

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

Form 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended

December 31, 2022

OR

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

(Commission File Number) 001-32410



**CELANESE CORPORATION**  
(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

98-0420726

(I.R.S. Employer Identification No.)

222 W. Las Colinas Blvd., Suite 900N

Irving, TX 75039-5421

(Address of Principal Executive Offices and zip code)

(972) 443-4000

(Registrant's telephone number, including area code)

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

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, par value \$0.0001 per share	CE	New York Stock Exchange
1.125% Senior Notes due 2023	CE /23	New York Stock Exchange
1.250% Senior Notes due 2025	CE /25	New York Stock Exchange
4.777% Senior Notes due 2026	CE /26A	New York Stock Exchange
2.125% Senior Notes due 2027	CE /27	New York Stock Exchange
0.625% Senior Notes due 2028	CE /28	New York Stock Exchange
5.337% Senior Notes due 2029	CE /29A	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

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

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

The aggregate market value of the registrant's common stock held by non-affiliates as of June 30, 2022 (the last business day of the registrants' most recently completed second fiscal quarter) was \$12,713,879,912.

The number of outstanding shares of the registrant's common stock, \$0.0001 par value, as of February 10, 2023 was 108,474,128.

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the registrant's Definitive Proxy Statement relating to the 2023 annual meeting of shareholders, to be filed with the Securities and Exchange Commission, are incorporated by reference into Part III.

**CELANESE CORPORATION**  
**Form 10-K**  
**For the Fiscal Year Ended December 31, 2022**

**TABLE OF CONTENTS**

	<u>Page</u>
<a href="#">Special Note Regarding Forward-Looking Statements</a>	<a href="#">3</a>
<b>PART I</b>	
<a href="#">Item 1. Business</a>	<a href="#">4</a>
<a href="#">Item 1A. Risk Factors</a>	<a href="#">16</a>
<a href="#">Item 1B. Unresolved Staff Comments</a>	<a href="#">28</a>
<a href="#">Item 2. Properties</a>	<a href="#">29</a>
<a href="#">Item 3. Legal Proceedings</a>	<a href="#">29</a>
<a href="#">Item 4. Mine Safety Disclosures</a>	<a href="#">30</a>
<a href="#">Information about our Executive Officers</a>	<a href="#">30</a>
<b>PART II</b>	
<a href="#">Item 5. Market for the Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities</a>	<a href="#">32</a>
<a href="#">Item 6. Reserved</a>	<a href="#">33</a>
<a href="#">Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations</a>	<a href="#">34</a>
<a href="#">Item 7A. Quantitative and Qualitative Disclosures About Market Risk</a>	<a href="#">49</a>
<a href="#">Item 8. Financial Statements and Supplementary Data</a>	<a href="#">49</a>
<a href="#">Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</a>	<a href="#">49</a>
<a href="#">Item 9A. Controls and Procedures</a>	<a href="#">50</a>
<a href="#">Item 9B. Other Information</a>	<a href="#">50</a>
<a href="#">Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections</a>	<a href="#">50</a>
<b>PART III</b>	
<a href="#">Item 10. Directors, Executive Officers and Corporate Governance</a>	<a href="#">51</a>
<a href="#">Item 11. Executive Compensation</a>	<a href="#">51</a>
<a href="#">Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters</a>	<a href="#">51</a>
<a href="#">Item 13. Certain Relationships and Related Transactions, and Director Independence</a>	<a href="#">51</a>
<a href="#">Item 14. Principal Accounting Fees and Services</a>	<a href="#">51</a>
<b>PART IV</b>	
<a href="#">Item 15. Exhibits and Financial Statement Schedules</a>	<a href="#">52</a>
<a href="#">Signatures</a>	<a href="#">57</a>

***Special Note Regarding Forward-Looking Statements***

Certain statements in this Annual Report on Form 10-K ("Annual Report") or in other materials we have filed or will file with the Securities and Exchange Commission ("SEC"), and incorporated herein by reference, are forward-looking in nature as defined in Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not relate to matters of a strictly factual or historical nature and generally discuss or relate to forecasts, estimates or other expectations regarding future events. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "plan," "may," "can," "could," "might," "will" and similar expressions identify forward-looking statements, including statements that relate to such matters as planned and expected capacity increases and utilization rates; anticipated capital spending; environmental matters; legal proceedings; sources of raw materials and exposure to, and effects of hedging of raw material and energy costs and foreign currencies; interest rate fluctuations; global and regional economic, political, business and regulatory conditions; expectations, strategies, and plans for individual assets and products, business segments, as well as for the whole Company; cash requirements and uses of available cash; financing plans; pension expenses and funding; anticipated restructuring, divestiture, and consolidation activities; planned construction or operation of facilities; cost reduction and control efforts and targets and integration of acquired businesses.

Forward-looking statements are not historical facts or guarantees of future performance but instead represent only our beliefs at the time the statements were made regarding future events, which are subject to significant risks, uncertainties, and other factors, many of which are outside of our control and certain of which are listed above. Any or all of the forward-looking statements included in this Annual Report and in any other materials incorporated by reference herein may turn out to be materially inaccurate. This can occur as a result of incorrect assumptions, in some cases based upon internal estimates and analyses of current market conditions and trends, management plans and strategies, economic conditions, or as a consequence of known or unknown risks and uncertainties. Many of the risks and uncertainties mentioned in this Annual Report, such as those discussed in [Item 1A. Risk Factors](#), [Item 3. Legal Proceedings](#) and [Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations](#) will be important in determining whether these forward-looking statements prove to be accurate. Consequently, neither our shareholders nor any other person should place undue reliance on our forward-looking statements and should recognize that actual results may differ materially from those anticipated by us.

All forward-looking statements made in this Annual Report are made as of the date hereof, and the risk that actual results will differ materially from expectations expressed in this Annual Report will increase with the passage of time. We undertake no obligation, and disclaim any duty, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changes in our expectations or otherwise. However, we may make further disclosures regarding future events, trends and uncertainties in our subsequent reports on Forms 10-K, 10-Q and 8-K to the extent required under the Exchange Act. The above cautionary discussion of risks, uncertainties and possible inaccurate assumptions relevant to our business includes factors we believe could cause our actual results to differ materially from expected and historical results. Other factors beyond those listed above or in [Item 1A. Risk Factors](#), [Item 3. Legal Proceedings](#) and [Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations](#) below, including factors unknown to us and factors known to us which we have determined not to be material, could also adversely affect us.

## **Item 1. Business**

### ***Basis of Presentation***

In this Annual Report on Form 10-K, the term "Celanese" refers to Celanese Corporation, a Delaware corporation, and not its subsidiaries. The terms "Company," "we," "our" and "us" refer to Celanese and its subsidiaries on a consolidated basis. The term "Celanese U.S." refers to the Company's subsidiary, Celanese US Holdings LLC, a Delaware limited liability company, and not its subsidiaries.

### ***Industry***

This Annual Report on Form 10-K includes industry data obtained from industry publications and surveys, as well as our own internal company surveys. Third-party industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable.

### ***Overview***

We are a global chemical and specialty materials company. We are a leading global producer of high performance engineered polymers that are used in a variety of high-value applications, as well as one of the world's largest producers of acetyl products, which are intermediate chemicals for nearly all major industries. As a recognized innovator in the chemicals industry, we engineer and manufacture a wide variety of products essential to everyday living. Our broad product portfolio serves a diverse set of end-use applications including automotive, chemical additives, construction, consumer and industrial adhesives, consumer and medical, energy storage, filtration, food and beverage, paints and coatings, paper and packaging, performance industrial and textiles. Our products enjoy leading global positions due to our differentiated business models, large global production capacity, operating efficiencies, proprietary technology and competitive cost structures.

Our large and diverse global customer base primarily consists of major companies across a broad array of industries. We hold geographically balanced global positions and participate in diversified end-use applications. We combine a demonstrated track record of execution, strong performance built on differentiated business models and a clear focus on growth and value creation. Known for operational excellence, reliability and execution of our business strategies, we partner with our customers around the globe to deliver best-in-class technologies and solutions.

Celanese's history began in 1918, the year that its predecessor company, The American Cellulose & Chemical Manufacturing Company, was incorporated. The company, which manufactured cellulose acetate, was founded by Swiss brothers Drs. Camille and Henri Dreyfus. The current Celanese was incorporated in 2004 under the laws of the State of Delaware and is a U.S.-based public company traded on the New York Stock Exchange under the ticker symbol CE.

Headquartered in Irving, Texas, our operations are primarily located in North America, Europe and Asia and consist of 61 global production facilities and an additional 19 strategic affiliate production facilities. As of December 31, 2022, we employed 13,263 people worldwide.

