

# VENATOR

## VENATOR MATERIALS PLC

### AUDIT COMMITTEE CHARTER

Effective as of August 1, 2017

**Amended and Restated as of November 14, 2019**

The Board of Directors (the “Board”) of Venator Materials PLC (including its subsidiaries, the “Company”) will appoint from among its members an Audit Committee and will designate one such member to serve as the chairman of the Audit Committee. The Board hereby adopts the following Charter for the Audit Committee effective as of the date set forth above.

#### **Purpose**

The Audit Committee is appointed by the Board of the Company to assist the Board in monitoring:

- the Company’s financial reporting process and compliance with its internal accounting and control policies;
- the integrity of the financial statements of the Company;
- the independent auditor’s qualifications and independence;
- the performance of the Company’s internal audit function and independent auditor;
- the Company’s other internal controls and risk management systems, including the Company’s processes and procedures for making and escalating financial-related complaints and allegations; and
- the compliance by the Company with legal and regulatory requirements.

The Audit Committee shall prepare the report required by the rules of the Securities and Exchange Commission (the “SEC”) to be included in the Company’s proxy statement for its annual meeting of stockholders or other applicable report or filing.

#### **Composition**

The Audit Committee shall consist of at least three members, all of whom must be members of the Board. One of the members shall serve as the chairman of the Audit Committee. The members of the Audit Committee shall meet the independence, qualification and experience requirements of the New York Stock Exchange, the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the rules and regulations of the SEC, subject to any permitted phase-in periods that may apply. Each member of the Audit Committee shall be financially literate and at least one member shall qualify as a “financial expert”, as defined by

the applicable rules and regulations of the SEC and the New York Stock Exchange. Members of the Audit Committee may not be affiliates of the Company or an employee or a person who receives any compensation from the Company, or any subsidiary thereof, other than fees and expenses properly incurred and paid for service as a director. Unless approved by the Board, Audit Committee members shall not simultaneously serve on the audit committees of more than two other public companies. Notwithstanding the foregoing membership requirements and subject to applicable law, no action of the Audit Committee will be invalid by reason of any such requirement not being met at the time such action is taken.

The Board shall appoint the members of the Audit Committee based on the recommendation of the Nominating and Corporate Governance Committee. The chairman of the Audit Committee shall be designated by the Board or, if no such designation is made, shall be selected by the affirmative vote of the majority of the Audit Committee. The Board may remove or replace the chairman and any other member of the Audit Committee at any time by the affirmative vote of the majority of the Board.

### **Audit Committee Authority and Responsibilities**

The Audit Committee shall have the sole authority to appoint (and, if applicable, recommend that the Board submit for shareholder ratification), retain and terminate the Company's independent auditor. The Audit Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee. The Audit Committee may consult with management in the performance of these duties but shall not delegate these duties to management.

The Audit Committee shall pre-approve all auditing services, internal control-related services and permitted non-audit services (including the terms thereof) to be performed for the Company by its independent auditor, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act that are approved by the Audit Committee prior to the completion of the audit. Such pre-approval may be accomplished by engagement arrangements entered into pursuant to pre-approval policies and procedures previously established by the Audit Committee, but only if the policies are detailed as to the particular services that are pre-approved, the Audit Committee is informed of each such service provided and the policies do not delegate the Audit Committee's responsibilities to management. The Audit Committee shall have sole authority to approve all audit and non-audit engagement fees and terms with the Company's independent auditor. The Audit Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant preapprovals of audit and permitted non-audit services, provided that the decisions of such subcommittee to grant preapprovals shall be presented to the full Audit Committee at its next scheduled meeting.

The Audit Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors without the approval of the Board. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report or

performing other audit, review or attest services for the Company and to any advisors employed by the Audit Committee, as well as ordinary expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

Without limiting the generality of the preceding statement, the Audit Committee, to the extent it deems necessary or appropriate, shall:

#### Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor the Company's annual audited financial statements prior to the filing of its annual report on Form 10-K (the "Form 10-K"), including disclosures made under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Form 10-K, and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.

2. Review and discuss with management and the independent auditor the Company's quarterly financial statements prior to the filing of its quarterly reports on Form 10-Q (collectively, the "Form 10-Q"), including disclosures made under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Form 10-Q and the results of the independent auditor's review of the quarterly financial statements.

3. Discuss with management and the independent auditor any analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including analyses of the effects of alternative treatments of the financial statements within generally accepted accounting principles ("GAAP").

4. Discuss with management and the independent auditor the effectiveness of the Company's financial reporting procedures and any major issues regarding the Company's accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies.

5. Review and discuss with management and the independent auditor any major issues as to the adequacy of the Company's internal controls, any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.

