions with Huntsman

We are party to a variety of transactions and agreements with Huntsman, our former parent and former largest shareholder. On 11 August 2017, we entered into a separation agreement with Huntsman to effect the separation and to provide a framework for the relationship with Huntsman. This agreement governs the relationship between Venator and Huntsman subsequent to the completion of the separation and provides for the allocation between Venator and Huntsman of assets, liabilities and obligations attributable to periods prior to the separation. Pursuant to the separation agreement and other agreements with Huntsman, we agreed to indemnify Huntsman for certain liabilities, including those related to the operation of the Group's business while it was still owned by Huntsman. Because these agreements were entered into in the context of a related party transaction, the terms may not be comparable to terms that would be obtained in a transaction between unaffiliated parties.

SK Capital Share Acquisition

In December 2020, funds advised by SK Capital purchased just under 40% of Venator's outstanding shares from Huntsman Corporation. The Group transacts with other entities under common ownership by SK Capital in the ordinary course of business. Purchases and sales with these entities since becoming affiliates were \$5.00 million and \$4 million to the consolidated statement of profit or loss for the for the years ended 31 December 2023 and 31 December 2022, respectively. Accounts payable with these affiliates were immaterial, while accounts receivable with these affiliates were \$1 million to the consolidated balance sheet as at the bankruptcy emergence date in 2023 at which SK Capital was no longer considered a related party, and nil as at 31 December 2022.

Other related party transactions

The Group conducts transactions in the normal course of business with other parties under common ownership. Sales of raw materials to LPC as part of a sourcing arrangement were \$63 million and \$124 million for the years ended 31 December 2023 and 31 December 2022, respectively. Proceeds from this arrangement are recorded as a reduction of cost of goods sold in Venator's consolidated statements of profit or loss. Related to this same arrangement, purchases of finished goods from LPC were \$232 million and \$226 million for the years ended 31 December 2023 and 31 December 2022, respectively. For more information on LPC, see Note 17. Investment in Unconsolidated Affiliates. The related accounts payable to affiliates as of 31 December 2023 and 2022 of \$21 million and \$16 million, respectively, are recognised on the face of the consolidated balance sheets.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Related Party Transactions (continued)***Related party notes payable of Venator to subsidiaries of Huntsman International***

The Group has a note payable of \$9 million as of 31 December 2023 and 2022, respectively, to Huntsman for a liability pursuant to the tax matters agreement entered into at the time of the separation. Approximately \$8 million is current as of 31 December 2023 and 2022, respectively, and has been presented as accounts payable to affiliates on the consolidated balance sheet, while less than \$1 million has been presented as non-current payable to affiliates on the consolidated balance sheets as of 31 December 2023 and 31 December 2022, respectively. See "Note 15. Income Taxes" for further discussion.

31. Directors' Remuneration

In 2023, our non-executive directors received an annual retainer for service on the Board and an additional retainer for service on its committees (including service as a committee chair). Our executive directors are compensated primarily through a base salary, and for the CEO, a retention award was granted on the condition that the individual remained with the company throughout the chapter 11 process. Key management personnel were also compensated through base salary and a retention award. No stock awards were granted for directors or members of management through the LTIP plan during 2023. The following table details the amount of remuneration for key management personnel and directors' remuneration. Directors' emoluments are also disclosed in Note 6. DIRECTORS' EMOLUMENTS of the Parent company accounts.

Total amounts of directors' remuneration are as follows:

<i>(in millions)</i>	For the year ended 31 December	
	2023	2022
Salaries, fees, bonuses and benefits in kind	\$ 3	\$ 2
Amounts receivable under long-term incentive plans	—	3
Other Compensation ¹	2	2
Total Compensation	\$ 5	\$ 7

Total amounts of key management personnel remuneration are as follows:

<i>(in millions)</i>	For the year ended 31 December	
	2023	2022
Salaries, fees, bonuses and benefits in kind	\$ 4	\$ 9
Share based payments	—	4
Other Compensation ¹	9	6
Total Compensation	\$ 13	\$ 19

¹ Other Compensation includes taxable benefits, foreign assignment adjustments, and retention awards.

32. Financial instruments

The carrying amounts reported in the balance sheets for cash and cash equivalents, accounts receivable, amounts receivable from affiliates, accounts payable, current portion of amounts payable to affiliates, and accrued liabilities approximate their fair value because of the immediate or short-term maturity of these financial instruments. The fair value of non-qualified employee benefit plan investments is estimated using prevailing market prices. The estimated fair values of Venator's Term Loan Facility, Senior Secured Notes and Senior Unsecured Notes were based on quoted market prices for the identical liability when traded as an asset in an active market (Level 1), and the estimated fair value of the Term Loan is based on discounted cash flows (Level 3).

The Group is exposed to certain concentrations of interest rate and foreign currency exchange rate risk, in order to reduce cash flow volatility from foreign currency fluctuations, it enters into forward and swap contracts to hedge portions of cash flows of certain foreign currency transactions. The Group has documented policies and procedures to monitor and control the use of derivative instruments. The Group does not engage in derivative transactions for trading or speculative purposes. The derivative financial instruments are valued at the Bloomberg market rate on the last day of the month less the bank's risk of default.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Financial instruments (continued)

The Group has the following financial instruments:

<i>(in millions)</i>	2023		2022	
	Due within one year	Due after one year	Due within one year	Due after one year
<i>Financial assets measured at amortised cost</i>				
Trade and other receivables	\$ 259	\$ 4	\$ 207	\$ 4
Accounts receivable from affiliates	—	—	13	—
Cash and cash equivalents	73	—	114	—
	<u>\$ 332</u>	<u>\$ 4</u>	<u>\$ 334</u>	<u>\$ 4</u>
<i>Financial liabilities measured at amortised cost</i>				
Interest bearing loans and borrowings	\$ —	\$ 210	\$ 98	\$ 942
Trade and other payables	245	3	295	20
Lease liabilities	4	19	4	21
Non current payable to affiliates	—	—	—	1
Accounts payable to affiliates	—	—	24	—
Current tax liabilities	—	8	—	9
	<u>\$ 249</u>	<u>\$ 240</u>	<u>\$ 421</u>	<u>\$ 993</u>

Derivatives that are designated and effective as hedging instruments carried at fair value

Assets / (Liability)	Fair value hierarchy				
Cross currency swaps	2	\$ —	\$ —	\$ —	\$ (19)

We estimate the fair values of our cross-currency swaps by taking into consideration valuations obtained from a third-party valuation service that utilises an income-based industry standard valuation model for which all significant inputs are observable either directly or indirectly. These inputs include foreign currency exchange rates, credit default swap rates and cross-currency basis swap spreads. The cross-currency swap has been classified as Level 2 because the fair value is based upon observable market-based inputs or unobservable inputs that are corroborated by market data.

The Group's long-term debt is held in the consolidated balance sheet at amortised cost.

The estimated fair value of the Term Loan is \$191 million as of 31 December 2023. The estimated fair value of the Term Loan Facility was \$264 million as at 31 December 2022. The estimated fair value of the Senior Secured Notes was \$162 million as at 31 December 2022. The estimated fair value of the Senior Unsecured Notes was \$114 million as at 31 December 2022. The estimated fair values of the Term Loan Facility, Senior Secured Notes and Senior Unsecured Notes were based upon quoted market prices (Level 1), and the estimated fair value of the Term Loan is based on discounted cash flows (Level 3) based on discounting future expected cash outflows for interest and principal of the Term Loan.

There were no transfers between fair value hierarchy levels during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Financial instruments (continued)

Financial risk management

The Group has exposure to the following risks arising from financial instruments: Credit risk, Liquidity risk and Market risk.

i). Risk management framework

Management is responsible for assessing and managing risks the Group faces, including establishing controls to manage risks and bringing to the attention of the Board any significant risks facing the Group. As part of this responsibility, management continually assesses enterprise risk management assessment. The Board is responsible for overseeing management in this effort. The Board understands that its focus on effective risk oversight is critical to setting the Group's tone and culture towards effective risk management.

The Board has delegated to the Audit Committee the responsibility for oversight of financial and enterprise risk. The Audit Committee engages in discussions with management to establish a mutual understanding of the Group's overall appetite for risk. The Audit Committee and management also discuss existing risk management processes and the ways in which management identifies, assesses and manages the Group's most significant risk exposures. In exercising its oversight, the Audit Committee strives to effectively oversee the Group's enterprise-wide and financial risk management in a way that balances managing risks while enhancing the long-term value of the Group for the benefit of our shareholders.

The Audit Committee receives regular presentations from key leaders of our businesses and functions about significant risks the business or function faces. These presentations assist the Audit Committee in evaluating the Group's risk assessment and risk management policies and practices. The presentations address strategic, operational, financial reporting, cyber security, compliance, governance and other risks, as appropriate.

The Governance Committee oversees risks related to our EHS and compliance programs and receives regular reports from management regarding these risks and the Compensation Committees oversees risks related to the Group's compensation practices.

The Group believes that the oversight function of the Board and its committees, combined with its active dialogue with management about risks the Group faces and effective risk management, provide the Group with the appropriate framework to help ensure effective risk oversight.

ii). Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial asset fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, favourable derivative financial instruments, deposits with banks and financial institutions, as well as credit exposures from the Group's receivables from customers. 87% of our deposits of cash and cash equivalents are held by 3 banks and financial institutions with a credit ratings between AA+ and AA-.

The carrying amounts of financial assets represent the maximum credit exposure.

Risk Management

The Group's philosophy of accounts receivable management is predicated on the presumption that the overall credit quality of the corporation's customer base is good and the likelihood of bad debts is minimal. The Credit Department is charged with the responsibility of assessing credit risk and reporting collection performance. Collectability can be assessed based on the customer's financial capacity and intent to pay. Venator's credit team follow a rigorous process prior to approving new customers and monitor the customer's credit worthiness, as a result when sales are made there is limited risk of bad debts. Venator assesses the probability of collectability based on being virtually certain (approx. 95% probable) and there is no adjusting down of revenues for collectability based on the robust customer approval processes – customers where collectability would be uncertain are not approved.

Security

For some trade receivables the Group many obtain securities in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Financial instruments (continued)

ii). Credit risk (continued)

Impairment of financial assets

The Group has one type of financial asset that is subject to the expected credit loss model:

- trade receivables for sales of inventory.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, no impairment loss was identified for the years ended 31 December 2023 and 31 December 2022. The cash and short-term investments are highly liquid assets and would not be subject to impairment as the recoverability of these balances at the current rate is guaranteed.

Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on payment profiles of sales over a period of 60 months before 31 December 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables, where applicable. The Group's policy is to provide for expected credit losses by customer where the expected loss rate is over \$500k. As at 31 December 2023 and 2022 the expected loss rate across the Group is less than \$500k and therefore a provision was not recorded for this as it was deemed immaterial to the Venator consolidated results.

In addition to the expected credit losses, the Group also provides for specific invoices where the invoice is overdue by 90 days or more and where known information about the customer, market etc would indicate a provision is required. Factors considered when determining whether an overdue invoice should be provided for include: loss history of the Company, the economic condition of the market place, any special arrangements for riskier customers, accounts receivable ageing history, amounts expected to be written off, current and predicted sale and inventory levels and the number of accounts in dispute.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Details of concentration of revenue are included in Note 9 and further details of Venator's credit risk management policy are detailed below.

Trade receivables are written off where there is no reasonable expectation of recovery and in line with the local accounting principal requirements in each jurisdiction. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of the reporting period.

Our allowance for expected credit losses as at 31 December 2023 and 2022 was \$4 million and \$3 million, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Financial instruments (continued)

ii). Credit risk (continued)

Net impairment losses on financial assets recognised in profit or loss

During the year, the following (losses) / gains were recognised in profit or loss in relation to impaired financial assets:

<i>(in millions)</i>	Year ended 31 December	
	2023	2022
Impairment (losses) / gains - movement in loss allowance for trade receivables	\$ (1)	\$ —

Credit risk management

Credit limits for accounts receivable are considered on a net basis after taking into consideration credit protection for i) cash advances, ii) letters of credit issued by a bank which maintains investment grade credit ratings, iii) bank acceptance drafts, iv) credit insurance, v) global rebates or vi) non-recourse factoring arrangements. Parent guarantees are excluded. Established credit limits shall be permitted to exceed up to 10% or \$100k, whichever amount is greater, in order to allow for a fluctuating pricing environment.

Credit assigns a customer a rating of very high, high, medium or low risk using proprietary financial analysis models where applicable to ensure consistency of credit risk assessments. The primary objective of the rating is to quantify the credit risk, provide a framework for approving credit limits, and for monitoring the credit quality of Venator's portfolio.

In determining the rating, credit may review qualitative and quantitative information including:

Qualitative - management expertise; rank within industry; credit limit relative to company size and capacity; length of time in business; type of business or type of company.

Quantitative - published credit rating; country risk; financial statement and ratio analysis; liquidity and cash flow; long-term and short-term debt obligations; additional borrowing capacity; debt maturities and covenants; existing lawsuits, liens or judgments.

Subsequent to the initial creditworthiness assessment, Credit is responsible for monitoring any changes in the financial condition or qualitative factors that would cause deterioration in credit quality.

In general, low and medium risk customers must be reviewed every 18 months, whilst very high risk and high risk customers must be reviewed annually. Customers with an aggregate credit limit less than \$100k may be reviewed based upon a credit reporting agency but do not require annual reviews. If an account is inactive for one year, an annual review is also not required.

There has been no significant increase in credit risk of accounts receivable in the years ended 31 December 2023 and 2022.

Derivatives

We would be exposed to credit losses in the event of non-performance by a counterparty to our derivative financial instruments. We continually monitor our position and the credit rating of our counterparties, and we do not anticipate non-performance by the counterparties.

On a quarterly basis the creditworthiness of the cross-currency counterparty is assessed in accordance with the Group's credit risk management policy. This is in order to ensure that a default on the counterparty's obligations under the cross-currency swap is not probable. Any changes to the creditworthiness is reviewed in line with our policy and steps may be taken to cancel or move the swap to an alternative counterparty. The credit risk of Venator is also considered on the monthly mark to market position and incorporated into the fair valuation of the derivative.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Financial instruments (continued)

iii). Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Company's ability to be able to raise additional capital in the future on favourable terms or at all, could materially adversely affect our financial condition and results of operations. including our inability to continue as a going concern.