### ***Business Segment Overview***

Effective December 31, 2022, we reorganized our operating and reportable segments to align with recent structural and management reporting changes. The change reflects the resegmentation of the former Acetate Tow operating and reportable segment into the Acetyl Chain operating and reportable segment. This reorganization reflects the culmination of a shift in operating strategy and organizational hierarchy, with a focus on integration, collaboration and maximization of value creation through its global optionality and integrated chain model of the underlying businesses.

We operate principally through two business segments: Engineered Materials and the Acetyl Chain. See *Business Segments* in this [Item 1. Business](#) and [Note 21 - Segment Information](#) and [Note 22 - Revenue Recognition](#) in the accompanying consolidated financial statements for further information.

**Business Segments**

**Engineered Materials**

Products	Major End-Use Applications	Principal Competitors	Key Raw Materials
<ul style="list-style-type: none"> <li>Nylon compounds or formulations</li> <li>High temperature nylons ("HTN")</li> <li>Polyoxymethylene ("POM")</li> <li>Polyethylene terephthalate ("PET")</li> <li>Polybutylene terephthalate ("PBT")</li> <li>Ultra-high molecular weight polyethylene ("UHMW-PE")</li> <li>Long-fiber reinforced thermoplastics ("LFRT")</li> <li>Liquid crystal polymers ("LCP")</li> <li>Thermoplastic copolyesters ("TPC")</li> <li>Thermoplastic vulcanizates ("TPV")</li> <li>Polypropylene compounds or formulations</li> <li>Polyphenylene sulfide ("PPS")</li> <li>Ethylene acrylic elastomers ("EAE")</li> </ul>	<ul style="list-style-type: none"> <li>Automotive</li> <li>Medical</li> <li>Industrial</li> <li>Energy storage</li> <li>Consumer electronics</li> <li>Appliances</li> <li>Construction</li> <li>Filtration equipment</li> <li>Telecommunications</li> <li>Beverages</li> <li>Baked goods</li> <li>Electrical</li> <li>Mobility</li> <li>Connectivity</li> </ul>	<ul style="list-style-type: none"> <li>Anhui Jinhe Industrial Co., Ltd.</li> <li>Ascend Performance Materials LLC</li> <li>BASF SE</li> <li>Daicel Corporation ("Daicel")</li> <li>DOMO Chemicals</li> <li>E. I. du Pont de Nemours and Company</li> <li>Kingfa Science and Technology</li> <li>Koninklijke DSM N.V.</li> <li>Korea Petrochemical Ind. Co, Ltd ("KPIC")</li> <li>SABIC Innovative Plastics</li> <li>Solvay S.A.</li> </ul> <p>Other regional competitors:</p> <ul style="list-style-type: none"> <li>Asahi Kasei Corporation</li> <li>Braskem S.A.</li> <li>Lanxess AG</li> <li>Mitsubishi Gas Chemical Company, Inc.</li> <li>Sumitomo Corporation</li> <li>Teijin Limited</li> <li>Toray Industries, Inc.</li> </ul>	<ul style="list-style-type: none"> <li>HMD</li> <li>Adipic acid</li> <li>Formaldehyde</li> <li>DMT</li> <li>BDO</li> <li>Ethylene</li> <li>Fiberglass</li> <li>Polypropylene</li> <li>Acetic anhydride</li> <li>Propylene</li> <li>Ethylene propylene diene monomer</li> <li>Base Oil</li> <li>PA6</li> <li>PA66</li> <li>Para-dichlorobenzene</li> <li>Diketene</li> <li>TPEE</li> <li>PTMEG</li> <li>Flame Retardants</li> <li>DDDA</li> <li>PTA</li> <li>Methyl acrylate</li> <li>Precious metals</li> <li>PET</li> </ul>

• **Overview**

Our Engineered Materials segment includes our engineered materials business, our food ingredients business and certain strategic affiliates. The engineered materials business leverages our leading project pipeline model to more rapidly commercialize projects. Our unique approach is based on deep customer engagement to develop new projects that are aligned with our skill domains to address critical customer needs and ensure our success and growth.

Engineered Materials is a project-based business where growth is driven by increasing new project commercializations from the pipeline. Our project pipeline model leverages competitive advantages that include our global assets and resources, marketplace presence, broad materials portfolio and differentiated capabilities. Our global assets and resources are represented by our operations, including polymerization, compounding, research and development, and customer technology centers in all regions of the world, including Argentina, Belgium, Brazil, Canada, China, Germany, India, Italy, Japan, Luxembourg, Mexico, South Korea, Switzerland, Taiwan, the United Kingdom and the U.S., along with sites associated with our 16 strategic affiliates in China, Germany, Japan, Luxembourg, Netherlands, Saudi Arabia, South Korea, United Kingdom and the U.S.

In July 2020, we announced that we are establishing a European Compounding Center of Excellence at our Forli, Italy facility, which includes the intended consolidation of our compounding operations in Kaiserslautern, Germany; Wehr, Germany; and Ferrara Marconi, Italy. These operations are included in our Engineered Materials segment. We expect to complete the consolidation of the compounding operations in 2023.

On November 1, 2022, we acquired a majority of the Mobility & Materials business (the "M&M Business") of DuPont de Nemours, Inc. ("DuPont") pursuant to a definitive transaction agreement entered into on February 17, 2022 by us, DuPont and an affiliate of DuPont (the "M&M Acquisition"). The M&M Acquisition was completed for a purchase price of \$11.0 billion, subject to transaction adjustments. The M&M Business is a leading global producer of engineering thermoplastics and elastomers serving a variety of end-uses including automotive, electrical and electronics, consumer goods and industrial

applications. The acquired M&M Business product portfolio includes numerous specialty materials with global leadership positions in nylons, specialty nylons polyesters and elastomers. See [Note 4 - Acquisitions, Dispositions and Plant Closures](#) in the accompanying consolidated financial statements for further information.

Our broad marketplace presence reflects our deep understanding of global and customer trends, including the growing global demand for more sophisticated vehicles, elevated environmental considerations, increased global connectivity, and improved health and wellness. These global trends drive a range of needed customer solutions, such as vehicle lightweighting, precise components, aesthetics and appearance, low emissions, heat resistance and low-friction for medical applications, that we are uniquely positioned to address with our materials portfolio. In addition, the opportunity pipeline process identifies a number of emerging trends early, enabling faster growth.

Our materials portfolio offers differentiated chemical and physical properties that enable them to perform in a variety of conditions. These include enduring a wide range of temperatures, resisting adverse chemical interactions and withstanding deformation. Nylon compounds are used in a range of applications including automotive, consumer, electrical, electronic and industrial. These value-added applications in diverse end uses support the business' global growth objectives. POM, PBT and LFRT are used in a broad range of performance-demanding applications, including fuel system components, automotive safety systems, consumer electronics, appliances, industrial products and medical applications. UHMW-PE is used in battery separators, industrial products, filtration equipment, coatings and medical applications. Primary end uses for LCP are electrical applications or products and consumer electronics. Thermoplastic elastomers offer unique attributes for use in automotive, appliances, consumer goods, electrical, electronic and industrial applications.

We also have several differentiated polymer technologies designed for the utility industry, the oil and gas industry, original equipment manufacturers and companies that enhance supply chain efficiency. These include composite technologies for the utility industry that deliver greater reliability, capacity and performance for utility transmission lines.

Our differentiated capabilities are highlighted in our intimate and unique customer engagement which allows us to work across the entirety of our customers' value chain. For example, in the automotive industry we work with original equipment manufacturers as well as system and tier suppliers and injection molders in numerous areas, including polymer formulation and functionality, part and structural design, mold design, color development, part testing and part processing. This broad access allows us to create a demand pull for our solutions. This business segment also includes 16 strategic affiliates that complement our global reach, improve our ability to capture growth opportunities in emerging economies and positions us as a leading participant in the global specialty polymers industry.

- **Key Products**

**Nylon.** Our nylon products include Nylfor® A (PA 6.6), Nylfor® B (PA 6), NILAMID® (PA 6, PA 66, PPA), FRIANYL® (flame retardant PA 6, PA 66, PPA compounds), ECOMID® (recycled polyamide), Zytel® (PA, PA 6, PA 66, PA 610, PA 612), Zytel® HTN (PPA) and Zytel® LCPA (long-chain polyamide) and are used in automotive, appliances, electrical, medical, industrial and consumer applications due to their mechanical properties, dimensional stability, high impact resistance, resistance to organic solvents, high wear and fatigue resistance even at high temperatures, and easy processing and molding.

**POM.** Commonly known as polyacetal in the chemical industry, POM is sold by our engineered materials business under the trademarks Celcon®, Hostaform® and Tarnoform®. POM is used for diverse end-use applications in the automotive, industrial, consumer and medical industries. These applications include mechanical parts in automotive fuel system components and window lift systems, water handling, conveyor belts, sprinkler systems, drug delivery systems and gears in large and small home appliances.