6. Review and discuss with management (including the senior internal audit executive) and the independent auditor the Company's internal controls report and the independent auditor's attestation of the report prior to the filing of the Company's Form 10-K.

7. Review and discuss quarterly reports from the independent auditor on:

- All critical accounting policies and practices to be used.
- All alternative treatments of financial information within GAAP that have been discussed with management, the ramifications of

the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.

- Other material written communications between the independent auditor and management, such as any management letter, internal control letter or schedule of unadjusted differences.

8. Discuss with management the type and presentation of information to be included in the Company's earnings press releases prior to public release, including the use of "pro forma" or "adjusted" non-GAAP information, and the type and presentation of any financial information and earnings guidance to be provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made) and need not precede each earnings release or each instance in which the Company provides guidance.

9. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

10. Discuss with management the Company's major financial and enterprise risk exposures, oversee the monitoring and controlling of such exposures by management through the Company's risk assessment and risk management policies, and provide regular reports regarding the foregoing to the full Board.

11. Discuss with the independent auditor the matters required to be discussed by Auditing Standard No. 1301 relating to the conduct of the audit, including any problems or difficulties encountered in the course of the audit work and management's response, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

12. Review disclosures made to the Audit Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud (regardless of materiality) involving management or other employees who have a significant role in the Company's internal controls.

#### Oversight of the Company's Relationship with the Independent Auditor

13. Be responsible for the procedure for the selection (subject to shareholder approval) of the independent auditor and recommend the independent auditor to be appointed by the Company's shareholders at the Company's annual meeting of its stockholders, in accordance with the UK Companies Act 2006.

14. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality-control procedures; (b) any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the independent auditor; (c) any steps taken to deal with any such issues; and (d) all relationships between the independent auditor and the Company, including any relationships

between members of the independent auditor team and Company personnel. Based on this report and the independent auditor's work throughout the year, evaluate the qualifications, performance and independence of the independent auditor, including considering partner rotation requirements and whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and the internal auditing department (or outside auditor performing the function of an internal auditing department). The Audit Committee shall present its conclusions with respect to the independent auditor to the full Board.

15. Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit, the concurring (or reviewing) audit partner responsible for reviewing the audit and other audit partners performing services for the Company as required by law. Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditor on a regular basis.

16. Set clear policies for the Company's hiring of employees or former employees of the independent auditor.

17. Discuss with the independent auditor any communications between the audit team and the national office of the independent auditor with respect to auditing or accounting issues presented by the engagement.

18. Discuss the planning and staffing of the audit with the independent auditor.

19. Meet regularly with the independent auditor, including once at the planning stage before the audit and once after the audit at the reporting stage.

20. Meet with the independent auditor at least once a year without management present to discuss the independent auditor's payment, remit and any issues arising from the audit.

#### Oversight of the Company's Internal Audit Function

21. Review any decision by management to appoint or replace the senior internal auditing executive or, if a decision is made to outsource this function, review management's selection and engagement of an outside auditor (other than the Company's independent auditor) to perform the function of an internal auditing department. The senior internal auditing executive (or any outside auditor performing the function of an internal auditing department) shall report directly to management, with oversight provided by the Audit Committee. The Audit Committee shall review the scope and duties of the internal audit function with the senior internal auditing executive (or any outside auditor performing the function of an internal auditing department) during at least one Audit Committee meeting annually. Despite this delegation of authority to management, the senior internal auditing executive (or any outside auditor performing the function of an internal auditing department) shall have full and direct access to the Audit Committee.

22. Review the significant reports to management prepared by the internal auditing department (or any outside auditor performing the function of an internal auditing department) and management's responses.

23. Discuss with the independent auditor and management the responsibilities, budget and staffing of the internal auditing department (or any outside auditor performing the function of an internal auditing department), and any recommended changes in the planned scope of the internal audit.

24. Ensure that the internal auditing department: (i) is provided with appropriate and timely training; (ii) has the necessary resources and appropriate access to information to enable it to perform its function effectively and in accordance with the relevant professional standards for internal auditors; and (iii) has adequate standing to not be unduly influenced by management.

#### Financial and Disclosure Compliance

25. Review and monitor, in conjunction with the independent auditor, the compliance of the Company's annual, half-yearly and quarterly consolidated financial statements and the Company's annual report with applicable laws, rules and requirements, including the rules and requirements of the SEC, the UK Companies Act 2006 and other applicable regulatory and/or professional bodies.

26. Obtain from the independent auditor assurance that Section 10A(b) of the Exchange Act has not been implicated.

27. Obtain and review all reports from management and the Company's senior internal auditing executive (or any outside auditor performing the function of an internal auditing department) regarding any material violation of applicable laws and regulations relating to the Company's financial or reporting obligations, the Company's Business Conduct Guidelines, the Company's Financial Code of Ethics for Senior Officers and the Company's other codes, policies and procedures relating to compliance with applicable laws and regulations relating to financial or reporting obligations.