Our TiO₂ business is capital intensive, and our success depends to a significant degree on our ability to develop and market innovative products and to maintain and update our facilities and process technology. Our capital requirements depend on many factors, including acceptance of, and demand for, our products, the extent to which we invest in new technology and research and development projects, and the status and timing of these developments.

Our business has evolved in recent years through certain site closures, reductions in operating costs, new product introductions, and selective divestment of certain businesses. However, recent market conditions and events related to liquidity and covenants have raised material uncertainty over our ability to continue as a going concern. In response to these conditions and events, we took a number of actions which were intended to mitigate these conditions and events, but we have concluded that our plans did not alleviate the uncertainty about our ability to continue as a going concern. Further details of the material uncertainty and assumptions regarding the liquidity and going concern position of the Company and the Group are provided within Note 2 Basis of accounting - Going Concern in the Consolidated Financial Statements.

In early 2023 we conducted a strategic review of our business with a plan to strengthen our liquidity position and engage shareholders and debt holders with respect to our capital structure. We commenced in discussions with key stakeholders, as we evaluated all options to establish a sustainable capital structure. Based on the strategic review, we concluded there was a need for deleveraging and/or equitisation of part of Venator's debt, resulting in material dilution of the existing share capital.

In order to implement the Recapitalisation, we filed for Chapter 11 on 14 May 2023. The filing of the Chapter 11 Cases constituted an event of default that allowed the respective lenders to accelerate substantially all of our debt obligations, including our senior secured term loan facility, the asset-backed revolving credit facility, the 5.75% senior unsecured notes due 2025 and the 9.5% Senior Secured Notes due 2025.

The credit rating agencies periodically review our ratings, considering factors such as our capital structure, earnings profile, and the condition of our industry and the credit markets generally. Credit ratings are subject to revision or withdrawal at any time by the assigning rating organization. Credit agencies further reduced our credit ratings following the issuance of an audit opinion with an explanatory paragraph regarding going concern with respect to our 2022 audited US GAAP financial statements and when we filed for Chapter 11 bankruptcy.

Additionally, on emergence from bankruptcy on 12 October 2023, all outstanding obligations under the Term Loan Facility, Senior Secured Notes, and Senior Unsecured Notes, totalling approximately \$946 million as of 31 December 2022, including the applicable indentures, credit agreements and guarantees governing such obligations, were cancelled in return for New Ordinary Shares of the Company.

On emergence, the Company also entered into the Exit Term Loan Credit Agreement providing for Initial Term Loans in an aggregate principal amount of \$150 million, plus an additional principal amount of \$25 million, which mature on 12 October 2028, as well as the Exit ABL Credit Agreement providing for credit in the form of Revolving Loans and Letters of Credit in an aggregate principal amount of up to \$100 million (The Exit ABL Credit Agreement was subsequently repaid in July 2024).

The Company also engaged with the lenders during 2024 to put in place an additional \$200 million in term loans due July 2026, bringing the total balance of outstanding term loans to \$375 million (\$175 million due October 2028 and \$200 million due July 2026).

Further information on the external financing can be found within Note 23. Loans and borrowings and Note 36. Post balance sheet events.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Financial instruments (continued)

iii). Liquidity risk (continued)

Our customers, prospective customers, suppliers or other companies with whom we conduct business may require modifications in our arrangements which could impact our liquidity. Some of our customers, prospective customers, suppliers or other companies with whom we conduct business may require assurances as a condition to do business with them. These assurances may be in the form of letters of credit, financial guarantees, reduction in payment terms, or prepayments of goods or services, all of which will have a direct impact on our liquidity. Our inability to provide such assurances may result in the loss of customers or suppliers and could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, include principal payments and exclude the impact of netting arrangements.

		Contractual Cash Flows					
		As at 31 December 2023					
<i>(in millions)</i>	Carrying Amount	Total	< 1 year	1-2 years	2-5 years	More than 5 years	
Non-derivative financial liabilities							
2028 Term loan	\$ 170	\$ 211	\$ —	\$ —	\$ 211	\$ —	
ABL Credit Agreement	40	40	—	—	40	—	
Cash interest ⁽²⁾	—	127	19	23	85	—	
Lease liabilities	23	45	6	5	10	25	
Trade payables	191	191	191	—	—	—	
	\$ 424	\$ 614	\$ 216	\$ 28	\$ 346	\$ 25	
		Contractual Cash Flows					
		As at 31 December 2022					
<i>(in millions)</i>	Carrying Amount	Total	< 1 year	1-2 years	2-5 years	More than 5 years	
Non-derivative financial liabilities							
Term loan ⁽¹⁾	\$ 354	\$ 356	\$ 4	\$ 352	\$ —	\$ —	
Senior secured notes ⁽¹⁾	219	225	—	—	225	—	
Senior unsecured notes ⁽¹⁾	373	375	—	—	375	—	
ABL Revolving Credit facility	80	80	80	—	—	—	
Notes payable	14	14	14	—	—	—	
Cash interest ⁽²⁾	—	146	70	76	—	—	
Lease liabilities	65	121	12	10	26	73	
Trade payables	244	244	244	—	—	—	
	\$ 1,349	\$ 1,561	\$ 424	\$ 438	\$ 626	\$ 73	
Derivative financial liabilities							
Cross currency interest rate swaps	\$ 19	\$ 19	\$ —	\$ —	\$ 19	\$ —	
	\$ 19	\$ 19	\$ —	\$ —	\$ 19	\$ —	

⁽¹⁾ The maturity is presented based on the contracted maturity dates of the debt agreements.

⁽²⁾ Interest calculated using actual and forecasted interest rates as of December 31, 2022 and 2023 and contractual maturity dates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Financial instruments (continued)

iv). Market risk

Market risk is the risk that changes in market prices e.g. foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currencies of group companies. The functional currencies of group companies are primarily USD, Euro, and GBP. The currencies in which these transactions are primarily denominated are USD, Euro and GBP.

We transact business in various foreign currencies and we enter into currency forward contracts to offset the risk associated with the risks of foreign currency exposure. At 31 December 2023 and 31 December 2022 we had nil and \$71 million, respectively, notional amount (in U.S. dollar equivalents) outstanding in foreign currency contracts with a term of approximately one month. The contracts are valued using observable market rates (Level 2).

The Group will hold cross currency interest rate swaps as needed for risk management purposes which are designated in fair value hedging relationships. The objective of the pay Euro, receive USD fixed-for-fixed cross currency swap transaction is to lock the Euro functional currency cash flows associated with a USD denominated fixed rate intercompany loan between Venator Investments UK Limited, which has a Euro functional currency and Venator Materials PLC, which has a USD functional currency. By executing the swap the Group mitigated the effects of future changes in foreign currency exchange rates associated with the USD intercompany loan (both principal and interest) in Venator Investments UK Limited by converting such obligation to the entities functional currency.

Hedge effectiveness is determined at the inception of the hedge relationship, and through annual effectiveness assessments to ensure that an economic relationship between the hedged item and hedging instrument. The cross-currency swap has terms that match the payments on the USD loan, including interest rate, notional, payment date and maturity. The swap is expected to be highly effective in offsetting the variability in interest and principal payments on the USD loan (attributed to changes in forward EUR/USD rates). The Company is not hedging changes in its credit spread and is excluding changes in the EUR/USD interest rate differential from its assessment of hedge effectiveness and accounts for this as an excluded component within other comprehensive income "hedging reserve" in its consolidated balance sheet.

At inception of the hedge the Company will assess hedge effectiveness prospectively using a linear regression analysis. In line with IFRS 9, regression analysis will be performed on an annual basis in line with the reporting period to validate the effectiveness of the hedge. The Group evaluates under qualitative assessment that there is an economic relationship between the hedged item and the hedging instrument. As the terms under the hedged item and hedging instrument match, the subsequent movements in fair value on the hedged item will move in tandem with the hedging instrument. The swap is highly effective in offsetting the variability in interest and principal payments on the USD loan. No ineffectiveness has been recorded from the fair value hedge.

The main source of hedge ineffectiveness in the Group's hedging relationship is the effect of the counterparty and the Group's own credit risk on the cross currency swap. On a quarterly basis the creditworthiness of the cross-currency counterparty is assessed in accordance with the Company's credit risk management policy. This is in order to ensure that a default on the counterparty's obligations under the cross-currency swap is not probable. Any changes to the creditworthiness is reviewed in line with our internal policy and steps may be taken to cancel or move the swap to an alternative counterparty. The credit risk of Venator is also considered on the monthly mark to market position and incorporated into the valuation.

In May 2023, we terminated the three existing cross-currency swaps, with no replacement swaps.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Financial instruments (continued)

iv). Market risk (continued)

The amounts related to items designated as hedging instruments and hedge ineffectiveness in the year ended 31 December 2022 were as follows:

<i>(in millions)</i>	2022				
	Nominal Amount	Liability	Changes in the value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from hedging reserve to profit or loss
Interest rate risk					
Interest rate swaps	\$ 200	\$ (19)	\$ (21)	\$ —	\$ 23

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows.

<i>(in millions)</i>	31 December 2023			31 December 2022		
	USD	EUR	GBP	USD	EUR	GBP
Trade receivables	\$ 81	\$ 96	\$ 5	\$ 88	\$ 109	\$ 6
Bank loans	(210)		—	(960)	(80)	—
Trade payables	(71)	(89)	(32)	(116)	(123)	(24)

The Group's exposure to currency risk is limited as bank loans are all denominated in the same currency as the entity's functional currency, and the remaining exposure to trade receivables and payables is limited due to their short term nature and as they are denominated in stable currencies.

The Group is also exposed to currency risk through intercompany loans where the loan is denominated in a currency different to the entity's functional currency. Whilst the loans net off on consolidation the resulting FX remains in the consolidated results. Many of the loans are deemed to be 'quasi-equity' and therefore the exchange gains / losses remain in Foreign currency items reserve until the foreign operation is disposed of.

One of the significant intercompany loans between Venator Investments UK Limited and Venator Materials PLC, was the hedged item detailed in Note 33, Derivatives. In May 2023, we terminated the three existing cross-currency swaps, with no replacement swaps.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Financial instruments (continued)

iv). Market risk (continued)

The aggregate net foreign exchange (gains) / losses recognised in profit or loss were:

<i>(in millions)</i>	Year ended 31 December 2023	Year ended 31 December 2022
Net foreign exchange (gain) / loss included in other (income) / expense	\$ (3)	\$ 5
Exchange (gain) / loss on foreign financial assets, included in finance costs	13	(8)
Exchange (gain) / loss on cross-currency swaps, included in finance costs	(13)	23
Total net foreign exchange (gain) / loss recognised in profit before income tax for the period	\$ (3)	\$ 20

Interest Rate Risk

We are exposed to interest rate risk through the structure of our debt portfolio which includes a mix of fixed and floating rates. Actions taken to reduce interest rate risk include managing the mix and rate characteristics of various interest-bearing liabilities.

The carrying value of our floating rate debt is \$210 million at 31 December 2023 (2022: \$433 million). A hypothetical reasonable approximation of a 1% increase in interest rates on our floating rate debt as of 31 December 2023 would increase our interest expense by approximately \$2 million (2022: \$4 million) on an annualised basis.

Commodity Price Risk

A portion of our products and raw materials are commodities whose prices fluctuate as market supply and demand fundamentals change. Accordingly, product margins and the level of our profitability tend to fluctuate with the changes in the business cycle. We try to protect against such instability through various business strategies. These include provisions in sales contracts allowing us to pass on higher raw material costs through timely price increases and formula price contracts to transfer or share commodity price risk. We did not have any commodity derivative instruments in place as of 31 December 2023 and 2022.

Note 33. Derivatives

To reduce cash flow volatility from foreign currency fluctuations, we enter into forward and swap contracts to hedge portions of cash flows of certain foreign currency transactions. We do not use derivative financial instruments for trading or speculative purposes.

The Group has the following derivative financial instruments in the consolidated balance sheet:

<i>(in millions)</i>	As at 31 December 2023	As at 31 December 2022
Non-current liabilities		
Cross-currency swaps	\$ —	\$ 19
Hedging reserve - cost of hedging reserve	\$ —	\$ 1

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note 33. Derivatives (continued)

Cross-currency swaps

In August 2019, we entered into three cross-currency interest rate swaps which notionally exchanged \$200 million at a fixed rate of 5.75% for €181 million on which a weighted average rate of 3.73% was payable. The cross-currency swaps were designated as cash flow hedges of a fixed rate U.S. Dollar intercompany loan and the economic effect is to eliminate uncertainty on the U.S. Dollar cash flows.

During 2022, we entered into five transactions whereby, in each transaction, we terminated three existing cross-currency swaps and concurrently entered into three new cross-currency interest rate swaps resulting in total cash proceeds of \$24 million across all five transactions. As of 31 December 2022, we had three cross-currency interest rate swaps which notionally exchanged \$200 million at a fixed rate of 5.75% for €207 million on which a weighted average rate of 4.30% was payable. The cross-currency swaps have been designated as fair value hedges of a fixed rate U.S. Dollar intercompany loan. The cross-currency swaps were set to mature in July 2025, which was the best estimate of the repayment date on the intercompany loan.

We formally assessed the hedging relationship at the inception of the fair value hedge in order to determine whether the derivatives that were used in the hedging transactions were highly effective in offsetting changes in fair value attributable to the hedged item. We use the spot method to measure effectiveness of our cross-currency swap agreement, comparing the quarterly change in the spot exchange rates on the USD notional amount underlying the cross-currency swap designated hereunder and the quarterly change in spot exchange rates on the USD debt. Fair value changes attributable to the change in spot foreign currency rates are recognised in foreign exchange gain (loss), and reported in Other operating (income) expense, net in our consolidated statement of profit or loss, along with the offsetting gains and losses of the related hedged item. We have elected to exclude the forward interest rate differential from the assessment of hedge effectiveness in the fair value hedge and account for it as an excluded component, along with changes in the Company's credit risk (the credit risk of Venator is considered on the monthly mark to market position and incorporated into the valuation albeit as part of the excluded component).