We continue to innovate and broaden the portfolio of Celcon®, Hostaform® and Tarnoform® in order to support the industry needs for higher performing polyacetal. We have expanded our portfolio to include products with higher impact resistance and stiffness, low emissions, improved wear resistance and enhanced appearance such as laser marking and metallic effects. We launched POM ECO-B, a sustainable polyacetal, which allows customers to realize reduction in carbon dioxide emissions in their end-use products and advance toward their renewable content goals.

Korea Engineering Plastics Co., Ltd., our 50%-owned strategic affiliate, manufactures POM and other engineering resins in the Asia-Pacific region. For further discussion, see *Strategic Affiliates* in this [Item 1. Business](#).

National Methanol Company, our 25% owned strategic affiliate, produces methanol which is a key feedstock for POM production. Its production facilities are located in Saudi Arabia. For further discussion, see *Strategic Affiliates* in this [Item 1. Business](#).

The primary raw material for POM is formaldehyde, which is manufactured from methanol. Raw materials are sourced from internal production and from third parties, generally through long-term contracts.

**Polyesters.** Our products include a series of thermoplastic polyesters including Celanex<sup>®</sup> PBT, Crastin<sup>®</sup> PBT, Melinex<sup>®</sup>, Mylar<sup>®</sup> and Thermx<sup>®</sup> PCT (polycyclohexylene-dimethylene terephthalate), as well as Rynite<sup>®</sup> PET, a polyester resin. These products are used in a wide variety of automotive, electrical, medical, industrial and consumer applications, including ignition system parts, radiator grilles, electrical switches, medical devices, insulation, photovoltaic panels, critical energy components, appliance and sensor housings, light emitting diodes and technical fibers.

**UHMW-PE.** Celanese is a global leader in UHMW-PE products, which are sold under the GUR<sup>®</sup> trademark. They are highly engineered thermoplastics designed for a variety of industrial, consumer and medical applications. Primary applications for the material include lead acid battery separators, heavy machine components, lithium ion separator membranes, and noise and vibration dampening tapes. Several specialty grades are also produced for applications in high performance filtration equipment, ballistic fibers, thermoplastic and elastomeric additives, as well as medical implants.

**LFRT.** Celstran<sup>®</sup> and Factor<sup>®</sup>, our LFRT products, impart extra strength and stiffness, making them more suitable for larger parts than conventional thermoplastics. These products are used in automotive, transportation and industrial applications, such as instrument panels, consoles and front end modules. LFRTs meet a wide range of end-user requirements and are excellent candidates for metal replacement where they provide the required structural integrity with significant weight reduction, corrosion resistance and the potential to lower manufacturing costs.

**LCP.** Vectra<sup>®</sup> and Zenite<sup>®</sup>, our LCP brands, are primarily used in electrical and electronics applications for precision parts with thin walls and complex shapes and applications requiring heat dissipation. They are also used in high heat cookware applications.

**TPE.** Forprene<sup>®</sup>, Sofprene<sup>®</sup> T, Laprene<sup>®</sup> and Hytrel<sup>®</sup>, our TPE brands, are primarily used in automotive, construction, appliances and consumer applications due to their ability to combine the advantages of both flexible and plastic materials. These materials are selected for their ability to stretch and return to their near original shape creating a longer life and better physical range than other materials.

**TPV.** Santoprene<sup>™</sup>, Dytron<sup>™</sup> and Geolast<sup>™</sup>, our TPV trademarks, are chemically cross-linked, high-performance materials which leverage a unique combination of engineering thermoplastic and elastomer properties. These products are used in future mobility, infrastructure, medical and sustainability applications.

**Polypropylene.** Our polypropylene products include Polifor<sup>®</sup> and Tecnoprene<sup>®</sup> and are primarily used in automotive, appliances, electrical and consumer applications due to their high impact and fatigue resistance, exceptional rigidity at high temperatures and an ability to withstand chemical agents.

**VitalDose<sup>®</sup>.** Our ethylene vinyl acetate ("EVA") copolymers, sold under the VitalDose<sup>®</sup> trademark, are an enabling technology used for controlled-release drugs, medical implants and combination devices, including drug-eluting implants, reliable controlled-release performance in subcutaneous and surgical implants, intravitreal and extraocular devices.

**Elastomers.** Vamac<sup>®</sup> EAE, our elastomer brand, is primarily used in variety of demanding automotive applications, including electric and hybrid vehicle components. These materials can be formulated to provide excellent resistance to extreme temperatures and fluids.

#### • **Customers**

Engineered Materials' principal customers are original equipment manufacturers and their suppliers serving the automotive, medical, industrial and consumer industries. We utilize our customer options mapping process to collaborate with our customers to identify customized solutions that leverage our broad range of polymers and technical expertise. Our engineered materials business has long-standing relationships through multi-year and annual arrangements with many of its major customers and utilizes distribution partners to expand its customer base.

Because Engineered Materials is a project-based business focused on solutions, the pricing of products in this segment is primarily based on the value-in-use and is generally independent of changes in the cost of raw materials. Therefore, in general, margins may expand or contract in response to changes in raw material costs.

See [Note 22 - Revenue Recognition](#) in the accompanying consolidated financial statements for further information.

**Acetyl Chain**

Products	Major End-Use Applications	Principal Competitors	Key Raw Materials
<ul style="list-style-type: none"> <li>• Acetic acid</li> <li>• Vinyl acetate monomer ("VAM")</li> <li>• Vinyl acetate ethylene ("VAE") emulsions</li> <li>• Conventional emulsions</li> <li>• Ethylene vinyl acetate ("EVA") resins and compounds</li> <li>• Low-density polyethylene resins ("LDPE")</li> <li>• Redispersible Powders ("RDP")</li> <li>• Acetic anhydride</li> <li>• Acetaldehyde</li> <li>• Ethyl acetate</li> <li>• Formaldehyde</li> <li>• Butyl acetate</li> <li>• Acetate tow</li> <li>• Acetate flake</li> </ul>	<ul style="list-style-type: none"> <li>• Paints</li> <li>• Coatings</li> <li>• Adhesives</li> <li>• Textiles</li> <li>• Paper finishing</li> <li>• Flexible packaging</li> <li>• Lamination products</li> <li>• Pharmaceuticals</li> <li>• Films</li> <li>• Inks</li> <li>• Plasticizers</li> <li>• Solvents</li> <li>• Automotive parts</li> <li>• External thermal insulation composite systems</li> <li>• Tiling</li> <li>• Plasters and renders</li> <li>• Lubricants</li> <li>• Filtration</li> </ul>	<ul style="list-style-type: none"> <li>• Arkema</li> <li>• BASF SE</li> <li>• Cerdia</li> <li>• Chang Chun Petrochemical Co., Ltd.</li> <li>• Daicel</li> <li>• Dairen Chemical Corporation</li> <li>• Dow Inc.</li> <li>• Eastman Chemical Company</li> <li>• E. I. du Pont de Nemours and Company</li> <li>• ExxonMobil Chemical</li> <li>• Huayi Chemical Co., Ltd.</li> <li>• INEOS</li> <li>• Jiangsu Sopo (Group) Co., Ltd.</li> <li>• Kuraray Co., Ltd.</li> <li>• LyondellBasell Industries N.V.</li> <li>• Nippon Gohsei</li> <li>• Showa Denko K.K.</li> <li>• Sipchem</li> <li>• Wacker Chemie AG</li> </ul>	<ul style="list-style-type: none"> <li>• Methanol</li> <li>• Carbon monoxide</li> <li>• Ethylene</li> <li>• Acetic acid</li> <li>• VAM</li> <li>• VAE emulsions</li> <li>• Conventional emulsions</li> <li>• Acrylate esters</li> <li>• Styrene</li> <li>• Polyvinyl alcohol</li> <li>• Wood pulp</li> <li>• Acetic anhydride</li> </ul>

• **Overview**

The Acetyl Chain segment, which includes the integrated chain of intermediate chemistry, emulsion polymers, EVA polymers, redispersible powders, and acetate tow businesses, is active in every major global industrial sector and serves diverse consumer end-use applications. These include traditional vinyl-based end uses, such as paints and coatings and adhesives, as well as other unique, high-value end uses including flexible packaging, thermal laminations, wire and cable, and compounds.

Our intermediate chemistry business produces and supplies acetyl products, including acetic acid, VAM, acetic anhydride and acetate esters. These products are generally used as starting materials for colorants, paints, adhesives, coatings and pharmaceuticals. Our intermediate chemistry business also produces organic solvents and intermediates for pharmaceutical, agricultural and chemical products.