28. Approve and review related party transactions in accordance with the Company's Related Party Transaction Policy.

29. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations relating to financial or reporting obligations.

30. Review and discuss reports of material breaches of the Company's policies and procedures regarding compliance with applicable laws and regulations relating to financial or reporting obligations with the Board and management, as appropriate, to ensure that prompt corrective action is taken whenever necessary.

31. Establish and review, as appropriate, procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of any concerns regarding such matters.

32. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.

33. Meet separately with management on a periodic basis to discuss matters related to the Company's internal control over financial reporting and other matters related to the Company's internal audit function.

34. Prepare the disclosure required by the rules of the SEC to be included in the Company's proxy statement for its annual meeting of stockholders or other applicable report or filing as described in Item 407(d)(3)(i) of Regulation S-K.

35. Review the contents of the Company's annual report and financial statements and report the Audit Committee's views to the Board regarding whether, taken as a whole, they are fair, balanced and understandable and provide the necessary information for shareholders to assess the Company's performance, business model and strategy.

#### Legal Compliance

36. Review the adequacy of the Company's policies and procedures for the receipt, retention and treatment of complaints, concerns and allegations of possible improprieties in respect of financial reporting or other financial-related matters, including the policies and procedures for the confidential and anonymous submission by employees, contractors and consultants of concerns regarding questionable accounting or auditing matters.

37. Review and monitor the Company's policies, procedures, systems and controls for: (i) preventing and detecting fraud and bribery (including the policies and procedures relating to gifts and entertainment and expenses); and (ii) ensuring compliance with other applicable regulatory and legal requirements pertaining to financial and accounting matters.

38. Review the adequacy and effectiveness of the Company's anti-money laundering systems and controls, and receive and review reports of non-compliance with the same.

#### General

39. Be provided with appropriate and timely training on an ongoing basis for all members.

40. Perform any other activities consistent with this Charter, the Company's governing documents, the rules of the New York Stock Exchange, as applicable, and governing law as the Audit Committee or the Board deems necessary or appropriate.

#### **Audit Committee Procedures**

1. **Meetings.** The Audit Committee shall meet at the call of its chairman, two or more members of the Audit Committee, or the Chairman of the Board. The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Audit Committee shall meet periodically with management, the internal auditing department (or any outside auditor performing the function of an internal auditing department) and the independent auditor in separate executive sessions. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or the internal auditing department (or any outside auditor performing the function of an internal



auditing department) to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. The Company's Chief Financial Officer, the head of the Company's internal auditing department and the lead independent audit partner should be invited to attend meetings of the Audit Committee on a regular basis, and in any event at least once a year. The Audit Committee may meet in person, by telephone conference call, or in any other manner in which the Board is permitted to meet under law or the Company's governing documents. The Company secretary, assistant secretary or such other person as may be designated by the Audit Committee shall minute the proceedings and resolutions of all Audit Committee meetings, including the names of those present and in attendance.

2. **Quorum and Approval.** A majority of the members of the Audit Committee shall constitute a quorum. The Audit Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Audit Committee may also act by unanimous written consent in lieu of a meeting.

3. **Rules.** The Audit Committee may determine additional rules and procedures, including designation of a chairman pro tempore in the absence of the chairman, and designation of a secretary of the Audit Committee or any meeting thereof.

4. **Reports.** The Audit Committee shall make regular reports of its actions and any recommendations to the Board, directly or through the chairman. These reports shall include a discussion of any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditor, the performance of the Company's internal audit function or any other matter the Audit Committee determines is necessary or advisable to report to the Board. The chairman of the Audit Committee should attend the Company's annual general meeting prepared to respond to any shareholder questions on the Audit Committee's activities and performance. The Audit Committee (with the assistance of management) shall prepare and adopt a report on its activities for incorporation in the corporate governance statement to be included in the Company's annual report.

5. **Review of Charter.** Each year the Audit Committee shall review the adequacy of this Charter and recommend any proposed changes to the Board for approval.

6. **Performance Review.** Each year the Audit Committee shall review and evaluate its own performance and shall submit itself to review and evaluation by the Board.

7. **Fees; Reimbursement of Expenses.** Each member of the Audit Committee shall be paid the fee set by the Board for his or her services as a member or chairman of the Audit Committee. Subject to the Company's corporate governance guidelines and other policies, members of the Audit Committee will be reimbursed by the Company for all reasonable expenses incurred in connection with their duties as members of the Audit Committee.