The changes in fair value of the excluded component of the cross-currency swaps are recorded in Other comprehensive income (loss). In 2023, \$13 million was recognised as cost of hedging in other comprehensive income and subsequently \$14 million was reclassified to profit or loss when derivatives were terminated and debt was derecognised. As of 31 December 2023, cost of hedging reserve was nil.

The fair value of these cross-currency swaps were liabilities of nil and \$19 million at 31 December 2023 and 2022, respectively, and they were recorded as derivative financial instruments within non-current liabilities on our consolidated balance sheets. We estimate the fair values of our cross-currency swaps by taking into consideration valuations obtained from a third-party valuation service that utilises an income-based industry standard valuation model for which all significant inputs are observable either directly or indirectly. These inputs include foreign currency exchange rates, credit default swap rates and cross-currency basis swap spreads. The cross-currency swap has been classified as Level 2 because the fair value is based upon observable market-based inputs or unobservable inputs that are corroborated by market data.

In May 2023, we terminated the three existing cross-currency swaps, with no replacement swaps. During 2023 and 2022 the changes in the hedging reserves associated with these hedging activities was a loss of \$14 million and a gain of \$23 million, respectively.

Foreign currency contracts not designated as hedges

We transact business in various foreign currencies and we enter into currency forward contracts to offset the risk associated with the risks of foreign currency exposure. At 31 December 2023 and 31 December 2022 we had nil and \$71 million, respectively, notional amount (in U.S. dollar equivalents) outstanding in foreign currency contracts with a term of approximately one month. The contracts are valued using observable market rates (Level 2).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note 34. Provisions

The Group holds provisions for restructuring, asset retirement obligations, environmental remediation and legal matters.

<i>(in millions)</i>	Asset retirement obligations	Restructuring	Environmental reserves	Legal	Total
Balance at 1 January 2022	\$ 33	\$ 22	\$ 10	\$ —	\$ 65
Provisions made during the year	\$ 1	\$ 2	\$ —	\$ 6	\$ 9
Provisions used during the year	—	(14)	(5)	—	(19)
Provisions reversed during the year	—	—	(1)	—	(1)
Accretion expense	1	—	—	—	1
Change in estimate	(14)	(1)	—	—	(15)
Effects of movements in exchange rates	(2)	(1)	—	—	(3)
Held for sale	(6)	—	—	—	(6)
Balance at 31 December 2022	\$ 13	\$ 8	\$ 4	\$ 6	\$ 31
Non-current	\$ 13	\$ 1	\$ 4	\$ —	\$ 18
Current	—	7	—	6	13
	\$ 13	\$ 8	\$ 4	\$ 6	\$ 31
Balance at 1 January 2023	\$ 13	\$ 8	\$ 4	\$ 6	\$ 31
Provisions made during the year	\$ —	\$ 13	\$ —	\$ 1	\$ 14
Provisions used during the year	—	(5)	—	(4)	(9)
Provisions reversed during the year	—	(1)	—	—	(1)
Accretion expense	(3)	—	—	—	(3)
Change in estimate	(1)	—	—	—	(1)
Effects of movements in exchange rates	(1)	—	—	—	(1)
Balance at 31 December 2023	\$ 8	\$ 15	\$ 4	\$ 3	\$ 30
Non-current	\$ 8	\$ 11	\$ 4	\$ —	\$ 23
Current	—	4	—	3	7
	\$ 8	\$ 15	\$ 4	\$ 3	\$ 30

Unwinding of discount was immaterial in the years ended 31 December 2023 and 31 December 2022.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Provisions (continued)

Asset retirement obligations

Asset retirement obligations consist primarily of asbestos abatement costs, demolition and removal costs, leasehold remediation costs and landfill closure costs. Venator is legally required to perform capping and closure and post-closure care on the landfills and asbestos abatement on certain of its premises. For each asset retirement obligation, Venator recognised the estimated net present value of a liability and capitalised the cost as part of the cost basis of the related asset.

Restructuring

Venator has implemented various restructuring programs in an effort to reduce operating costs and improve our operating efficiency, which have included in some instances the planned or completed closure of sites within our manufacturing network, including manufacturing sites in Pori (Finland), Calais (France) and a partial closure in Duisburg, Germany.

We recorded restructuring charges in recent periods in connection with closing certain plant locations, workforce reductions and other cost savings programs in each of our business segments. These charges are recorded when management has committed to a plan and incurred a liability related to the plan. Estimates for plant closing costs include the write-off of the carrying value of the plant, any necessary environmental and/or regulatory costs, contract termination and demolition costs. Estimates for workforce reductions and other costs savings are recorded based upon estimates of the number of positions to be terminated, termination benefits to be provided and other information, as necessary. Management evaluates the estimates on a quarterly basis and will adjust the reserve when information indicates that the estimate is above or below the currently recorded estimate.

Of the \$16 million provision for restructuring as at 31 December 2023 (2022: \$8 million), nil relates to restructuring in Duisburg, Germany (2022: \$3 million), \$12 million relates to the restructuring in Pori, Finland (2022: \$2 million), \$3 million relates to the restructuring in Calais, France (2022: \$2 million) and nil relates to the plan to reduce selling, general and administrative expenses across all of our businesses (2022: \$2 million). See below for further details.

Company-wide Restructuring

In the fourth quarter of 2022, we implemented a plan to reduce selling, general and administrative expenses across all of our businesses. As part of the program, we recorded cash restructuring expense of \$2 million and \$2 million for the year ended 31 December 2023 and 31 December 2022, respectively, all of which related to employee benefits.

Titanium Dioxide Segment

In March 2017, we implemented a plan to close the white end finishing and packaging operation of our Titanium Dioxide manufacturing facility at our Calais, France site. The announced plan follows the 2015 closure of the black-end manufacturing operations and resulted in the closure of the entire facility. As part of the program, we recorded restructuring and plant closure expense of \$6 million and \$5 million for the years ended 31 December 2023 and 2022, respectively, all of which related to plant shutdown costs. As of 31 December 2023 we expected to incur additional plant shutdown costs of approximately \$1 million through 2024.

In September 2018, we implemented a plan to close our Pori, Finland Titanium Dioxide manufacturing facility. We recorded approximately \$14 million of restructuring expense and plant closing costs in the year ended 31 December 2023. Restructuring expense consists of \$1 million related to accelerated depreciation and \$13 million related to cash plant shutdown costs.

We recorded approximately \$18 million of restructuring expense and plant closing costs related to our Pori facility for the year ended 31 December 2022, of which approximately \$14 million was restructuring expense related to the plan and \$4 million was related to minimum annual quantities under a gas supply contract. Restructuring expense consists of \$2 million related to accelerated depreciation and \$12 million related to plant shutdown costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Provisions (continued)*Environmental reserves*

We accrue liabilities relating to anticipated environmental clean-up obligations, site reclamation and closure costs, and known penalties. Liabilities are recorded when we have a present obligation arising from a past event, it is either known or is considered probable (>50%) that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Our liability estimates are calculated using present value techniques as appropriate and are based upon requirements placed upon us by regulators, available facts, existing technology, and past experience. The environmental liabilities do not include amounts recorded as asset retirement obligations. As of 31 December 2023 and 2022, we had environmental liabilities of \$4 million and \$4 million, respectively. We may incur additional losses for environmental remediation. See "Note 26. Commitments and contingencies" for further detail on environmental proceedings.

Legal

We are subject to legal proceedings and claims arising out of our business operations. We routinely assess the likelihood of any adverse outcomes to these matters, as well as ranges of probable losses. A determination of the amount of the reserves required, if any, for these contingencies is made after analysis of each known claim. We have an active risk management program consisting of numerous insurance policies secured from many carriers. These policies often provide coverage that is intended to minimise the financial impact, if any, of the legal proceedings. The required reserves may change in the future due to new developments in each matter. See "Note 26. Commitments and contingencies" for further detail on legal proceedings.

35. Capital Management

The Group's objectives when managing capital are to:

- Maintain investor, creditor and market confidence as well as sustaining the future development of the business,
- Ensuring an appropriate return for shareholders and other benefits for stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital, manage financial risk, such as foreign exchange and interest risk, and provide appropriate liquidity to the business.

In order to maintain or adjust the capital structure, the Group may at any time, within the restrictions and requirements of its overall third-party debt agreements, adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the net leverage ratio:

- NET DEBT divided by Last Twelve Months ("LTM") EBITDA

Debt Covenants

Net debt to adjusted equity	As at	
(in millions)	31 December	31 December
	2023	2022
Debt	\$ 234	\$ 1,065
Less: Cash and cash equivalents	(73)	(114)
Net debt	\$ 161	\$ 951
Total Equity	\$ 411	\$ (396)
Less: hedging reserve	—	1
Adjusted Equity	\$ 411	\$ (395)
Net debt to adjusted equity ratio	0.39	(2.41)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Capital Management (continued)

Debt is defined by the Group as long and short-term borrowings and lease liabilities (excluding derivatives) as disclosed in notes 23 and 25. Net debt is defined as Interest bearing loans and borrowings and Lease liabilities after deducting Cash and cash equivalents.

The Group's share capital is comprised of one class of ordinary shares of \$0.001 each, the shares were previously listed on the New York Stock Exchange under the symbol "VNTR". On 15 May 2023, the Company was notified by the staff of NYSE Regulation that it had suspended trading in the Company's ordinary shares on the NYSE and determined to commence proceedings to delist the Company's ordinary shares from the NYSE. NYSE Regulation reached its decision that the Company is no longer suitable for listing pursuant to NYSE Listed Company Manual Section 802.01D after the Company filed the Chapter 11 Cases referenced above. Additionally, on 13 February 2024, the Company filed a Notice of Termination of Registration Under Section 12 (g) of the Securities Exchange Act of 1934.

As agreed to in the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code, the Company issued 107,941,929,020 shares of New Ordinary Shares to Holders of Claims entitled to receive New Ordinary Shares. The ordinary shares of the Company that were issued and outstanding prior to emergence from the Chapter 11 Cases have not been cancelled and remained issued and outstanding after the issuance of the New Ordinary Shares in connection with the equitization of allowable Claims under the Plan. The Company had 108,050,720,920 ordinary shares issued and outstanding following the dilutive issuance of the New Ordinary Shares in connection with the emergence of the Company from the Chapter 11 Cases.

On 21 December 2023, the shareholders of the Company approved, at the Company's General Meeting of Shareholders (the "GM"), a proposal to consolidate 108,050,720,916 ordinary shares of \$0.001 each in the issued share capital of the Company into 785,692 ordinary shares of \$137.523 (the "Share Consolidation"). The Share Consolidation took effect on 9 January 2024 as approved by the Board of Directors of the Company. At 31 December 2023, 108,050,720,916 shares were in issue (2022: 107,902,595). The shares carry no rights to fixed income and each share carries the right to one vote at general meetings. All shares are fully paid.

The Group's net debt to adjusted equity ratio at 31 December 2023 is 0.39 compared to negative 2.41 at 31 December 2022.

This increase in the proportion of debt financing relative to the Group's equity in the year is the result of undergoing comprehensive financial restructuring and recapitalization under under chapter 11 of title 11 of the United States Code, and restructuring \$1,289 million in external debt in exchange for 107,941,929,020 shares of the Company.

The Company is financed primarily through external financing in the form of a Term Loan and an ABL facility ("RCF"), which totals \$210 million at 31 December 2023 (2022: \$1.3bn). The decrease in external financing is a result of the previously discussed restructuring and recapitalization under under Chapter 11.

The Company engaged with the lenders during 2024 to put in place an additional \$200 million in term loans due July 2026, subject to compliance with the existing covenants under the Term Loan Credit Agreement, as well as new requirements, including delivery of a monthly 13 week cash flow projection with variance analysis from the prior month, weekly TiO₂ sales volumes, and monthly flash pricing of TiO₂ products, bringing the total balance of outstanding term loans to \$375 million (\$175 million due October 2028 and \$200 million due July 2026).

Further information on the external financing can be found within Note 23. Loans and borrowings and Note 36. Post balance sheet events.

36. Post balance sheet events

The following events have occurred since the balance sheet date of 31 December 2023:

Share Consolidation

On 9 January 2024, Venator Materials PLC completed its share consolidation on the basis of 1 new ordinary share of \$137.523 each (a "New Ordinary Share") for every 137,523 ordinary shares of \$0.001 each (the "Existing Ordinary Shares"). Pursuant to the Share Consolidation, every 137,523 issued Existing Ordinary Shares were consolidated into 1 New Ordinary Share resulting in the nominal value per New Ordinary Share of \$137.523.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Post balance sheet events (continued)

First Amendment to Term Loan Credit Agreement

On 16 January 2024, the Company, Venator Finance S.À R.L and Venator Materials LLC (the “Borrowers”), entered into the First Amendment to Term Loan Credit Agreement with the Term Loan Lenders for an incremental \$100 million fully committed delayed draw term loan due January 2026, with \$50 million drawn at close, and subsequent \$25 million drawdowns in June and July 2024, subject to compliance with the existing covenants under the Term Loan Credit Agreement, as well as new requirements, including delivery of a monthly 13 week cash flow projection with variance analysis from the prior month, weekly TiO₂ sales volumes, and monthly flash pricing of TiO₂ products.

Duisburg Transformation Plan

On 25 January 2024, the Board approved a transformational project at its Duisburg and Uerdingen manufacturing facilities, pursuant to which, among other actions and subject to relevant works council consultations, (1) the Duisburg FAD manufacturing facilities will be separated from the Duisburg TiO₂ manufacturing facilities, with the Duisburg central services remaining in operation to the extent required to operate the FAD manufacturing facilities, (2) know-how for the manufacture of certain differentiated and speciality grade TiO₂ products will be transferred from Duisburg to Uerdingen to permit such products to be manufactured there, and (3) the 50 kt TiO₂ manufacturing facilities at Duisburg that have recently operated at reduced rates will be indefinitely shut down and alternative industrial uses of the relevant portions of the Duisburg site will be considered. The Company has incurred \$23 million in expense for 2024 related to the transformation plan, in addition to \$3 million in capital costs. The Company expects \$47 million to be spent on the project through 2026.

Freeport, Texas Facility Storm Damage

On 8 July 2024, Hurricane Beryl made landfall in Gulf Coast of Texas resulting in structural and water damage to our Freeport, Texas timber treatment facility. The facility remained offline for a short period of time while damage was repaired and it was determined operations could safely resume. The cost to repair the facility was materially less than the insurance policy deductible, so no claim was made against the storm damage.