We have focused in recent years on enhancing our ability to drive incremental value through our global production network and productivity initiatives as well as proactively managing the intermediate chemistry business in response to trade flows and prevailing industry trends. Our intermediate chemistry business has production sites in China, Germany, Mexico, Singapore and the U.S. We are a global industry leader, with a broad acetyls product portfolio, leading technology, low cost production footprint and a global supply chain. With decades of experience, advanced proprietary process technology and favorable capital and production costs, we are a leading global producer of acetic acid and VAM. AOPlus<sup>®</sup>3 technology extends our historical technology advantage and enables us to construct a greenfield acetic acid facility with a capacity of 1.8 million metric tons at a lower capital cost than our competitors. Our VAntage<sup>®</sup>2 technology could increase VAM capacity to meet growing customer demand globally with minimal investment. We believe our production technology is among the lowest cost in the industry and provides us with global growth opportunities through low cost expansions and a cost advantage over our competitors.

Our emulsion polymers business is a leading global producer of vinyl acetate-based emulsions and develops products and application technologies to improve performance, create value and drive innovation in applications such as paints and coatings, adhesives, construction, glass fiber, textiles and paper. Our emulsion polymers products are sold under globally and regionally recognized brands including EcoVAE<sup>®</sup>, Mowilith<sup>®</sup>, Vinamul<sup>®</sup>, Celvolit<sup>®</sup>, Dur-O-Set<sup>®</sup>, TufCOR<sup>®</sup> and Avicor<sup>®</sup>. The emulsion polymers business has production facilities in Canada, China, Germany, the Netherlands, Singapore, Sweden and the U.S. and is supported by expert technical service regionally.

Our EVA polymers business is a leading North American manufacturer of a full range of specialty EVA resins and compounds, as well as select grades of LDPE. Sold under the Ateva® brand, these products are used in many applications, including flexible packaging films, lamination film products, hot melt adhesives, automotive parts and carpeting. Our EVA polymers business has a production facility in Canada.

Our intermediate chemistry business produces VAM, a primary raw material for our emulsion polymers and EVA polymers businesses. Ethylene, another key raw material, is purchased externally from a variety of sources through annual or multi-year contracts.

Our RDP business is a leading manufacturer of redispersible polymer powders, sold under the Elotex® brand. The business produces polymer emulsions which are converted into powdered thermoplastic resin materials. RDP products are used in a variety of applications in the mortar industry, including decorative mortar, exterior insulation and finish systems, gypsum-based materials, plaster and render, self-leveling floor systems, skim coat and tile adhesives.

Our acetate tow business is a leading global producer and supplier of acetate tow and acetate flake, primarily used in filter products applications. We hold an approximately 30% ownership interest in three separate ventures in China that produce acetate flake and acetate tow. China National Tobacco Corporation, a Chinese state-owned tobacco entity, has been our venture partner for over three decades. Our acetate tow business has production sites in Belgium and the U.S., along with sites at our three strategic affiliates in China.

- **Key Products**

**Acetyl Products.** Acetyl products include acetic acid, VAM, acetic anhydride and acetaldehyde. Acetic acid is primarily used to manufacture VAM, purified terephthalic acid and other acetyl derivatives. VAM is used in a variety of adhesives, paints, films, coatings and textiles. Acetic anhydride is a raw material used in the production of cellulose acetate, detergents and pharmaceuticals. Acetaldehyde is a major feedstock for the production of a variety of derivatives, such as pyridines, which are used in agricultural products. We manufacture acetic acid, VAM and acetic anhydride for our own use in producing downstream, value-added products, as well as for sale to third parties.

Acetic acid and VAM, our basic acetyl intermediates products, leverage global supply and demand fundamentals. The principal raw materials in these products are carbon monoxide, methanol and ethylene. We generally purchase carbon monoxide under long-term contracts, and we also produce carbon monoxide in our Clear Lake facility. We generally purchase methanol and ethylene under both annual and multi-year contracts. Methanol and ethylene are commodity products and generally available from a wide variety of sources, while carbon monoxide is typically purpose-made in close proximity.

We have a joint venture, Fairway Methanol LLC ("Fairway"), with Mitsui & Co., Ltd., of Tokyo, Japan ("Mitsui"), in which we own a 50% interest, for the production of methanol at our integrated chemical plant in Clear Lake, Texas. The methanol unit utilizes natural gas in the U.S. Gulf Coast region as a feedstock. Almost all of our North American methanol needs are met from our share of the production, as well as the long-term contract we have with our joint venture partner, Mitsui.

Sales from acetyl products amounted to 30%, 36% and 27% of our consolidated net sales for the years ended December 31, 2022, 2021 and 2020, respectively.

**Solvents and Derivatives.** We manufacture a variety of solvents, formaldehyde and other chemicals, which in turn are used in the manufacture of paints, coatings, adhesives and other products. Many solvents and derivatives products are derived from our production of acetic acid. Primary products are:

- Ethyl acetate, an acetate ester that is a solvent used in coatings, inks and adhesives;
- Butyl acetate, an acetate ester that is a solvent used in inks, pharmaceuticals and perfume; and
- Formaldehyde and paraformaldehyde, which are primarily used to produce adhesive resins for plywood, particle board, coatings, POM engineering resins and a compound used in making polyurethane.

**Emulsion Polymers.** Our emulsion polymers business produces conventional vinyl- and acrylate-based emulsions and VAE emulsions. VAE emulsions are a key component of water-based architectural coatings, adhesives, non-wovens, textiles, glass fiber and other applications. VAE emulsions are in high demand in Europe and Asia as they enable low volatile organic compound paints, specifically in interior paints.

**EVA Polymers.** Our EVA polymers business produces low-density polyethylene, EVA resins and compounds. Low-density polyethylene is produced in high-pressure reactors from ethylene, while EVA resins and compounds are produced in high-pressure reactors from ethylene and VAM.

**Redispersible Powders.** Our RDP business produces a number of emulsions for use in manufacturing redispersible powders to meet requirements for various applications and formulated to fit our customers' needs for optimal production.

**Acetate tow and acetate flake.** Acetate tow is a fiber used primarily in cigarette filters. In order to produce acetate tow, we first produce acetate flake by processing wood pulp with acetic acid and acetic anhydride. Wood pulp generally comes from reforested trees and is purchased externally from a variety of sources, and acetic anhydride is an intermediate chemical that we produce from acetic acid in our intermediate chemistry business. Acetate flake is then further processed into acetate tow.

#### • **Customers**

Our intermediate chemistry business sells its products both directly to customers and through distributors. Acetic acid, VAM and acetic anhydride are global businesses, and we generally supply our customers under a mix of short- and long-term agreements. Acetic acid, VAM and acetic anhydride customers produce polymers used in water-based paints, adhesives, paper coatings, polyesters, film modifiers, pharmaceuticals, cellulose acetate and textiles. We have long-standing relationships with most of these customers. Solvents and derivatives are sold to a diverse group of regional and multinational customers under multi-year contracts and on the basis of long-standing relationships. Solvents and derivatives customers are primarily engaged in the production of paints, coatings and adhesives. We manufacture formaldehyde for our own use as well as for sale to a few regional customers.

Emulsion, RDP and EVA polymers products are sold to a diverse group of regional, family owned and multinational customers. Customers of our emulsion polymers and RDP business are manufacturers of water-based paints and coatings, adhesives, paper, building and construction products, glass fiber, non-wovens, textiles and premixed dry mortars. Customers of our EVA polymers business are engaged in the manufacture of a variety of products, including hot melt adhesives, automotive components, thermal laminations, and flexible and food packaging materials.

Acetate tow is sold principally to the major tobacco companies that account for a majority of worldwide cigarette production. Many sales are conducted under contracts with pricing for one or more years. As a result, margins may expand or contract in response to changes in market conditions over these similar periods, and we may be unable to adjust pricing due to other factors, such as the intense level of competition in the industry.

Pricing of our products within the Acetyl Chain segment is influenced by industry utilization, changes in the cost of raw materials, sensitivity to demand and the value-in-use. Therefore, in general, there is a direct correlation between these factors and our net sales for most Acetyl Chain products. This impact to pricing typically lags changes in raw material costs over months or quarters and impacts profit margins over those periods.

See [Note 22 - Revenue Recognition](#) in the accompanying consolidated financial statements for further information.

#### **Other Activities**

Other Activities primarily consists of corporate center costs, including administrative activities such as finance, information technology and human resource functions, interest income and expense associated with our financing activities and results of our captive insurance companies. Our two wholly-owned captive insurance companies are a key component of our global risk management program, as well as a form of self-insurance for our liability, property and workers compensation risks. The captive insurance companies retain risk at levels approved by management and obtain reinsurance coverage from third parties to limit the net risk retained. Other Activities also includes the interest cost, expected return on assets and net actuarial gains and losses components of our net periodic benefit cost for our defined benefit pension plans and other postretirement plans, which are not allocated to our business segments. Ongoing merger, acquisition and integration related costs are also included in Other Activities.

#### **Strategic Affiliates**

Our strategic affiliates represent an important component of our strategy. During 2022, we acquired interests in several global strategic affiliates as part of the M&M Acquisition, described below. We have a substantial portfolio of affiliates in various regions, including Asia-Pacific, Europe, North America and the Middle East. These affiliates have sizeable operations and are significant within their industries.

With shared characteristics such as products, applications and manufacturing technology, these strategic affiliates complement and extend our technology and specialty materials portfolio. We have historically entered into these investments to gain access to local demand, minimize costs and accelerate growth in areas we believe have significant future business potential.

Our strategic affiliates contribute substantial earnings and cash flows to us. During the year ended December 31, 2022, our equity method strategic affiliates generated combined sales of \$2.3 billion, resulting in our recording \$181 million of equity in net earnings of affiliates and \$187 million of dividends.

Our strategic affiliates as of December 31, 2022 are as follows:

	Location of Headquarters	Ownership	Partner(s)	Year Entered
<b>Equity Investments</b>				
Engineered Materials				
National Methanol Company	Saudi Arabia	25 %	Saudi Basic Industries Corporation (50%); Duke Energy Arabian Ltd. (25%)	1981
Korea Engineering Plastics Co., Ltd.	South Korea	50 %	Mitsubishi Gas Chemical Company, Inc. (40%); Mitsubishi Corporation (10%)	1999
Fortron Industries, LLC	U.S.	50 %	Kureha America Inc. (50%)	1992
Toray Celanese Co., Ltd.	Japan	50 %	Toray (50%)	2022
DuBay Polymer GmbH	Germany	50 %	Lanxess AG (50%)	2022
DuPont Teijin Films UK Ltd.	United Kingdom	50 %	Teijin Limited (50%)	2022
DuPont Teijin Films Netherlands B.V.	Netherlands	50 %	Teijin Limited (50%)	2022
DuPont Teijin Films Luxembourg S.A.	Luxembourg	50 %	Teijin Limited (50%)	2022
DuPont Teijin Films US Limited Partnership	U.S.	50 %	Teijin Limited (50%)	2022
Teijin-DuPont Films, Incorporated	U.S.	50 %	Teijin Limited (50%)	2022
<b>Consolidated Investments</b>				
Engineered Materials				
DuPont Teijin Films China Ltd.	China	51 %	Teijin Limited (49%)	2022
DuPont Teijin Hongji Films Ningbo Co. Ltd.	China	26 %	Teijin Limited (73.99%)	2022
DuPont Hongji Films Foshan Co. Ltd.	China	26 %	Teijin Limited (73.99%)	2022
DuPont Filaments-Americas, LLC	U.S.	70 %	Xingda (30%)	2022
DuPont Filaments Europe, BV	Netherlands	70 %	Xingda (30%)	2022
DuPont Xingda Filaments Co Ltd	China	70 %	Xingda (30%)	2022
Acetyl Chain				
Fairway Methanol LLC	U.S.	50 %	Mitsui & Co., Ltd. (50%)	2014
<b>Equity Investments Without Readily Determinable Fair Value</b>				
Acetyl Chain				
Kunming Cellulose Fibers Company, Limited	China	30 %	China National Tobacco Corporation (70%)	1993
Nantong Cellulose Fibers Company, Limited	China	31 %	China National Tobacco Corporation (69%)	1986
Zhuhai Cellulose Fibers Company, Limited	China	30 %	China National Tobacco Corporation (70%)	1993

*National Methanol Company.* National Methanol Company ("Ibn Sina") represents approximately 1% of the world's methanol production capacity and is one of the world's largest producers of methyl tertiary-butyl ether, a gasoline additive. Its production facilities are located in Saudi Arabia. Saudi Basic Industries Corporation ("SABIC") is responsible for all product marketing. Methanol is a key feedstock for POM production and is produced by our Ibn Sina affiliate which provides an economic hedge against raw material costs in our engineered materials business.

*Korea Engineering Plastics Co., Ltd.* Korea Engineering Plastics Co., Ltd. ("KEPCO") is a leading producer of POM in South Korea. KEPCO has polyacetal production facilities in Ulsan, South Korea, compounding facilities for PBT and nylon in Pyongtaek, South Korea, and participates with Mitsubishi Gas Chemical Company, Inc. in a world-scale POM facility in Nantong, China. In December 2020, we signed a memorandum of understanding with our joint venture partners to restructure KEPCO, in which we and our joint venture partners will receive exclusive offtake rights to POM in Asia and global marketing rights without restrictions. On April 1, 2022, we completed the joint venture restructuring of KEPCO. As part of the restructuring of KEPCO, we paid KEPCO \$5 million and will pay 5 equal annual installments of €24 million on October 1 of each year beginning in 2022. This resulted in an increase to our investment in KEPCO of \$134 million. Our joint venture partner will be making similar payments to KEPCO. The restructuring did not result in a change in ownership percentage of KEPCO, nor a change in control, and KEPCO will continue to be accounted for as an equity method investment.

*Fortron Industries, LLC.* Fortron Industries LLC ("Fortron") is a leading global producer of PPS, sold under the Fortron® brand, which is used in a wide variety of automotive and other applications, especially those requiring heat and/or chemical resistance. Fortron's facility is located in Wilmington, North Carolina. This venture combines our sales, marketing, distribution, compounding and manufacturing expertise with the PPS polymer technology expertise of Kureha America Inc.

*Toray Celanese Co., Ltd.* Toray Celanese Co., Ltd. manufactures Hytrel® for sale primarily in the Japanese market. Hytrel® is a versatile material with the ability to flex in multiple directions long after rubber would break. Its strength and durability, combined with its heat resilience and chemical resistance make it an essential ingredient in automotive and construction applications due to its ability to combine the advantages of both flexible and plastic materials.

*DuBay Polymer GmbH.* DuBay Polymer GmbH is a manufacturing joint venture with Lanxess AG for the production of PBT-based products.

*DuPont Teijin Films.* DuPont Teijin Films is a leading global producer of PET and polyethylene naphthalate ("PEN") polyester films, which are used in a wide variety of end markets from healthcare to industrial and electronics. Mylar® and Melinex® brand films, known for their wide range of performance capabilities, are used in a variety of applications.

*DuPont Filaments.* DuPont Filaments is a joint venture with Xingda for the production and sale of nylon and PBT-based filament products used in the personal care, construction and industrial end-markets.

*Acetyl Chain strategic ventures.* Our Acetyl Chain ventures generally fund their operations using operating cash flow and pay dividends based on each ventures' performance in the preceding year. In 2022, 2021 and 2020, we received cash dividends of \$132 million, \$146 million and \$126 million, respectively.

Although our ownership interest in each of our Acetyl Chain ventures exceeds 20%, we account for these investments at cost after considering observable price changes for similar instruments, minus impairment, if any, because we determined that we cannot exercise significant influence over these entities due to local government investment in and influence over these entities, limitations on our involvement in the day-to-day operations and the present inability of the entities to provide timely financial information prepared in accordance with generally accepted accounting principles in the United States of America. Further, these investments were determined not to have a readily determinable fair value.

### Other Equity Method Investments

*InfraServs.* We hold indirect ownership interests in several German InfraServ Groups that own and develop industrial parks and provide various technical and administrative services to tenants. Our ownership interest in the equity investments in InfraServ affiliates are as follows:

	<b>As of December 31, 2022</b>
	<b>(In percentages)</b>
InfraServ GmbH & Co. Gendorf KG	30
InfraServ GmbH & Co. Hoechst KG	31
Yncoris GmbH & Co. KG	22

### Intellectual Property

We attach importance to protecting our intellectual property, including safeguarding our confidential information and through our patents, trademarks and copyrights, in order to preserve our investment in research and development, manufacturing and marketing. Patents may cover processes, equipment, products, intermediate products and product uses. We also seek to register trademarks as a means of protecting the brand names of our Company and products.

*Patents.* In most industrial countries, patent protection exists for new substances and formulations, as well as for certain unique applications and production processes. However, we do business in regions of the world where intellectual property protection may be limited and difficult to enforce.

*Confidential Information.* We maintain stringent information security policies and procedures wherever we do business. Such information security policies and procedures include data encryption, controls over the disclosure and safekeeping of confidential information and trade secrets, as well as employee awareness training.