Sale of 50% Share in Louisiana Pigment Company

On 17 July 2024, the Company completed the sale of its 50% interest in the Louisiana Pigment Company (LPC) titanium dioxide manufacturing joint venture facility to its operating partner Kronos Worldwide, Inc. The Venator group received \$185 million in cash at completion (subject to working capital adjustments) with the opportunity to receive a potential earn-out payment of up to \$15 million based on Kronos’ Annual Average EBITDA, during an “Earn-Out Period” beginning on 1 January 2025 and ending on 31 December 2026.

Extinguishment of ABL Credit Agreement

In July 2024, as a consequence of the sale of the interest in LPC and the subsequent reduction of US based collateral, the Company extinguished the Exit ABL Credit Agreement and repaid the outstanding \$40 million at the time of the sale of LPC. The extinguishment incurred a \$3 million exit fee and write-off of \$4 million in related debt issuance costs in 2024.

Gasum Arbitration

On 15 November 2022, Gasum LNG Oy initiated an arbitration proceeding seeking payment of €34 million plus interest for all amounts allegedly owed under the supply agreement. On 5 June 2024, the arbitral hearing took place, and on 30 September 2024, the arbiter awarded that all claims made by Venator Finland were dismissed and Venator Finland is ordered to pay the claims as made by Gasum totalling €33 million, in addition to the legal fees of Gasum.

The Group has accrued \$33 million related to this matter all of which is current and has been included in Trade and other payables within Current liabilities on our consolidated balance sheet at 31 December 2023.

On 14 October 2024, Venator Finland filed its own application for bankruptcy with a District Court in Finland. On 15 October 2024, the court declared the Venator Finland bankrupt and appointed an attorney from DLA Piper Finland as the bankruptcy estate administrator. As a result of the appointment of the bankruptcy estate administrator the Company deconsolidated the Venator Finland subsidiary in accordance with IFRS standards, and the Group no longer retained control of the subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Post balance sheet events (continued)

Calais Pipeline Matter

A settlement was agreed between Venator and the Region on 25 April 2023, subject to certain conditions which are currently under final evaluation by the Region, pursuant to which Venator has agreed to transfer the Calais site to the Region and to make a payment to the Region of €2 million. In December 2024, the Group signed a deed of sale to transfer the site to the Region, along with the previously accrued €2 million. As of 31 December 2023, we have accrued \$2 million related to this matter.

Fifth Amendment to Term Loan Credit Agreement

On 31 December 2024, the Company, Venator Finance S.À R.L and Venator Materials LLC (the “Borrowers”), entered into the Fifth Amendment to Term Loan Credit Agreement with the Term Loan Lenders for an incremental \$100 million term loan facility due July 2026, subject to compliance with the existing covenants under the previously amended Term Loan Credit Agreement. Additionally, the amendment extended the due date of the \$100 million delayed draw term loan per the First Amendment to Term Loan Credit Agreement to July 2026.

Sixth Amendment to Term Loan Credit Agreement

The Term Loan Credit Agreement includes affirmative covenants including, among other things, the timely delivery annual financial statements. The Company breached the covenant for delivery of the 2023 annual financial statements, however, on 28 January 2025, the sixth amendment amended the Term Loan Credit Agreement to provide waiver extending the due to date of the 2023 annual financial statements to 31 March 2025. However, as a result of the breach, the Term Loans will be presented as current liabilities in the balance sheet as of 31 December 2024.

37. Ultimate controlling party

At 31 December 2023 Venator Materials PLC is the ultimate parent undertaking and ultimate controlling party of the Venator Group.

The company only results of Venator Materials PLC for the year ended 31 December 2023 have been consolidated in these consolidated financial statements.

38. Exemption from Audit by Parent Guarantee

The following UK subsidiaries of Venator Materials PLC are exempt from the requirement to obtain an audit of their individual statutory accounts for the year ended 31 December 2023, by virtue of s479A of the Companies Act 2006. Venator Materials PLC has issued guarantees for the following subsidiary companies under s479C Companies Act 2006.

Subsidiary Name	Registered Number
Venator Materials UK Limited	00832447
Venator International Holdings UK Limited	10407671
Venator Investments UK Limited	10417559
Venator Holdings UK Limited	10518724
Venator Materials International UK Limited	10408218
Venator P&A Holdings UK Limited	03767080
Venator Materials Services Limited	13476731
Venator Group Services Limited	00995450
Venator Group	00249759

The outstanding external liabilities at the balance sheet date of the following subsidiaries have been guaranteed pursuant to s479A to s479C of the Companies Act 2006:-

Venator Materials UK Limited - external liabilities with a book value of \$68 million as at 31 December 2023 (2022: \$55 million).

Venator Investments UK Limited - external liabilities with a book value of nil as at 31 December 2023 (2022: \$19 million).

None of the remaining entities covered by the Parent Company guarantee have any significant external liabilities.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Interests in other entities

The extent of the Group's ownership in its various subsidiaries, equity-accounted investees and their principal activities are as follows:

Indirect Investment	Principal Activity	Country of Registration and Operation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Venator International Holdings UK Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Materials International UK Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator P&A Finland Oy	Manufacturing entity	Finland	Titaanitie, 28840 Pori, Finland	100%
Venator Italy S.r.l	Manufacturing entity	Italy	Scarlino (GR), Localita' Casone SNC, CAP 58020	100%
Venator Asia Sdn. Bhd.	Manufacturing entity	Malaysia	Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia	100%
Venator P&A Spain S.L.U	Manufacturing entity	Spain	Poligono Nuevo Puerto, Palos de la Frontera, 21080 Huelva, Spain	100%
Venator South Africa Proprietary Limited	Holding company	South Africa	Suite 17 2nd Floor 201 Beacon Rock, 21 Lighthouse Road, Umhlanga Rocks, KWA-ZULU NATAL, 4320	100%
Venator Investments UK Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Holdings UK Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Far East Limited	Holding company	Hong Kong	30th Floor, Jardine House, One Connaught Place, Central, Hong Kong	100%
Venator Holdings Germany GmbH	Holding company	Germany	Sachtleben, StaBe 4, 47198, Duisburg	100%
Venator P&A Holdings UK Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Chemicals France SAS	Distributor	France	2 Rue du Languedoc, 91220 Bretigny Sur Orge	100%
Venator International France SAS	Holding company	France	203 Route de Wervicq, 59559 Comines, Cedex	100%
Venator Pigments France SAS	Manufacturing entity	France	203 Route de Wervicq, 59559 Comines, Cedex	100%
Venator Pigments Hong Kong Limited	Dormant	Hong Kong	30th Floor, Jardine House, One Connaught Place, Central, Hong Kong	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Interests in other entities (continued)

Indirect Investment	Principal Activity	Country of Registration and Operation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Venator Africa Pty Limited	Distributor	South Africa	Suite 17 2nd Floor 201 Beacon Rock, 21 Lighthouse Road, Umhlanga Rocks, KWA-ZULU NATAL, 4320	100%
Venator Belgium BV	Administrative and support services	Belgium	3078 Kortenberg, Everslaan 45	100%
Venator Materials UK Limited	Manufacturing entity	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Group Canada Inc.	Distributor	Canada	c/o Dentons Canada LLP, 1 Place Ville-Marie, Suite 3900, Montreal, H3B 4M7, Canada	100%
Venator Materials Services Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Germany GmbH	Manufacturing entity	Germany	Sachtleben, StaBe 4, 47198, Duisburg	100%
Venator Wasserchemie Holding GmbH	Holding company	Germany	Konigsberger Strasse 160487 Frankfurt am Main Germany	100%
Venator Uerdingen GmbH	Manufacturing entity	Germany	Sachtleben, StaBe 4, 47198, Duisburg	100%
Venator Shanghai Company Limited	Distributor	China	Room 804, Building B, No.500 of Ruby Road, Changning District, Shanghai 200336 P.R. China angning District, Shanghai	100%
Venator Americas Holdings LLC	Dormant	United States of America	Suite 600 10001 Woodloch Forest Dr The Woodlands, TX 77380	100%
Venator Group *	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Investments LLC	Holding company	Cayman Islands	c/o Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands	100%
Venator Chemicals LLC	Manufacturing entity	United States of America	Suite 600 10001 Woodloch Forest Dr The Woodlands, TX 77380	100%
Venator Nominees UK Limited *	Dormant	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator France SAS	Distributor	France	1 rue des garennes, 62100 Calais	100%
Venator Representação Comercial Brasil Ltda	Sales entity	Brazil	Alameda Caiapós, No 243, Ground floor, Suite A, Room 03 Barueri, São Paulo, 06460-110, Brasil	100%
Venator Pigments GmbH & Co.KG	Manufacturing entity	Germany	Muhlstrasse 118 Walluf 65396 Germany	100%
Oligo SA	Manufacturing entity	Spain	Poligono Industrial Nuevo Puerto, Calle Gobernador Angel Horcajadas s/n, Palos de la Frontera, 21810, Spain	75%

Venator Nominees UK Limited (03767301) is a dormant entity exempt from audit under s480 of the Companies Act 2006 and are exempt from the requirement to prepare and/or file accounts at Companies House (s364A-C and s448A-C respectively).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Interests in other entities (continued)

Indirect Investment	Principal Activity	Country of Registration and Operation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Viance LLC	Joint venture - distributor	United States of America	Suite 600 10001 Woodloch Forest Dr The Woodlands, TX 77380	50.001%
Pacific Iron Products Sdn Bhd	Joint venture - manufacturing entity	Malaysia	Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia	50%

Direct Investment	Principal Activity	Country of Registration and Operation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Venator Materials LLC	Distributor	United States of America	Suite 600 10001 Woodloch Forest Dr The Woodlands, TX 77380	100%
Venator Finance S.a.r.l	Holding company	Luxembourg	8 - 10 Avenue de la Gare Luxembourg L-1610 Luxembourg	100%

All direct and indirect subsidiaries are included in the consolidation of Venator Materials PLC other than the following non wholly owned investments where Venator Materials PLC is not the controlling party and therefore these are accounted for using equity accounting.

Indirect Investment	Reason for non consolidation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Louisiana Pigment Company L.P #	Operations of the joint venture are under the direction of a supervisory committee on which each partner has equal representation. (2 partners both 50% shareholdings)	P.O. Box 70, 3300 Bayou D'Inde Road, Westlake, LA 70669-9638	50%

- On 17 July 2024, the Company completed the sale of its 50% interest in the Louisiana Pigment Company (LPC) titanium dioxide manufacturing joint venture facility to its operating partner Kronos Worldwide, Inc

Venator Group has branches outside of the UK, these branches are operating locations outside of the registered office for a number of indirect subsidiaries listed above. The following are branches within the Venator Group: Netherlands, Singapore, Hong Kong, India and Korea. The branch in Russia closed within the year to 31 December 2023.

Annual Report and Financial Statements, for the year ended 31 December 2023

STATEMENT OF FINANCIAL POSITION (PARENT COMPANY)

As at 31 December 2023

	Note	2023 \$'000	2022 \$'000
Fixed assets			
Tangible assets	10	\$ 744	\$ 972
Investments:			
Shares in group undertakings	11	652,569	565,269
		\$ 653,314	\$ 566,241
Current assets			
Debtors - due within one year	12	\$ 97,975	\$ 7,737
Debtors - due after one year	12	8,432	2,319
Cash at bank and in hand	13	1,857	343
		\$ 108,264	\$ 10,399
Creditors: Amounts falling due within one year	14	(14,970)	(30,270)
Net current assets / (liabilities)		\$ 84,862	\$ (22,190)
Total assets less current liabilities		\$ 746,607	\$ 546,370
Creditors: Amounts falling due after one year	15	(180,417)	(975,000)
Net assets / (liabilities)		\$ 566,190	\$ (428,630)
Capital and reserves			
Called up share capital	18	\$ 108,051	\$ 108
Share premium account		1,291,191	1,291,192
Share option reserve	19	—	36,440
Nondistributable reserve		1,641	—
Profit and loss account*		(834,693)	(1,756,370)
Total shareholder's funds / (deficit)		\$ 566,190	\$ (428,630)

* As permitted by section 408 of the Companies Act 2006, the Company has elected not to present its own profit and loss account for the year. The Company reported net income for the financial year ended 31 December 2023 of \$782 million (2022: loss of \$959 million). In addition, the Company has taken advantage of the legal dispensation contained in Section 408 of the Companies Act 2006 allowing it not to publish a separate statement of comprehensive income.

STATEMENT OF FINANCIAL POSITION (PARENT COMPANY) (CONTINUED)

The notes on pages 207 to 232 are an integral part of these financial statements.

These Financial Statements of Venator Materials PLC (registered number 10747130) were approved by the board of directors and authorised for issue on 19 February 2025.

Signed on behalf of the board of directors

E. Bryan Snell
Director
19 February 2025

Annual Report and Financial Statements, for the year ended 31 December 2023

STATEMENT OF CHANGES IN EQUITY (PARENT COMPANY)

As at 31 December 2023

	Note	Called up share capital \$'000	Share premium account \$'000	Share option reserve \$'000	Non- distributable reserve \$'000	Profit and loss account \$'000	Total \$'000
At 1 January 2022		\$ 107	\$1,291,192	\$ 28,613	—	\$ (797,318)	\$ 522,594
Loss for the financial year		—	—	—	—	(959,052)	(959,052)
Other comprehensive income		—	—	—	—	—	—
Total comprehensive expense		\$ —	\$ —	\$ —	—	\$ (959,052)	\$ (959,052)
Issue of share capital, net of issue costs		1	—	—	—	—	1
Credit to equity for equity settled share-based payment		—	—	—	—	—	—
Share-based payment credit		—	—	7,827	—	—	7,827
At 31 December 2022		\$ 108	\$1,291,192	\$ 36,440	—	\$ (1,756,370)	\$ (428,630)
Net income for the financial year		—	—	—	—	782,448	782,448
Other comprehensive income		—	—	—	—	—	—
Total comprehensive income		\$ —	\$ —	\$ —	—	\$ 782,448	\$ 782,448
Issue of share capital, net of issue costs	18	1	—	—	—	—	1
Debit to equity for equity settled share-based payment		—	(1)	—	—	—	(1)
Activity related to issuance of common stock to creditors in connection with the Plan	2	107,942	—	—	1,641	96,074	205,657
Share-based payment credit	19	—	—	6,715	—	—	6,715
Release of share option reserve		—	—	(43,155)	—	43,155	—
At 31 December 2023		\$ 108,051	\$1,291,191	\$ —	1,641	\$ (834,693)	\$ 566,190

Reserves

Share premium account - This reserve represents the capital provided from the Parent Company as consideration for the transfer of subsidiary investments.

Capital contribution reserve - This reserve represents the capital provided from the Parent Company as consideration for the transfer of subsidiary investments.

Share option reserve - This reserve represents the share-based payment expense recognised in profit or loss in respect of the share awards granted by the Company. Refer to note 19 for further details.

Non-distributable reserve - This reserve represents the portion of equity which is not available for distribution to shareholders and would be realised on sale or impairment of the associated asset.

Profit and loss account - This represents the cumulative profits and losses of the Company, net of any dividends payable.

The notes on pages 207 to 232 are an integral part of these Financial Statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

GENERAL INFORMATION

Venator Materials PLC is a public company limited by shares and was incorporated on 28 April 2017, in the United Kingdom and registered in England and Wales under the Companies Act 2006. The address of the registered office is Titanium House, Hanzard Drive, Wynyard Park, Stockton on Tees, England, TS22 5FD. The nature of the Company's operations is to act as the holding and financing company for its subsidiary entities. The Venator Group is a global manufacturer and marketer of differentiated chemicals.

The following notes to the financial statements relate to the Parent Company only.

1. ACCOUNTING POLICIES

i. Basis of preparation

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102") and applicable legislation as set out in the Companies Act 2006 and SI 2008/410 'The Large and Medium-sized Companies and Groups (Accounts and Reports) 2008'. These financial statements have been prepared under the historical cost convention.

These notes to the financial statements have been prepared for the Company as an individual reporting entity.

These financial statements are presented in United States Dollars ("USD") because that is the Company's functional currency, being the currency of the primary economic environment in which the Company operates.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions that have been complied with.

Accordingly in preparing these financial statements, the Company has taken advantage of the following exemptions:

- to present a statement of cash flows, as required by Section 7 'Statement of Cash Flows' and Section 3 'Financial Statement Presentation' paragraph 3.17 (d);
- to disclose transactions with other group entities that are wholly owned subsidiaries within the Group as required by Section 33 "Related Party Disclosures", paragraph 33.7; and
- to present a reconciliation of the number of shares outstanding at the beginning and at the end of the period for each class of share capital, as required by Section 4 'Statement of Financial Position' paragraph 4.12(a)(iv).
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26 (in relation to those cross-referenced paragraphs from which a disclosure exemption is available), 12.27, 12.29(a), 12.29(b), and 12.29A.

The Companies Act 2006 allows a qualifying entity certain disclosure exemptions, subject to certain conditions that have been complied with.

Accordingly in preparing these financial statements, the Company has taken advantage of the following exemptions:

- to present a profit or loss account by the Company as permitted by Section 408 of the Companies Act 2006; and
- the Company's dormant subsidiaries, Venator Group (company registration no. 00249759) and Venator Nominees UK Limited (company registration no. 03767301), are exempt from audit for the year ended 31 December 2023 by virtue of s479A Companies Act 2006.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

ii. Going concern

The Group and the Company have the same going concern considerations. Based on the global market recovery, normalized energy cost, margin recovery and other factors stated in the forecast scenario, including the availability of reasonable mitigating actions available to management, the Directors believe there is a reasonable expectation that Venator has adequate resources to continue to operate for the foreseeable future, being a period of at least 12 months from the approval of the 2023 financial statements, and that the Directors have no intent to either liquidate or cease the Group or the Company's operations. We have identified the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue to adopt the going concern basis of accounting in preparing these financial statements, and the financial statements do not include adjustments that would result if we were unable to continue as a going concern. For further details of the judgement and assumptions made by the Directors in this assessment and the nature of the material uncertainty identified are disclosed at Note 2 Basis of accounting - Going Concern in the Consolidated Financial Statements

The Group and Parent Company meet their day to day working capital requirements through the Group's bank facilities.

The Group operates an annual budget process. The Group's budgets, and risks to their achievement are reviewed by the Board and, once approved are used as the basis for monitoring the Group's performance, incentivising employees, and providing external guidance to shareholders. The processes for identifying and managing risk are described in the Strategic Report which forms part of the consolidated financial statements.

Period of assessment

In accordance with the requirements of the FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, paragraph 3.8, the Directors have undertaken a comprehensive going concern review over the next 12-month period after the issuance of these financial statements, considering the forecast cash flows and the available liquidity of the Group over that 12-month period, taking into account the Group's principal risks and uncertainties.

iii. Foreign currency

Transactions denominated in foreign currencies are translated into the functional currency, US dollars, at the exchange rates ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into US dollars at the closing exchange rate ruling at that date. These translation differences are recognised in profit or loss. Non-monetary assets and liabilities measured at historical cost are translated using the exchange rate at the date of the transaction.

iv. Interest receivable

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount receivable can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable to the financial asset. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

v. Interest payable

Interest payable is recognised when it is probable that the economic benefits will flow from the Company and the amount payable can be measured reliably. Interest payable is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable to the financial liability. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial liability to the liability's net carrying amount on initial recognition.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

vi. Taxation

The tax expense represents the sum of current tax payable and deferred tax. Tax is recognised in profit or loss except where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, and in which case the resulting current or deferred tax expense (or income) is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense (or income).

Current tax

Current tax is the amount of income tax payable (or recoverable) in respect of taxable profit for the year or prior years and is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is the tax expected to be payable (or recoverable) in respect of all timing differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred. Timing differences are differences between the Company's taxable profits and total comprehensive income as stated in the Financial Statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

vii. Tangible fixed assets

Tangible fixed assets are recognised at cost less accumulated depreciation and any provision for impairment and include leasehold improvements, fixtures and fittings, computer hardware equipment and assets under construction. Assets under construction are carried at cost, less any provision for impairment. Depreciation is not recognised on assets under construction until the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of the assets less their residual values over their useful lives, using the straight-line method, using the following basis:

- Leasehold improvements 15 years
- Fixtures and fittings 15 years
- Computer hardware equipment 3 years

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

viii. Investment in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost less any provision for impairment.

In the case of a waiver of intercompany debt between the Parent and the subsidiary, the transaction will be accounted for as an increase in the investment in the subsidiary by the Parent.

ix. Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds basic financial instruments only. The Company has chosen to apply the recognition and measurement provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 in respect of its financial instruments.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except where the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Transaction fees receivable, or transaction costs payable, are included as a deduction to the initial carrying amount of the financial asset, or liability.

Financial assets and liabilities are only offset when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Financial assets, comprising of amounts owed by group undertakings, are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities

Financial liabilities, comprising of loans and borrowings, trade creditors and amounts owed to group undertakings, are subsequently measured at amortised cost using the effective interest rate method. Liabilities are classified as current liabilities if the amount is due within one year or less, or as non-current liabilities if the amount is payable in more than one year from the reporting date.

x. Impairment of assets

Assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

A non-financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value-in-use. Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

The Company assesses assets or groups of assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Individual assets are grouped, for impairment assessment purposes, at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets (cash generating units or CGUs). If such indication of impairment exists or when annual impairment testing for an asset group is required, the Company makes an estimate of the recoverable amount.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

x. Impairment of assets (continued)

The recoverable amount of an asset or CGU is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined with reference to the CGU to which the asset belongs.

Impairment losses are recognised in the profit or loss within operating costs.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date. The impairment loss is recognised in profit or loss.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Any impairment reversal is recognised in profit or loss.

xi. Equity instruments

Ordinary shares are classified as equity where the instrument evidences a residual interest in the assets of the Company after deducting all of the Company's liabilities. Incremental costs directly attributable to the issue of ordinary shares are shown as a deduction in equity, net of tax, from the proceeds.

xii. Employee benefits

The Company provides benefits to its employees, being the directors, including salary and share-based payment awards.

Short-term benefits

Short-term benefits, including salary, are recognised as an expense in the period in which the service is received.

Share-based payments

The Company issues equity-settled share-based payments to the directors of the Company. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is recognised as an expense in profit or loss on a straight-line basis over the vesting period. The credit is recognised as a separate reserve within equity.

The fair value of each stock option award and restricted share award is estimated on the date of grant using the Black-Scholes valuation model.

xiii. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

xiv. Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Going concern

The Directors have assessed the Parent Company's ability to continue as a going concern and therefore the appropriateness of the going concern basis of preparation. The Directors have determined that the going concern basis is appropriate but have identified a material uncertainty with respect to going concern. This is a critical accounting judgement, further details of the judgement and assumptions made by the Directors in this assessment and the nature of the material uncertainty identified are disclosed at Note 2 Basis of accounting - Going Concern in the Consolidated Financial Statements.

Assessment of Related Parties

The Company evaluated the new ownership structure after to the emergence from Chapter 11 in accordance with FRS 102, Section 13, which considers a rebuttable presumption of a 20% threshold for significant influence as noted per FRS 102, Section 14. The Group evaluated each of the new equity owners, noting that no one single shareholder owns more than 25%, limiting their ability to significantly influence our operations. Furthermore, per the terms of the shareholder agreement, for each 15% of shares held by a shareholder, that shareholder is allowed to appoint one and remove one director. This clause in the shareholder agreement effectively does not allow any one shareholder to hold a significant influence over the Company, therefore the Company has concluded there are no related party relationships as a result of the new ownership structure.

Recoverability of intercompany receivables

Recoverability of intercompany receivables – the Company assesses the recoverability of intercompany debtors on an annual basis. Intercompany obligations under are collateralized at the subsidiary level by our investment in those subsidiaries, which in turn hold substantially all of the assets of Venator, in each case subject to certain exceptions. – refer to note 12.

During the year ended 31 December 2023, the Company loan balance is nil. During the year ended 31 December 2022 the Company has a loan of \$435 million that was later impaired down to nil, in light of the financial difficulties of the Group and the Chapter 11 filing.

Gain on Retirement of Debt

On 12 October 2023, the Company filed a Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to chapter 11 of the Bankruptcy Code (the "Plan"), upon which the Plan became effective in accordance with its terms and the Debtors emerged from Chapter 11. In accordance with the Plan, all outstanding obligations under the Term Loan Facility, Senior Secured Notes, Senior Unsecured Notes, the DIP Facility, and related accrued interest, including the applicable indentures, credit agreements and guarantees governing such obligations, totalling \$1,289 million were cancelled in return for New Ordinary Shares. There was a total of 107,941,929,020 shares issued to the Holders of Claims (the "Holders"), which resulted in transfer of 99.9% of the ownership in the Company to the Holders.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Each tranche of debt was acquired by the Parent from either Venator Finance S.a.r.l or Venator Materials LLC in exchange for cash consideration, as well as an Exit Backstop Commitment Premium that was exchanged for the equity of Venator Materials PLC to secure a new loan amount on emergence that was taken by the Group's direct subsidiary Venator Finance S.a.r.l. The cash consideration equated to the par value of shares which were subsequently subscribed to by the former debt holders. However, the shares issued are paid for in cash which is left on account, the amounts owed between the Parent and the former debt holders for the debt and the shares were then offset. The Parent obtained 3 receivables as a result of the transaction, and per FRS 102, Section 12, these should be recognised at fair value. As the amount paid to obtain the debt is, in substance, settled through the issuance of shares, the fair value of these shares was determined to be an appropriate measure of the fair value of each tranche of debt. The fair value of the shares was determined by apportioning the total fair value of the Company's equity.

All the intercompany debt acquired by the Parent from Venator Finance S.a.r.l and Venator Materials LLC was recognized directly in equity, however, after being transferred to the PLC and settled for shares issued at par value, the portion of the intercompany debt owed from Venator Materials LLC to the Parent was subsequently waived. The waiving of intercompany debt was accounted for as a capital contribution in accordance with FRS 102, Section 6, which was resulted in an increase in the investment of \$87 million. As there is no formal guidance to account for the waiving of intercompany debt, this conclusion is a critical accounting judgement for the entity.

As the Holders effectively received 99.9% ownership of the Company after emergence, the Company valued the equity issued based on the enterprise value (EV) of the Company using a valuation analysis of the Company performed by Moelis & Company LLC as part of the bankruptcy process. Moelis calculated a total distributable value of the Company of \$588 million as disclosed in the Disclosure Statement Relating to the Joint Prepackaged Plan of Reporganization of Venator Materials PLC. This the amount used as the Equity Value of the Successor entity emerging from bankruptcy, having been agreed to by the Holders as part of the prepackaged bankruptcy, and was highly scrutinized and challenged by a third party, before being agreed to in court. In preparing its valuation, Moelis performed a variety of financial analyses and considered a variety of factors, which consisted of (a) a discounted cash flow analysis, (b) a selected publicly traded companies analysis, and (c) a selected transactions analysis. A change in the valuation of 10% would have a \$12 million impact on the gain on retirement of debt.

Key sources of estimation uncertainty

The following are the key areas of estimation uncertainty that may have a significant risk of causing material adjustments to the carrying value of assets and liabilities within the next financial year.

Impairment testing - investment in Group undertakings

Where there are indicators of impairment, management performs an impairment assessment. Recoverable amounts for cash generating units are the higher of fair value less costs of disposal and value in use. Value in use is calculated from cash flow predictions based on the Group's 5 year forecasts and extrapolated beyond the five years based on normalised EBITDA. Key estimates and sensitivities for impairment of investment in Group undertakings are disclosed in Note 11.

3. SEGMENTAL REPORTING

The Company's principal activity is to act as a holding and financing company for subsidiary entities and other group entities. The chief operating decision-maker ("CODM") for the Company is the Board of Directors. The Directors have determined that the Company has one reportable operating segment that relates to the provision of services for acting as a holding and financing company.