*Trademarks.* Amcel<sup>®</sup>, AOPlus<sup>®</sup>, Ateva<sup>®</sup>, Avicor<sup>®</sup>, Celanese<sup>®</sup>, Celanex<sup>®</sup>, Celanyl<sup>®</sup>, Celcon<sup>®</sup>, Celstran<sup>®</sup>, Celvolit<sup>®</sup>, Clarifoil<sup>®</sup>, Crastin<sup>®</sup>, Dur-O-Set<sup>®</sup>, Dytron<sup>®</sup>, ECOMID<sup>®</sup>, EcoVAE<sup>®</sup>, Elotex<sup>®</sup>, Factor<sup>®</sup>, Forprene<sup>®</sup>, FRIANYL<sup>®</sup>, Fortron<sup>®</sup>, Geolast<sup>®</sup>, GHR<sup>®</sup>, GUR<sup>®</sup>, Hostaform<sup>®</sup>, Hytrel<sup>®</sup>, Laprene<sup>®</sup>, Melinex<sup>®</sup>, MetaLX<sup>®</sup>, Mowilith<sup>®</sup>, MT<sup>®</sup>, Mylar<sup>®</sup>, NILAMID<sup>®</sup>, Nutrinova<sup>®</sup>, Nylfor<sup>®</sup>, OmniLon<sup>®</sup>, Pibifor<sup>®</sup>, Pibiter<sup>®</sup>, Polifor<sup>®</sup>, Resyn<sup>®</sup>, Rynite<sup>®</sup>, Santoprene<sup>®</sup>, SlideX<sup>®</sup>, Sofprene<sup>®</sup>, Sofpur<sup>®</sup>, Sunett<sup>®</sup>, Talcoprene<sup>®</sup>, Tarnoform<sup>®</sup>, Tecnoprene<sup>®</sup>, TufCOR<sup>®</sup>, Vamac<sup>®</sup>, VAntage<sup>®</sup>, Vectra<sup>®</sup>, Vinac<sup>®</sup>, Vinamul<sup>®</sup>, VitalDose<sup>®</sup>, Zenite<sup>®</sup>, Zytel<sup>®</sup> and certain other branded products and services named in this document are registered or reserved trademarks or service marks owned or licensed by Celanese. The foregoing is not intended to be an exhaustive or comprehensive list of all registered or reserved trademarks and service marks owned or licensed by Celanese. Fortron<sup>®</sup> is a registered trademark of Fortron Industries LLC. Hostaform<sup>®</sup> is a registered trademark of Hoechst GmbH. Mowilith<sup>®</sup> and NILAMID<sup>®</sup> are registered trademarks of Celanese in most European countries.

We monitor competitive developments and defend against infringements on our intellectual property rights. Neither Celanese nor any particular business segment is materially dependent upon any one patent, trademark, copyright or trade secret.

### Environmental and Other Regulation

Matters pertaining to environmental and other regulations are discussed in [Item 1A. Risk Factors](#), as well as [Note 2 - Summary of Accounting Policies](#), [Note 13 - Environmental](#) and [Note 19 - Commitments and Contingencies](#) in the accompanying consolidated financial statements.

We expect to incur approximately \$20 million to \$40 million in capital expenditures for environmental control measures in each of 2023 and 2024.

#### Climate Change

Climate change is one of the most challenging and significant issues facing the world today, and we seek to do our part to make sustainable progress toward addressing this challenge.

The nature of our operations is energy and fossil fuel intensive. We have therefore invested in capital projects to increase energy efficiency, improve reliability, recover and reuse waste heat, and increase our purchase of renewable energy as well as more sustainable raw materials. These include a combined heat and power unit at our Lanaken, Belgium facility, a waste-to-

energy system in Nanjing, China, using solar energy at our Clear Lake, Texas facility designed for use by us and our onsite industrial partners, and a carbon dioxide capture and conversion to methanol project at our Clear Lake, Texas facility.

We are also focused on developing products to help our customers meet their sustainability goals. Examples include products for improving the sustainability of building and construction materials, adhesives, fiber coatings, flexible packaging, vehicle lightweighting and powering electric vehicles. We are also focused on making our own products from more sustainable sources, including increasing our offering products using biocertified content or recycled feedstocks. We believe these capabilities, together with trends such as the automobile industry's commitment towards improved energy efficiency and clean energy, present market opportunities for us.

With the fourth quarter 2022 publication of our 2021-2022 Sustainability Report, we have reported gross Scope 1 and Scope 2 greenhouse gas ("GHG") emissions for 2020 and 2021 using *The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard*, as a guide. Updated 2022 emissions figures were not available at the time of this filing. We have also announced a Scope 1 and 2 GHG emissions reduction target described in our 2021-2022 Sustainability Report, obtained limited external assurance on our baseline 2021 environmental metrics, and are working to better understand where we can further reduce our GHG emissions sources and to integrate the M&M Business into our GHG measurement and reporting processes.

For information on the risks we face related to climate change and other sustainability matters as well as, potential legislative and regulatory developments in this area that may increase our operating costs, potentially significantly, please see the risk factors in [Item 1A. Risk Factors](#) titled "We are subject to financial, regulatory, physical risks and transition associated with climate change and other sustainability matters as well as potential legislation, regulation and international accords to address climate change and other sustainability matters," "Changes in environmental, health and safety regulations in the jurisdictions where we manufacture or sell our products could lead to a decrease in demand for our products" and "Our aspirations, goals, and initiatives related to sustainability, and our public statements and disclosures regarding them, expose us to risks." Climate-related regulatory risks are assessed as a part of our Enterprise Risk Management process. However, due to the level of uncertainty regarding what legislative or regulatory requirements may be enacted, it is not possible for us to estimate the impact of climate-related developments on our results of operations or financial conditions.

## Human Capital Resources

### *Workforce Composition and Diversity, Equity and Inclusion*

Our business is operated by a diverse and global workforce, with employees in the following key geographies:

	<b>Employees as of December 31, 2022</b>
<b>North America</b>	
U.S.	4,722
Other North America	688
Total	<b>5,410</b>
<b>Europe</b>	
Germany	1,896
Other Europe	2,854
Total	<b>4,750</b>
<b>Asia</b>	
China	1,838
Other Asia	1,074
Total	<b>2,912</b>
<b>Rest of World</b>	<b>191</b>
Total	<b>13,263</b>

We believe that providing a workplace that promotes mutual respect and inclusion for all employees is critical to our success and to driving innovation and growth. To that end, we continue to make progress in our efforts to promote diversity, equity and inclusion in our Company. In order to attract a diverse pipeline of talent, we engage with historically black colleges and universities ("HBCUs"), trade associations and other professional groups to broaden our candidate pool. Our Diversity, Equity and Inclusion Council elevates employee voice to inform activities that foster an inclusive environment for all. We promote engagement globally through 59 chapters of nine different Employee Resource Groups designed to inspire, develop and increase the visibility, representation and promotion of underrepresented groups.

As of December 31, 2022:

- globally, women represent approximately 44% of our senior leadership team and 25% of our overall workforce; and
- in the U.S., people of color represent approximately 13% of our senior leadership team and 30% of our overall workforce.

The following shows our attrition rate for the year ended December 31, 2022:

<b>Employee Category</b>	<b>Attrition Rate</b>
Global employees	10.9 %
Women (globally)	12.2 %
People of Color (U.S.)	12.9 %

*Stewardship: Health, Safety and Environmental*

We focus on more than the occupational health and safety of our employees, contractors and any visitors to our sites. We have an expanded view and measurement of "Stewardship" that includes process safety and releases to the environment since these incidents may have an impact on the communities where we live and work. Our Stewardship values are critical to our success in attracting and retaining the best industry talent across the globe.

We strive to do no harm to people, the environment or the communities that host our facilities. We believe in continuous improvement in our Stewardship culture by building competency in our people and having a comprehensive management system built from recognized global practices. Our values include a commitment to the health and safety of our employees, contractors, communities and the environment.

We utilize a mixture of leading and lagging indicators to assess the Stewardship performance of our operations. Lagging indicators for occupational health and safety include the Occupational Safety and Health Administration ("OSHA") Total Recordable Incident Rate ("TRIR") and the OSHA Lost Time Incident Rate ("LTIR") based upon the number of incidents per 200,000 work hours of both employees and contractors. Process Safety lagging indicators follow the industry standard from API RP 754 for Tier 1 and Tier 2 events for incident count, rate, and severity. The criteria for tracking release to the environment lagging indicators are 10% or greater of the Celanese reportable quantity (based on U.S. Environmental Protection Agency ("EPA") methodology or internal values). Examples of Stewardship Tier 3 leading indicators include reporting and resolution of near miss events and hazard recognitions, all loss of primary containment releases and challenges to process safety systems.

For the year ended December 31, 2022, we had a TRIR of 0.24 and a LTIR of 0.04, which includes two months of safety statistics from the M&M Business. These statistics exclude COVID-19 related work place transmissions. Through deliberate actions, we have reduced our TRIR and LTIR rates by 23% and 69%, respectively, since 2017.

Rounding out our Stewardship performance in 2022, we had 11 Tier 1 and Tier 2 process safety incidents and 9 releases to the environment above the 10% significant threshold. Any other loss of primary containment incidents, challenges to pressure relief systems, safety instrumented systems and safe operating limits are tracked as Tier 3 leading indicators. Our expanded tracking of leading indicator events helps identify potential emerging deficiencies that enables us to take continuous improvement actions. For example, this past year we concentrated heavily on improving our hazard identification and risk assessment and migration systems, hand safety awareness (the most commonly impacted body part) and establishing clear requirements regarding our fundamental life critical procedures and their field execution while focusing to prevent injuries with the most significant consequences. In 2023, the criteria for tracking release to the environment lagging indicators referenced above

changed from a Celanese based reportable quantity to a criteria that includes impact to the community and notification to a regulatory authority outside of routine communications.

#### *Talent Development*

We are committed to fostering an engaging and inclusive workplace with opportunities for collaboration, development and leadership. Our Talent Management strategies provide a consistent and efficient approach to how we acquire talent, manage performance, develop bench strength, support development and help employees reach their fullest potential.

We have a structured approach to reviewing talent with management, as well as with the Board of Directors. This includes discussions of employee development, executive succession, diversity, talent pipelines and workforce planning requirements. We regularly report to the Board of Directors on talent management strategies across functional areas, and annually review executive succession with the Board of Directors.

#### **Available Information — Securities and Exchange Commission ("SEC") Filings and Corporate Governance Materials**

We make available free of charge, through the investor portion of our internet website (<http://investors.celanese.com>), our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as well as ownership reports on Form 3 and Form 4, as soon as reasonably practicable after electronically filing such material with, or furnishing it to, the SEC. References to our website in this report are provided as a convenience, and the information on our website is not, and shall not be deemed to be a part of this report or incorporated into any other filings we make with the SEC. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers, including Celanese Corporation, that electronically file with the SEC at <http://www.sec.gov>.

We also make available free of charge, through our website, our Corporate Governance Guidelines of our Board of Directors and the charters of each of the standing committees of our Board of Directors.

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

*The following risks could materially and adversely affect our business, financial condition, cash flows and results of operations, and the trading price of our common stock or outstanding senior notes could decline. These risk factors do not identify all risks that we face; our operations could also be affected by factors that are not presently known to us or that we currently consider to be immaterial to our operations. Due to risks and uncertainties, known and unknown, our past financial results may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results or trends in future periods. Refer also to the other information set forth in this Form 10-K, including in [Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations](#) and the accompanying consolidated financial statements and notes thereto.*

#### **Risks Related to Business and Industry Conditions**

*We are exposed to general economic, political and regulatory conditions and risks in the countries in which we have operations and customers.*

We operate globally and have customers in many countries. Our major facilities are primarily located in North America, Europe and Asia, and we hold interests in affiliates that operate in the United States ("U.S."), Germany, China, Japan, South Korea and Saudi Arabia. Our principal customers are similarly global in scope and the prices of our most significant products are typically regional or world market prices. Consequently, our business and financial results are affected, directly and indirectly, by world economic conditions, including instability in credit markets, declining consumer and business confidence, fluctuating commodity prices and interest rates, cost inflation, volatile exchange rates and other challenges such as the changing regulatory environment.

Our operations are also subject to global political conditions. For example, any future withdrawal or renegotiation of trade agreements, or the failure to reach agreement over trade agreements, or the imposition of new or increased tariffs on our products or raw materials, or the more aggressive prosecution of trade disputes with countries like China, may increase costs or reduce profitability, or adversely affect our ability to operate our business and execute our growth strategy. In addition, it may be more difficult for us to enforce agreements, collect receivables, receive dividends and repatriate earnings through foreign legal systems. In certain foreign jurisdictions our operations are subject to nationalization and expropriation risk and some of our contractual relationships within these jurisdictions are subject to cancellation without full compensation for loss.

Furthermore, in certain cases where we benefit from local government subsidies or other undertakings, such benefits are subject to the solvency of local government entities and are subject to termination without meaningful recourse or remedies.

We have invested significant resources in China and other Asian countries. This region's growth may slow, or trade flows could be negatively impacted, and we may fail to realize the anticipated benefits associated with our investment there and, consequently, our financial results may be adversely impacted.

In addition, we have significant operations and financial relationships based in Europe. Historically, sales originating in Europe have accounted for over one-third of our net sales annually, and accounted for approximately 35% of our Net sales in 2022. Adverse conditions in the European economy may negatively impact our overall financial results due to reduced economic growth, trade disruptions, decreased end-use customer demand or other factors.

***We are subject to risks associated with the increased volatility in the prices and availability of key raw materials and energy, which could have a significant adverse effect on the margins of our products and our financial results.***

We purchase significant amounts of ethylene, methanol, carbon monoxide and natural gas from third parties primarily for use in our production of basic chemicals in our intermediate chemistry business, principally acetic acid, VAM and formaldehyde. We use a portion of our output of these chemicals, in turn, as inputs in the production of downstream products in all of our business segments. We also purchase some of these raw materials for use in our emulsion polymers and EVA polymer businesses, primarily for vinyl acetate ethylene emulsions and ethylene vinyl acetate production, as well as significant amounts of wood pulp for use in our production of acetate tow. We also procure polymers, rubber and polypropylene for use in production of engineered materials, and other raw materials as additives to our products including fiberglass, flame retardant materials and other compounding components.

The prices and availability of many of these items is dependent on supply and logistics considerations. Prices can increase significantly as a result of uncertainties associated with inflationary pressures, transportation or logistics disruptions, weather, natural disasters, epidemics, pandemics, the effects of climate change or political instability, plant or production disruptions, war or conflicts, strikes or other labor unrest, breakdown or degradation of transportation infrastructure used in the delivery of raw materials and energy commodities, terrorist activities, civil unrest, or changes in laws or regulations in any of the countries in which we have significant suppliers. In particular, to the extent of our vertical integration in the production of chemicals, shortages in the availability of raw material chemicals, such as natural gas, ethylene and methanol, or the loss of our dedicated supplies of carbon monoxide, may have an increased adverse impact on us as it can cause a shortage in intermediate and finished products. Such shortages would adversely impact our ability to produce certain products and increase our costs resulting in reduced margins and adverse impacts to our financial results.

Like many companies, we experienced supply disruptions and increased costs of inputs in 2021 and continuing into 2022. These trends have impacted our operating costs and we have undertaken efforts to offset these costs through pricing actions, alternative supply arrangements, and hedging strategies, however, these do not eliminate all exposure to inflationary pressure. We are not always successful passing costs to customers, competitive market conditions may prevent us from doing so, and even where we are successful increased prices could lead to reduced demand for our products or could result in competitive disadvantages. We currently expect these issues to continue into 2023.

We are exposed to volatility in the prices of our raw materials and energy. Although we have long-term supply agreements, multi-year purchasing and sales agreements and forward purchase contracts providing for the supply of ethylene, methanol, carbon monoxide, wood pulp, natural gas and electricity, the contractual prices for these raw materials and energy can vary with economic conditions and may be highly volatile. In addition to the factors noted above that may impact supply or price, factors that have caused volatility in our raw material prices in the past and which may do so in the future include:

- Shortages of raw materials due to increasing demand, e.g., from growing uses or new uses;
- Capacity constraints, e.g., due to construction delays, labor disruption, government-imposed work or travel restrictions, involuntary shutdowns or turnarounds;
- A supplier's inability to meet our delivery orders, a supplier's decision not to fulfill orders or to terminate a supply contract or our inability to obtain or renew supply contracts on favorable terms;
- The general level of business, economic and industry activity; and
- The direct or indirect effect of governmental regulation (including the impact of government regulation relating to power usage, climate change or regulation of production and transport of certain chemicals).

If we are not able to fully offset the effects of higher energy and raw material costs through price increases, productivity improvements or cost reduction programs, or if such commodities become unavailable, it could have a significant adverse effect on our ability to timely and profitably manufacture and deliver our products resulting in reduced margins, lost sales and adverse impacts to our financial results.