The Company operates in one geographical market, being the United Kingdom.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

4. LOSS BEFORE TAXATION

	Year ended 31 December 2023 \$'000	Year ended 31 December 2022 \$'000
This is stated after charging/(crediting):		
Impairment of investment in subsidiaries	\$ —	\$ 513,061
Impairment on loan	—	435,000
Legal settlement	—	(85,000)
Employee benefits (note 5)	7,108	9,276
Depreciation of tangible fixed assets (note 10)	246	556
Fees payable to the Company's auditor for the audit of the UK consolidated Financial Statements	2,879	2,805
Fees payable to Company's auditor and its associates for other services:		
• Due diligence and S1/3 filings	—	—
• Audit related assurance services	—	—
• Taxation compliance services	118	149
• Taxation advisory services	68	12
Foreign exchange (gain) / loss	(4,435)	2,443

Venator Materials PLC received \$85 million from a legal settlement with Tronox on 25 April 2022.

5. EMPLOYEE BENEFITS

The Company does not have any employees as at 31 December 2023 and 31 December 2022.

6. DIRECTORS' EMOLUMENTS

	Year ended 31 December 2023 \$'000	Year ended 31 December 2022 \$'000
Director's emoluments		
Executive director:		
Emoluments	\$ 2,539	\$ 1,893
Amounts receivable (other than shares and share options) under long-term incentive schemes	—	2,625
Sums paid to directors in lieu of company defined benefit pension contributions	604	152
	\$ 3,143	\$ 4,670
Non-executive directors	1,916	1,086
	\$ 5,059	\$ 5,756

The Company has only one executive director (highest paid director) who is remunerated through a subsidiary of the Company, Venator Materials UK Limited. The emoluments are disclosed above.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

Remuneration of the highest paid director:

The executive director is a member of three defined benefit pension schemes within the group (Tioxide Pension Fund, Huntsman Global Pension Fund and Huntsman Top-Up Payment); the present value of the accumulated benefits under the three schemes was \$3 million (2022:\$2 million) at the end of the year.

The executive director did not exercise any share options in the year.

The director has no accrued benefits under a defined contribution scheme.

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 31 December 2023 \$'000	Year ended 31 December 2022 \$'000
Interest receivable - intergroup	\$ 38,391	\$ 24,629
Interest receivable - investment income	6	67
	<u>\$ 38,397</u>	<u>\$ 24,696</u>

8. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 31 December 2023 \$'000	Year ended 31 December 2022 \$'000
Interest payable - intergroup	\$ 36,835	\$ 61,018
Interest payable - loans and borrowings	1,702	2,976
Debt issue costs - amortisation	1,145	842
Bank charges	319	393
Other intergroup finance charges	1,121	5,130
	<u>\$ 41,122</u>	<u>\$ 70,359</u>

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

9. TAXATION ON PROFIT

	Year ended 31 December 2023 \$'000	Year ended 31 December 2022 \$'000
Analysis of tax charge		
Current taxation impact		
UK corporation tax charge	\$ —	\$ —
Foreign tax charge for the year	8	14
	<u>\$ 8</u>	<u>\$ 14</u>
Deferred taxation impact		
Timing differences, origination and reversal	—	—
Origination and reversal of timing differences	—	—
Current year deferred tax charge related to pension credit	—	—
Impact of rate change	—	—
	<u>\$ —</u>	<u>\$ —</u>
Total tax on profit/loss	<u><u>\$ 8</u></u>	<u><u>\$ 14</u></u>

The standard rate of tax applied to reported profit/loss is 25.00% (2022: 19.00%).

In the April 2023 the Corporation Tax Rate increased from 19% to 25% for companies with profits over £250,000. For companies with profits under £50,000 the Corporation Tax Rate applied is 19%, and those with profits will pay tax at the main rate of 25%, reduced by marginal relief. Deferred tax balances as at 31 December 2023 have been measured at a rate of 25% (2022: 25%).

There is no expiry date on timing differences, unused tax losses or tax credits.

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NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

9. TAXATION ON PROFIT (CONTINUED)

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	Year ended 31 December 2023 \$'000	Year ended 31 December 2022 \$'000
Profit (loss) before tax	\$ 782,441	\$ (959,052)
Tax at standard UK corporation tax rate of 25.00% (2022: 19.00%)	195,610	(182,219)
Effects of:		
Expenses not deductible for tax purposes	5,530	990
Share option charge non deductible	1,777	1,676
Impairment of investments in subsidiary	—	97,482
Impairment of loan in subsidiary	3,191	82,650
Internalised DIP new money claims release	(213,707)	—
Unrecognised deferred tax assets	7,606	(1,610)
Group relief surrendered free of charge	—	1,045
Total tax charge for year	8	14

Deferred Tax

The Company has unrecognised deferred tax assets of \$1 million (2022 - \$1 million) in relation to fixed assets, \$5 million (2022: \$7 million) in relation to short-term timing differences and \$14 million (2022 - \$8 million) in relation to losses carried forward to future periods. These balances have no expiry dates and have not been recognised due to the uncertainty of taxable profits in the foreseeable future.

Pillar Two

For the year ended December 2023 Venator has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Company neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

On 11 July 2023, the government of the U.K., where Venator's Parent Company, Venator Materials PLC, is incorporated, enacted the Pillar Two income taxes legislation, effective from 1 January 2024. Under the legislation Venator Materials PLC is subject to the Pillar Two regime and will be required to pay in the U.K., Multinational top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15 percent.

Venator plans to utilize the transitional safe harbour for accounting periods beginning on or before 31 December 2026, starting in 2024. Preliminary analysis indicates that Venator expects to pass at least one safe harbour test in most countries. Each country that may fail all safe harbour tests has a statutory tax rate above the 15 percent minimum tax rate. As a result, Venator believes it has an immaterial risk of top-up tax.

The Group is continuing to assess the impact of the Pillar Two income tax legislation on its future financial performance.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

10. TANGIBLE FIXED ASSETS

	Leasehold improvements \$'000	Fixtures and fittings \$'000	Computer hardware equipment \$'000	Total \$'000
Cost				
At 1 January 2023	\$ 1,988	\$ 176	\$ 9,858	\$ 12,022
Additions	—	—	—	—
Transfers of assets into use	—	18	—	18
Balance at 31 December 2023	\$ 1,988	\$ 194	\$ 9,858	\$ 12,040
Accumulated depreciation				
At 1 January 2023	\$ (1,288)	\$ (64)	\$ (9,698)	\$ (11,050)
Charge for the year	(160)	(13)	(73)	(246)
Balance at 31 December 2023	\$ (1,448)	\$ (77)	\$ (9,771)	\$ (11,296)
Net book value				
Balance at 31 December 2023	<u>\$ 540</u>	<u>\$ 117</u>	<u>\$ 87</u>	<u>\$ 744</u>
Balance at 31 December 2022	<u>\$ 700</u>	<u>\$ 112</u>	<u>\$ 160</u>	<u>\$ 972</u>

Leasehold improvements are related to the Venator Headquarters based at Wynyard, Stockton on Tees which is leased by Venator Materials UK Limited.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS - SHARES IN GROUP UNDERTAKINGS

Direct subsidiaries

The Company holds direct interests in the two subsidiaries detailed below:

	Subsidiary Undertakings	
	At 31 December 2023	At 31 December 2022
	\$'000	\$'000
Cost		
As at January 1	\$ 1,581,351	\$ 1,581,351
Cost increase in investment	87,300	—
As at December 31	<u>1,668,651</u>	<u>1,581,351</u>
Provisions for impairment		
As at January 1	1,016,082	503,021
Impairment charge in the year	—	513,061
As at December 31	<u>\$ 1,016,082</u>	<u>\$ 1,016,082</u>
Net book value		
As at December 31	<u>\$ 652,569</u>	<u>\$ 565,269</u>
The Company holds investments in two subsidiary undertakings, Venator Finance S.a.r.l and Venator Materials LLC, analysed as followed:		
Venator Finance S.a.r.l	\$ 346,051	\$ 346,051
Venator Materials LLC	306,518	219,218
	<u>\$ 652,569</u>	<u>\$ 565,269</u>

The Company owns 100% of the equity share capital of Venator Finance S.a.r.l, being 10,000 EUR 1.00 ordinary shares. The Company was incorporated in Luxembourg and its registered office is 8-10 Avenue de la Gare, L-1610, Luxembourg.

The principal activities of Venator Finance S.a.r.l is the acquisition of participations. The Company may lend funds including the proceeds of any borrowings and/or issue of debt securities to its affiliated companies or any other company.

The Company owns 100% of the equity share capital of Venator Materials LLC, being 10,000 USD 1.00 ordinary shares. The Company was incorporated in the USA and its registered office is 10001 Woodloch Forest Drive, The Woodlands, Texas 77380, USA.

The principal activity of Venator Materials LLC is to act as a holding and financing company for the US subsidiary entities of the Venator Group.

As a result of the retirement of debt due to the Chapter 11 bankruptcy restructuring a portion of the external debt held by Venator Materials LLC was transferred to the Parent and subsequently waived. The waiving of intercompany debt was accounted for as a capital contribution in accordance with FRS 102, Section 6, which was resulted in an increase in the investment of \$87 million.

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NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS - SHARES IN GROUP UNDERTAKINGS (CONTINUED)

Impairment

Following a full impairment assessment no impairment loss has been recorded in 2023 (2022: \$513 million) against the value of the direct investments. The recoverable value of the investment was determined after considering the value of intercompany receivables due from subsidiaries of the entity.

The Company considers each direct investment along with the indirect investments to be a CGU and each CGU is reviewed annually for indicators of impairment.

Where indicators of impairment are identified, an impairment assessment is undertaken. In assessing whether an investment has been impaired, the carrying amount of the investment is compared to its recoverable amount. The recoverable amount is the higher of its fair value less costs of disposal and its value in use.

During the years ended 31 December 2023 and 2022, we identified indicators that the investments might not be recoverable. Such indicators include market capitalisation below the value of net assets for the Group, a further fall in the share price and a significant deterioration in market conditions.

For the purpose of estimating the value in use of CGUs, management has used a discounted cash flow approach. The calculations use cash flow projections based on forecasts approved by management covering a three-year period including management's best estimate about future developments and market assumptions. The key assumptions used by management in the value in use calculations were:

Discount rates

The discount rate used in the 2023 impairment review used the capital asset pricing model to estimate the cost of equity. All relevant premia (including size premia and any company-specific risk, as relevant) was considered and a separate discount rate was estimated for the different geographies (thereby incorporating company specific risk).

The discount rate used for the investment in Venator Finance S.a.r.l and its subgroup (non-US business) of 14.62% is a weighted average of the other applicable discount rates, taking into account that the majority of the non-US side of the business is within Europe and that the outlier rates (South Africa) only represent a small portion of the non-US side of the business. The applicable discount rates calculated for the respective locations were as follows:

- Europe - 14.3%
- Malaysia - 15.5%
- South Africa - 17.1%

The discount rate applied for the impairment review of the investment in Venator Materials LLC (US side of the business) of 13.5% is the same US rate used for the TiO2 US CGU in the IFRS consolidated impairment review.

Terminal value

The terminal value is based on a multiple of 6x which represents a midpoint in the peer group's range of (derived from S&P Capital IQ) NTM ("Next Twelve Months") EBITDA multiples.

The peer group multiples have been typically above that of Venator until November 2022 when Venator's NTM EBITDA declined from approximately \$200 million to approximately \$50 million, decoupling Venator's EBITDA multiple from the peers. Venator's multiple remained above 20x into March 2023 where data was no longer available, with Venator later delisting. This is not likely reflective of a sustainable multiple for the business and Management have therefore discounted using this multiple for the impairment test.

The 5-year peer median trading multiple up to January 2024 was between 5.6x and 6.8x. Management believes taking into account the average multiple for Venator of 6.6x as of 31st December 2022 prior to the delisting, and the peer median of between 5.6x and 6.8x, that using a midpoint of the peer median range of 6x is a reasonable estimate for a normalised multiple to apply to the discounted cash flows (normalised cash flows).

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NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS - SHARES IN GROUP UNDERTAKINGS (CONTINUED)

Impairment (continued)

EBITDA

EBITDA is used as an estimate for the cash flows of the business and is deemed an appropriate measure to use as it removes the non-cash operating expenses.

Nominal cash flows are used in the model - the EBITDA is forecast on a nominal basis and therefore by definition the assessment of the normalised EBITDA to capitalise is also nominal.

Management have produced the 2024 budget and forecasts covering a 3 year period. The budget and forecasts were approved by the board in January 2024. These approved forecasts form the basis for the EBITDA used in the impairment reviews.

Beyond the 3 year budget / forecast period a normalised EBITDA has been used for the cash flows through year 10 plus the terminal value as this equalises out the cyclical nature of the business.

Climate change

Venator is in the early stages of assessing the impact of climate change at an individual site level and determining all actions needed in order to meet the climate change targets set by the Company. As such it is not possible at this stage to factor the impact of climate change into the EBITDA and cash flows forecasts for the Group therefore no impact has been factored in for the purposes of the 2023 impairment review models.

Other cash items

The capex cash flow includes maintenance / sustenance capital expenditures, and excludes capex to support the implementation of business improvement projects including growth. The working capital needs are consistent with the forecast assumptions. Beyond the 3 year period, the working capital needs reach a normalised level. Restructuring is based on management's best estimates and past experience and pension cash flows are estimated based on the latest actuarial report.

Approved forecast period

Forecast cash flows for the initial three-year period are based on actual cash flows for the current year and applying assumptions around the market conditions and growth assumptions in light of the current global economic climate and energy crisis.

The key assumptions used by management in setting the financial forecasts for the initial three-year period were as follows:

Forecast EBITDA: Forecast growth rates in volume and price taking into account changes in the market and predictions from industry commentators (TZMI). Manufacturing sites are operating within their name plate capacities and are therefore able to meet demand. Operating profits are forecast based on historical experience of TiO₂ cycles, operating margins, adjusted for the impact of inflation and cost-saving initiatives. Other cash items, including capex, Pori closure and restructuring are based on management's best estimates. Pension cash flows are estimated based on the latest actuarial report.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS - SHARES IN GROUP UNDERTAKINGS (CONTINUED)

Sensitivity to changes in assumptions

The level of impairment is predominantly dependent upon judgements used in arriving at future growth rates and the discount rates applied to cash flow projections. The impact on the impairment result of applying a reasonably possible change in assumptions to the growth rates used in the three-year forecasts, long-term growth rates and in the pre-tax discount rates would result in the change in the (impairment charge) / headroom (value in use in excess of investment value) to:

(Impairment Charge) / Headroom (value in use in excess of investment value)	Investment in Venator Finance S.a.r.l \$m	Investment in Venator Materials LLC \$m
Investment value (pre-impairment)	\$ 346.1	\$ 306.5
(Impairment charge) / headroom (base impairment assessment)	294.2	—
(Impairment charge) / headroom if discount rates were increased by 2% pt	216.8	(32.0)
(Impairment charge) / headroom if discount rates were decreased by 2% pt	384.8	37.1
(Impairment charge) / headroom if terminal value was increased by 1 point	340.1	14.7
(Impairment charge) / headroom if terminal value was decreased by 1 point	248.3	(14.8)
(Impairment charge) / headroom if EBITDA was increased by 10%	396.7	31.2
(Impairment charge) / headroom if EBITDA was decreased by 10%	191.6	(31.3)
(Impairment charge) / headroom if severe but plausible downside scenario	58.8	(192.6)

Additionally, the Company also considered the reversal of previously recorded asset impairments. As of 31 December 2023, the Group expected a modest recovery in the market in 2024. As detailed above, the forecasted recovery led to headroom in the determined recoverable value of previously impaired CGUs. This recovery did not represent a change in the underlying estimates from the prior period impairment and the increase in the recoverable value of the CGUs, and is instead the result of the passage of time, or unwinding of the discount, and is not due to an increase in the service potential of the asset. Therefore, this is determined not to be a triggering event for the reversal of previously recorded asset impairments as described in FRS 102 Section 27.

As at 31 December 2023 the Company had the following indirect investments in subsidiaries:

Indirect Investment	Principal Activity	Country of Registration and Operation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Venator International Holdings UK Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Materials International UK Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator P&A Finland Oy	Manufacturing entity	Finland	Titaantie, 28840 Pori, Finland	100%
Venator Italy S.r.l	Manufacturing entity	Italy	Scarlino (GR), Localita' Casone SNC, CAP 58020	100%
Venator Asia Sdn. Bhd.	Manufacturing entity	Malaysia	Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia	100%
Venator P&A Spain S.L.U	Manufacturing entity	Spain	Poligono Nuevo Puerto, Palos de la Frontera, 21080 Huelva, Spain	100%
Venator South Africa Proprietary Limited	Holding company	South Africa	Suite 17 2nd Floor 201 Beacon Rock, 21 Lighthouse Road, Umhlanga Rocks, KWA-ZULU NATAL, 4320	100%
Venator Investments UK Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%

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NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS - SHARES IN GROUP UNDERTAKINGS (CONTINUED)

Indirect Investment	Principal Activity	Country of Registration and Operation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Venator Holdings UK Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Far East Limited	Holding company	Hong Kong	30th Floor, Jardine House, One Connaught Place, Central, Hong Kong	100%
Venator Holdings Germany GmbH	Holding company	Germany	Sachtleben, StaBe 4, 47198, Duisburg	100%
Venator P&A Holdings UK Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Chemicals France SAS	Distributor	France	2 Rue du Languedoc, 91220 Bretigny Sur Orge	100%
Venator International France SAS	Holding company	France	203 Route de Wervicq, 59559 Comines, Cedex	100%
Venator Pigments France SAS	Manufacturing entity	France	203 Route de Wervicq, 59559 Comines, Cedex	100%
Venator Pigments Hong Kong Limited	Dormant	Hong Kong	30th Floor, Jardine House, One Connaught Place, Central, Hong Kong	100%
Venator Africa Pty Limited	Distributor	South Africa	Suite 17 2nd Floor 201 Beacon Rock, 21 Lighthouse Road, Umhlanga Rocks, KWA-ZULU NATAL, 4320	100%
Venator Belgium BV	Administrative and support	Belgium	3078 Kortenberg, Everslaan 45	100%
Venator Materials UK Limited	Manufacturing entity	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Group Canada Inc.	Distributor	Canada	c/o Dentons Canada LLP, 1 Place Ville-Marie, Suite 3900, Montreal, H3B 4M7, Canada	100%
Venator Materials Services Limited	Holding company	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Germany GmbH	Manufacturing entity	Germany	Sachtleben, StaBe 4, 47198, Duisburg	100%
Venator Wasserchemie Holding GmbH	Holding company	Germany	Konigsberger Strasse 160487 Frankfurt am Main Germany	100%
Venator Uerdingen GmbH	Manufacturing entity	Germany	Sachtleben, StaBe 4, 47198, Duisburg	100%
Venator Shanghai Company Limited	Distributor	China	Room 804, Building B, No.500 of Ruby Road, Changning District, Shanghai 200336 P.R. China angning District, Shanghai	100%
Venator Americas Holdings LLC	Dormant	United States of America	Suite 600 10001 Woodloch Forest Dr The Woodlands, TX 77380	100%
Venator Group	Dormant	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator Investments LLC	Holding company	Cayman Islands	c/o Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands	100%
Venator Chemicals LLC	Manufacturing entity	United States of America	Suite 600 10001 Woodloch Forest Dr The Woodlands, TX 77380	100%

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NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS - SHARES IN GROUP UNDERTAKINGS (CONTINUED)

Indirect Investment	Principal Activity	Country of Registration and Operation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Venator Nominees UK Limited	Dormant	England & Wales	Titanium House, Hanzard Drive, Wynyard Park, TS22 5FD	100%
Venator France SAS	Distributor	France	1 rue des garennes, 62100 Calais	100%
Venator Representação Comercial Brasil Ltda	Sales entity	Brazil	Alameda Caiapós, No 243, Ground floor, Suite A, Room 03 Barueri, São Paulo, 06460-110, Brasil	100%
Oligo SA	Manufacturing entity	Spain	Polígono Industrial Nuevo Puerto, Calle Gobernador Angel Horcajadas s/n, Palos de la Frontera, 21810, Spain	75%

Indirect Investment	Principal Activity	Country of Registration and Operation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Viance LLC	Joint venture - distributor	United States of America	Suite 600 10001 Woodloch Forest Dr The Woodlands, TX 77380	50.001%
Pacific Iron Products Sdn Bhd	Joint venture - manufacturing entity	Malaysia	Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia	50%

Direct Investment	Principal Activity	Country of Registration and Operation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Venator Materials LLC	Distributor	United States of America	Suite 600 10001 Woodloch Forest Dr The Woodlands, TX 77380	100%
Venator Finance S.a.r.l	Holding company	Luxembourg	8 - 10 Avenue de la Gare Luxembourg L-1610 Luxembourg	100%

All direct and indirect subsidiaries are included in the consolidation of Venator Materials PLC other than the following non-wholly owned investments where Venator Materials PLC is not the controlling party and therefore these are accounted for using equity accounting.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS - SHARES IN GROUP UNDERTAKINGS (CONTINUED)

Indirect Investment	Reason for non- consolidation	Registered Office Address	Proportion of Nominal Value of Ordinary Shares Held
Louisiana Pigment Company L.P #	Operations of the joint venture are under the direction of a supervisory committee on which each partner has equal representation. (2 partners both 50% shareholdings)	P.O. Box 70, 3300 Bayou D'Inde Road, Westlake, LA 70669-9638	50%

- On 17 July 2024, the Company completed the sale of its 50% interest in the Louisiana Pigment Company (LPC) titanium dioxide manufacturing joint venture facility to its operating partner Kronos Worldwide, Inc

Venator Group has branches outside of the UK, these branches are operating locations outside of the registered office for a number of indirect subsidiaries listed above. The following are branches within the Venator Group: Netherlands, Singapore, Hong Kong, India and Korea. The branch in Russia closed within the year to 31 December 2023.

12. DEBTORS

Amounts due within one year

	At 31 December 2023 \$'000	At 31 December 2022 \$'000
Amounts owed by group undertakings	\$ 33,960	\$ 183
Prepayments	2,773	3,668
Debt issuance	2,160	831
VAT receivable	222	299
Tax Receivable	—	2,751
Other debtors	58,860	5
	\$ 97,975	\$ 7,737

Included within amounts owed by group undertakings as at 31 December 2023 is a current account debit balance of \$6.7 million. This carries a variable rate of interest which is calculated on external market rates, based on the risk free rates charged on our debit and credit balances of +12.5bp and -12.5bps respectively. This balance is unsecured, has no fixed date of repayment and is repayable on demand. As at 31 December 2022 the current account was a credit balance and so included within note 15.

During the year ended 31 of December 2022, the Company had a loan of \$435 million that was later impaired down to nil, in light of the financial difficulties of the Group and the Chapter 11 filing. As of 31 December 2023, the balance remains nil and an additional \$23 million impairment was taken during the year for additional loans made during the period. Included within this was a \$18 million impairment relating to a loan with Venator P&A Finland Oy.

The intercompany receivable balance of \$34 million as at 31 December 2023 (2022: \$183k), of which \$27 million is unsecured, non-interest bearing, has no fixed date of repayment and is repayable on demand.

Intercompany obligations under are collateralized at the subsidiary level by our investment in those subsidiaries, which in turn hold substantially all of the assets of Venator, in each case subject to certain exceptions.

All intercompany balances are receivable from wholly owned subsidiaries of the Company.

Included within other debtors are \$56.2 million in letters of credit which were cash collateralised during the year ended 31 December 2023 (2022: \$nil).

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NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

12. DEBTORS (CONTINUED)

Amounts due after one year

	At 31 December 2023 \$'000	At 31 December 2022 \$'000
Debt issuance	\$ 8,145	\$ 2,319
Prepayments	287	—
	<u>\$ 8,432</u>	<u>\$ 2,319</u>

13. CASH AND CASH EQUIVALENTS

	At 31 December 2023 \$'000	At 31 December 2022 \$'000
Cash at bank and in hand	\$ 1,857	\$ 343
Short-term investments	—	—
	<u>\$ 1,857</u>	<u>\$ 343</u>

Any term deposits would be presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are payable within short notice with no penalties.

14: CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 31 December 2023 \$'000	At 31 December 2022 \$'000
Trade creditors	\$ 5,114	\$ 9,128
Amounts owed to group undertakings	8,668	5,707
Other taxes and social security	—	—
Loans and borrowings	—	14,499
Accruals	1,188	936
	<u>\$ 14,970</u>	<u>\$ 30,270</u>

For the year ended 31 December 2022 included within amounts owed to group undertakings was a current account credit balance of \$5 million. This carried a variable rate of interest which are market rates calculated by JPMorgan, based on the rates charged on our debt and credit balances +12.5bp (0.125%). This balance was unsecured, had no fixed date of repayment and was repayable on demand. As at 31 December 2023 the current account is a debit balance and so included within note 12.

All other amounts are unsecured, non-interest bearing, have no fixed date of repayment and are repayable on demand.

Amounts owed to group undertakings are due to wholly owned subsidiaries of the Company.

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NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

15: CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	At 31 December		At 31 December	
	2023		2022	
	\$'000		\$'000	
Amounts owed to group undertakings - 1-5 years	\$	180,417	\$	975,000
	\$	180,417	\$	975,000

For the year ended 31 December 2023 amounts owed to group undertakings include two unsecured intercompany loans provided in October 2023 with an initial loan value of \$155 million and \$25 million. The \$155 million loan carries a rate of 8% PIK for 2 years and the \$25 million loan carries a 3 month Term SOFR + 2% rate. As at 31 December 23, the all in rate was 15.43% and 15.36% respectively. The loans are payable to a wholly owned subsidiary of the Company.

For the year ended 31 December 2022 amounts owed to group undertakings included an unsecured intercompany loan provided in July 2017 with an initial value of \$750 million (issued in two tranches). The first tranche of \$375 million carried a fixed rate of interest of 5.75% per annum and was due to mature in full on 15 July 2025. The second tranche of \$375 million carried a variable rate of interest of LIBOR +3% and was due to mature in full on 8 August 2024. The actual rate of interest of this second loan tranche was an average of 4.876% during the reporting period. The loan was payable to a wholly owned subsidiary of the Company.

For the year ended 31 December 2022, amounts owed to group undertakings also included an unsecured intercompany loan provided in May 2020 with an initial value of \$225 million. The loan carried a fixed rate of interest of 9.5% per annum and was due to mature in full on 1 July 2025. The loan was payable to a wholly owned subsidiary of the Company.

As a result of emergence from bankruptcy, external loans held by subsidiaries of the Parent were restructured and exchanged for shares in the PLC. On emergence, each tranche of debt was acquired by the Parent from either Venator Finance S.a.r.l or Venator Materials LLC. The portion of the intercompany debt acquired by the Parent from Venator Finance S.a.r.l, including share capital, valued at a total of \$120 million, was settled against a pre-existing intercompany payable of \$975 million, resulting in a gain of \$855 million. The remaining portion of the intercompany debt acquired by the Parent from Venator Materials LLC, valued at \$87 million, was subsequently waived. The waiving of intercompany debt was accounted for as an increase in the investment in the subsidiary by the Parent. For more information, see Note 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY.

16. LOANS

	At 31 December		At 31 December	
	2023		2022	
	\$'000		\$'000	
Amounts falling due within one year:				
Loans and borrowings	\$	—	\$	14,499
	\$	—	\$	14,499

For the year ended 31 December 2022 loans and borrowings were unsecured and related to two insurance financing loan agreements for 2022/2023 entered in to during the year. The first financing carried a fixed rate of interest of 4.414% per annum and expired in June 2023 and the second financing carries a fixed rate of 6.17% and expired in August 2023. There were no similar agreements for the 2023/2024 insurance.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

17. FINANCIAL INSTRUMENTS

The Company has the following financial instruments:

	At 31 December 2023 \$'000	At 31 December 2022 \$'000
Financial assets that are debt instruments measured at amortised cost		
Amounts owed by group undertakings	\$ 33,960	\$ 183
	<u>\$ 33,960</u>	<u>\$ 183</u>
Financial assets measured at amortised cost		
Cash at bank and in hand	\$ 1,857	\$ 343
Cash collateralized letters of credit	56,189	—
	<u>\$ 58,046</u>	<u>\$ 343</u>
Financial liabilities measured at amortised cost		
Trade creditors	\$ 5,114	\$ 9,128
Amounts owed to group undertakings	189,105	980,707
	<u>\$ 194,219</u>	<u>\$ 989,835</u>

The Company does not hold any derivative financial instruments.

18. SHARE CAPITAL

	Number of Shares 2023 \$'000	Number of Shares 2022 \$'000
Allotted and fully paid		
\$0.001 ordinary shares	70,000,000 \$ 70	70,000,000 \$ 70
\$0.001 ordinary shares	36,271,712 36	36,271,712 36
\$0.001 ordinary shares	129,412 —	129,412 —
\$0.001 ordinary shares	157,448 —	157,448 —
\$0.001 ordinary shares	177,320 —	177,320 —
\$0.001 ordinary shares	521,714 1	521,714 1
\$0.001 ordinary shares	15,400 —	15,400 —
\$0.001 ordinary shares	9,116 —	9,116 0
\$0.001 ordinary shares	328,508 —	328,508 0
\$0.001 ordinary shares	176,302 —	176,302 0
\$0.001 ordinary shares	115,663 —	115,663 —
\$0.001 ordinary shares	147,384 —	147,384 —
\$0.001 ordinary shares	730,003 1	— —
\$0.001 ordinary shares	11,918 —	— —
\$0.001 ordinary shares	107,941,929,020 107,943	— —
	<u>108,050,720,920 \$ 108,051</u>	<u>108,049,979 \$ 108</u>

At 31 December 2023, the Company has only one allocated class of share, being the \$0.001 ordinary shares. These shares carry a right to one vote per share, with no entitlement to fixed dividend income. There are no restrictions on the repayment of capital. All other share capital issued during the year carried the same voting, dividend and capital rights.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

18. SHARE CAPITAL (CONTINUED)

On 28 April 2017, the Company issued 50,000 £1 ordinary shares at par totalling £50,000 and on 30 June 2017 issued a further 50,000 £1 ordinary redeemable shares at par, totalling £50,000, and 1 \$1 ordinary shares at par, totalling \$1, all for cash consideration. On the 28 July 2017, the Company repurchased or redeemed all these shares at their par value and subsequently cancelled them. Each repurchase and redemption was funded out of the proceeds of the following issue in accordance with S694 of the Companies Act 2006.

On 28 July 2017, the Company issued 70,000,000 \$0.001 ordinary shares at par, totalling \$70,000 for cash consideration. On 31 July 2017, the Company issued 36,271,712 \$0.001 ordinary shares at par, totalling \$36,272 for cash consideration. On 9 April 2018, the Company issued 129,412 \$0.001 ordinary shares at par, totalling \$129 for cash consideration. On 8 April 2019, the Company issued 157,448 \$0.001 ordinary shares at par, totalling \$157 for cash consideration. On 11 May 2020, the Company issued 177,320 \$0.001 ordinary shares at par, totalling \$177 for cash consideration. On 12th April 2021, the Company issued 521,714 \$0.001 ordinary shares at par, totalling \$522 for cash consideration.

On 6th May 2021, the Company issued 17,639 ordinary shares at par, totalling \$18 for cash consideration. A second filing of a Return of Allotment of Shares was filed with Companies House on the 10th May 2022 for 15,400 \$0.001 ordinary shares at par, totalling \$15 for cash consideration. This replaced the original filing.

On 12th May 2022, the Company filed a Return of Allotment of Shares for 9,116 \$0.001 ordinary shares issued at par, totalling \$9 for cash consideration. This related to shares allotted between 3rd June 2021 and 28th June 2021.

On 14th February 2022, the Company issued 328,508 \$0.001 ordinary shares at par, totalling \$329 for cash consideration.

On 18th February 2022, the Company issued 176,302 \$0.001 ordinary shares at par, totalling \$176 for cash consideration.

On 14th March 2022, the Company issued 115,663 \$0.001 ordinary shares at par, totalling \$116 for cash consideration.

On 9th August 2022, the Company issued 147,381 \$0.001 ordinary shares at par, totalling \$147 for cash consideration.

On 14th April 2023, the Company issued 730,003 \$0.001 ordinary shares at par, totalling \$730 for cash consideration.

On 14th April 2023, the Company issued 11,918 \$0.001 ordinary shares at par, totalling \$12 for cash consideration.

On 12 October 2023, in accordance with the Joint Prepackaged Plan of Reorganization of Venator Materials PLC, the Company issued 107,941,929,020 shares of New Ordinary Shares to Holders of Claims entitled to receive New Ordinary Shares. On 9 January 2024, Venator Materials PLC completed its share consolidation on the basis of 1 new ordinary share of \$137.523 each (a "New Ordinary Share") for every 137,523 ordinary shares of \$0.001 each (the "Existing Ordinary Shares"). Pursuant to the Share Consolidation, every 137,523 issued Existing Ordinary Shares were consolidated into 1 New Ordinary Share resulting in the nominal value per New Ordinary Share of \$137.523.

19. SHARE-BASED PAYMENTS

On 1 August 2017, our compensation committee and Board of Directors adopted the Venator Materials 2017 Stock Incentive Plan (the "LTIP") to provide for the granting of non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock, phantom shares, performance awards and other stock-based awards to our employees, directors and consultants and to employees and consultants of our subsidiaries, provided that incentive stock options may be granted solely to employees. The terms of the grants are fixed at the grant date.

As of 31 December 2022, we were authorised to grant up to 17.8 million shares under the LTIP and we had 5.4 million shares remaining under the LTIP available for grant. During 2023, as a result of our bankruptcy, the outstanding stock-based awards under our LTIP plan were cancelled on our Effective Date, and as at 31 December 2023, no shares were authorised or available for grant.

Stock option awards had a maximum contractual term of 10 years and generally had an exercise price at least equal to the market price of Venator's ordinary shares on the date the stock option award was granted. Share-based awards generally vested over a three-year period; certain performance awards vested over a two-year period and awards to Venator's directors vested on the grant date.

The Company recognised total expenses of \$7.1 million related to equity-settled share-based payment transactions in 2023 (2022: \$9 million).

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

19. SHARE-BASED PAYMENTS (CONTINUED)

During 2023, as a result of our bankruptcy, the outstanding stock-based awards under our LTIP plan were cancelled on the Effective Date. We incurred \$1.5 million in additional stock-based compensation expense in 2023 related to the cancellation of the awards.

Share option awards

The fair value of the stock option awards were estimated using the Black-Scholes valuation model, an option pricing model commonly used in finance, that uses the assumptions noted in the following table. Expected volatilities were based on a weighted average of the historical volatility of Huntsman's and our common stock through the grant date, whereby the volatility of Huntsman's common stock was used to estimate historical volatility for periods prior to the separation. The expected term of stock options granted was estimated using the safe harbor approach calculated as the vesting period plus remaining contractual term divided by two. The risk-free rate for the periods within the expected life of the option was based on the U.S. Treasury yield curve in effect at the time of grant. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs into the Black-Scholes model are as follows:

	Year ended 31 December 2023	Year ended 31 December 2022
Weighted average share price	\$ —	\$ 2.77
Weighted average exercise price of share options outstanding at the beginning of the year	\$ 7.50	\$ 6.45
Weighted average exercise price of shares granted in the year	\$ —	\$ 2.47
Weighted average exercise price of share options outstanding at the end of the year (Exercisable share options)	\$ —	\$ 7.50
Share options exercisable at the end of the year	\$ —	\$ 3,089,000
Expected volatility	— %	62.1 %
Expected life		6 years
Risk-free rate	— %	2.7 %
Dividend yield	— %	— %
Weighted average fair value at grant date	\$ —	\$ 2.47

Restricted share awards

Details of the share option awards and restricted share awards outstanding during the year are as follows:

	Year ended 31 December 2023		Year ended 31 December 2022	
	Number of share options	Number of share awards	Number of share options	Number of share awards
Outstanding at the beginning of the year	1,778,857	1,829,007	1,195,524	1,126,196
Granted during the year	—	—	583,333	702,811
Cancellation of awards due to bankruptcy	(1,778,857)	(1,829,007)		
Granted, outstanding at the end of the year	—	—	1,778,857	1,829,007

As a result of the cancellation of awards on emergence from bankruptcy, no outstanding stock-based awards remain as of 31 December 2023.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

20. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

At 31 December 2023 Venator Materials PLC is the ultimate parent undertaking of the Venator Group.

At 31 December 2017 the results of Venator Materials PLC were consolidated into the financial statements of Huntsman Corporation as Huntsman Corporation was the ultimate parent undertaking with a shareholding of 53.1%. On 3 December 2018 Huntsman Corporation sold down a further 7.7% of its shareholding in Venator Materials PLC bringing its total shareholding to 48.98%, therefore meaning it was no longer the ultimate parent undertaking of Venator Materials PLC. On 23 December 2020, funds advised by SK Capital Partners purchased just under 40% of Venator's outstanding shares from Huntsman Corporation reducing Huntsman Corporation's total shareholdings to 9.08% as at 31 December 2020.

On 14 May 2023, the Company and certain of its subsidiaries filed voluntary petitions for relief under chapter 11 of the United States Code in the Bankruptcy Court. On 12 October 2023 (the "Effective Date"), the Company filed a Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code (the "Plan"), upon which the Plan became effective in accordance with its terms and the Debtors emerged from Chapter 11. In accordance with the Plan, on emergence, all outstanding obligations under the Term Loan Facility, Senior Secured Notes, and Senior Unsecured Notes (collectively, the "Existing Debt Instruments"), including the applicable indentures, credit agreements and guarantees governing such obligations, were cancelled in return for New Ordinary Shares of the Company.

Additionally, the Company issued 107,941,929,020 ordinary shares to holders of claims entitled to receive ordinary shares. On 21 December 2023, the shareholders of the Company approved, at the Company's General Meeting of Shareholders, a proposal to consolidate 108,050,720,916 ordinary shares of \$0.001 each in the issued share capital of the Company into 785,692 ordinary shares of \$137.523 (the "Share Consolidation"). The Share Consolidation took effect on 9 January 2024 as approved by the board of directors of the Company.

The Company only results of Venator Materials PLC for the year ended 31 December 2023 have been consolidated in the group financial statements of Venator Materials PLC, a company registered in England & Wales (registered office: Titanium House, Hanzard Drive, Wynyard Park, Stockton on Tees, England, TS22 5FD) and being the smallest and largest parent undertaking to prepare group financial statements.

21. RELATED PARTY TRANSACTIONS

Transactions with key management personnel

The Directors are considered to be the key management personnel for the Company. Refer to note 6 for details of their compensation. There were no other transactions with key management personnel during the year.

Transactions with group undertakings

The Company has taken advantage of the exemption available within Section 30 "Related Party Disclosures" not to disclose transactions with other group entities that are wholly owned subsidiaries within the Group.

There were no related party transactions during the year other than with wholly owned subsidiaries.

22. FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

On 14 May 2023, the Company and certain of its subsidiaries (collectively, the "Debtors" or "Company Parties") filed voluntary petitions for relief under chapter 11 of the United States Code (the "Bankruptcy Code") in the Bankruptcy Court. The Debtors obtained joint administration of their chapter 11 cases under the caption In re Venator Materials PLC, et al., Case No. 23-90301 (the "Chapter 11 Cases").

On 12 October 2023 (the "Effective Date"), the Debtors filed a Notice of Occurrence of the Effective Date of the Joint Prepackaged Plan of Reorganization of Venator Materials PLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code (the "Plan"), upon which the Plan became effective in accordance with its terms and the Debtors emerged from Chapter 11.

Annual Report and Financial Statements, for the year ended 31 December 2023

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

22. FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES (CONTINUED)

Additionally, because of the Plan, all outstanding obligations under the Term Loan Facility, Senior Secured Notes, and Senior Unsecured Notes (collectively, the “Existing Debt Instruments”), including the applicable indentures, credit agreements and guarantees governing such obligations, were cancelled in return for New Ordinary Shares of the Company.

On the Effective Date, and pursuant to the Plan, the Company, Venator Finance S.À R.L and Venator Materials LLC (the “Borrowers”), entered into a credit agreement (the “Exit Term Loan Credit Agreement”) to extend credit to the Borrowers on the Effective Date in the form of Initial Term Loans in an aggregate principal amount of \$150 million.

Additionally, on the Effective Date, pursuant to the Plan, the Company, Venator Group Canada Inc., and Venator Materials LLC (the “Borrowers”), entered into a credit agreement (the “Exit ABL Credit Agreement”) with the lenders party to extend credit to the Borrowers on the Effective Date in the form of Revolving Loans and Letters of Credit in an aggregate principal amount of up to \$100 million at any time.

Refer to Note 23: Loans and borrowings in the consolidated financial statements for further details including expiry dates of the Exit Term Loan Credit Agreement and Exit ABL Credit Agreement and Note 36. Post balance sheet events in the consolidated financial statements for further details on the extinguishment of the Exit ABL Credit Agreement .

All assets of the Company including PPE are included in the financial guarantees noted above. At 31 December 2023 the carrying value of the PPE included was \$1 million (2022: \$1 million).

In addition to the above, the Parent has guaranteed various purchase commitments extending through 2028 for materials, supplies and services entered into in the ordinary course of business by our subsidiary entities. Included in the purchase commitments table below are contracts which require minimum volume purchases that extend beyond one year or are renewable annually and have been renewed for 2024. Certain contracts allow for changes in minimum required purchase volumes in the event of a temporary or permanent shutdown of a facility. To the extent the contract requires a minimum notice period; such notice period has been included in the table below. The contractual purchase prices for substantially all of these contracts are variable based upon market prices, subject to annual negotiations. We have estimated our contractual obligations by using the terms of our current pricing for each contract. The possibility the Parent would be liable for these items is not likely, however, it is dependent on the liquidity and financial status of the subsidiary which is the counterparty to the agreement

The Parent's financial guarantees under long term debt (including the current portion) and other contractual commitments as of 31 December 2023 are summarised below:

	2024	2025-2026	2027-2028	After 2028	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Long term debt, including current portion	\$ —	\$ 40,000	\$ 175,000	\$ —	215,000
Interest ⁽¹⁾	18,575	55,354	52,486	—	126,415
Purchase commitments (as shown above)	3,982	7,290	7,585	—	18,857
Total	\$ 22,557	\$ 102,644	\$ 235,071	\$ —	\$ 360,272

⁽¹⁾ Interest calculated using actual and forecasted interest rates as of 31 December 2023 and contractual maturity dates and does not include debt entered into after 31 December 2023.