We have a practice of maintaining, when available, multiple sources of supply for raw materials and services. However, some of our individual plants may have single sources of supply for some of their raw materials, such as carbon monoxide, steam and ethylene, or site services. Although we have been able to obtain sufficient supplies of raw materials and services, there can be no assurance that unforeseen developments will not affect our ability to source raw materials or services in the future. Even if we have multiple sources of supply for a raw material or a service, there can be no assurance that these sources can make up for the loss of a major supplier. Furthermore, if any sole source or major supplier were unable or unwilling to deliver a raw material or a service for an extended period of time, we may not be able to find an acceptable alternative or any such alternative could result in increased costs. It is also possible that profitability would be adversely affected if we were required to qualify additional sources of supply for a raw material or a service to our specifications in the event of the loss of a sole source or major supplier.

Almost all of our supply of methanol in North America is currently obtained from our Fairway joint venture with Mitsui, in which we own a 50% interest, for the production of methanol at our integrated chemical plant in Clear Lake, Texas.

### **Risks Related to Our Global Operations and Our Strategy**

***Production at our manufacturing facilities, or at our suppliers', could be disrupted for a variety of reasons, which could prevent us from producing enough of our products to maintain our sales and satisfy our customers' demands.***

A disruption in production at one or more of our manufacturing facilities, or our suppliers, could have a material adverse effect on our business. Disruptions could occur for many reasons, including fire, natural disasters, severe weather, unplanned maintenance or other manufacturing problems, public health crises (including, but not limited to, the COVID-19 pandemic), disease, geopolitical events, strikes or other labor unrest, transportation interruption, government regulation, political unrest or terrorism. Alternative facilities with sufficient capacity or capabilities may not be available, may cost substantially more or may take a significant time to start production, each of which could negatively affect our business and financial performance. If one of our key manufacturing facilities is unable to produce our products for an extended period of time, our sales may be reduced by the shortfall caused by the disruption and we may not be able to meet our customers' needs, which could cause them to seek other suppliers. In particular, production disruptions at our manufacturing facilities that produce chemicals used as inputs in the production of chemicals in other business segments, such as acetic acid, VAM and formaldehyde, could have a more significant adverse effect on our business and financial performance and results of operations to the extent of such vertical integration. Furthermore, to the extent a production disruption occurs at a manufacturing facility that has been operating at or near full capacity, the resulting shortage of our product could be particularly harmful because production at such manufacturing facility may not be able to reach levels achieved prior to the disruption.

We have experienced disruptions of the type described above in recent years. In February 2021, Winter Storm Uri led to worldwide supply disruptions, loss of energy and critical raw materials at our Texas sites and impacted nearly all of our employees in Texas, where we are headquartered and where several of our manufacturing sites are located. This storm led us to proactively and temporarily shut down our Texas production facilities in a controlled manner to protect our employees, communities, and assets, and the necessity of this decision led to lost production and negatively impacted our financial results for that quarter. In August 2020, to protect our employees and safeguard the assets at our Clear Lake facility, we temporarily, voluntarily ceased production at our Clear Lake, Texas facility during the landfall of Hurricane Laura.

Disruptions or interruptions of production or operations could also occur due to accidents, interruptions in sources of raw materials, cybersecurity incidents, terrorism or political unrest, or other unforeseen events or delays in construction or operation of facilities, including as a result of geopolitical conditions, the occurrence of acts of war or terrorist incidents or as a result of weather, natural disasters, or other crises including public health crises.

***Failure to develop new products and production technologies or to implement productivity and cost reduction initiatives successfully, may harm our competitive position.***

Our operating results depend significantly on the development of commercially viable new products, product grades and applications, as well as improving process technologies. If we are unsuccessful in developing new products, applications and improved production processes in the future, including failing to leverage our opportunity pipeline in our Engineered Materials segment, our competitive position and operating results may be negatively affected. However, as we invest in new technology,

we face the risk of unanticipated operational or commercialization difficulties, including an inability to obtain necessary permits or governmental approvals, the development of competing technologies, failure of facilities or processes to operate in accordance with specifications or expectations, construction delays, cost overruns, the unavailability of financing, required materials or equipment and various other factors. Likewise, we have undertaken and are continuing to undertake initiatives in all of our business segments to improve productivity and performance and to generate cost savings. These initiatives may not be completed or beneficial or the estimated cost savings from such activities may not be realized.

***We could be subject to damages based on claims brought against us by our customers or lose customers as a result of the failure of our products to meet certain quality specifications.***

Our products provide important performance attributes to our customers' products. If one of our products fails to perform in a manner consistent with applicable quality specifications, a customer could seek replacement of the product or damages for costs incurred as a result of the product failing to perform as guaranteed. A successful claim or series of claims against us could have a material adverse effect on our reputation, financial condition and results of operations and could result in a loss of one or more key customers.

***Our production facilities, including facilities we own and/or operate and operations at our facilities owned and/or operated by third parties, handle the processing of some volatile and hazardous materials that subject us to operating and other risks that could have a negative effect on our operating results.***

Although we take precautions to enhance the safety of, and minimize the disruption to, our operations and operations at our facilities owned and/or operated by third parties, we are subject to operating and other risks associated with chemical manufacturing, including the storage and transportation of raw materials, finished products and waste. These risks include, among other things, pipeline and storage tank leaks and ruptures, explosions and fires and discharges or releases of toxic or hazardous substances. In addition, we may have limited control over operations at our facilities owned and/or operated by third parties or such operations may not be fully integrated into our safety programs.

These operating and other risks can cause personal injury, property damage, third-party damages and environmental contamination, and may result in the shutdown of affected facilities and the imposition of civil or criminal penalties. The occurrence of any of these events may disrupt production and have a negative effect on the productivity and profitability of a particular manufacturing facility, our operating results and cash flows.

***Our future success depends in part on our ability to protect our intellectual property rights and our rights to use our intellectual property. Our inability to protect and enforce these rights could reduce our ability to maintain our industry position and our profit margins.***

We rely on our patents, trademarks, copyrights, know-how and trade secrets, and patents and other technology licensed from third parties, to protect our investment in research and development and our competitive commercial positions in manufacturing and marketing our products. We have adopted internal policies for protecting our know-how and trade secrets. In addition, our practice is to seek patent or trade secret protection for significant developments that provide us competitive advantages and freedom to practice for our businesses. Patents may cover catalysts, processes, products, intermediate products and product uses. These patents are usually filed in strategic countries throughout the world and provide varying periods and scopes of protection based on the filing date and the type of patent application. The legal life and scope of protection provided by a patent may vary among those countries in which we seek protection. As patents expire, the catalysts, processes, products, intermediate products and product uses described and claimed in those patents generally may become available for use by the public subject to our continued protection for associated know-how and trade secrets. We also monitor intellectual property of others, especially patents that could impact our rights to commercially implement research and development, our rights to manufacture and market our products, and our rights to use know-how and trade secrets. We will not intentionally infringe upon the valid intellectual property rights of others, and we will continue to assess and take actions as necessary to protect our positions. We also seek to register trademarks as a means of protecting the brand names of our products, which brand names become more important once the corresponding product or process patents have expired. We operate in regions of the world where intellectual property protection may be limited and difficult to enforce and our continued growth strategy may result in us seeking intellectual property protection in additional regions with similar challenges. We also monitor the trademarks of others and take action when our trademark rights are being infringed upon. If we are not successful in protecting or maintaining our patent, license, trademark or other intellectual property rights, or protecting our rights to commercially make, market and sell our products, our net sales, results of operations and cash flows may be adversely affected.

***Our business is exposed to risks associated with the creditworthiness of our suppliers, customers and business partners and the industries in which our suppliers, customers and business partners participate are cyclical in nature, both of which may adversely affect our business and results of operations.***

Our business is exposed to risks associated with the creditworthiness of our key suppliers, customers and business partners and reductions in demand for our customers' products. These risks include the interruption of production at the facilities of our customers, the reduction, delay or cancellation of customer orders, delays in or the inability of customers to obtain financing to purchase our products, delays in or interruptions of the supply of raw materials we purchase and bankruptcy of customers, suppliers or other creditors. Furthermore, some of the industries in which our end-use customers participate, such as the automotive, electrical, construction and textile industries, are highly competitive, to a large extent driven by end-use applications, and may experience overcapacity, all of which may affect demand for and the pricing of our products. In addition, many of these industries are highly cyclical in nature, thus posing risks to us that vary throughout the year and vary according to macroeconomic factors. The occurrence of any of these events may adversely affect our cash flow, profitability and financial condition.

***We may incur significant charges in the event we close or divest all or part of a manufacturing plant or facility.***

We periodically assess our manufacturing operations in order to manufacture and distribute our products in the most efficient manner. Based on our assessments, we may make capital improvements to modernize certain units, move manufacturing or distribution capabilities from one plant or facility to another plant or facility, discontinue manufacturing or distributing certain products or close or divest all or part of a manufacturing plant or facility. We also have shared services agreements at several of our plants and if such agreements are terminated or revised, we would assess and potentially adjust our manufacturing operations. The closure or divestiture of all or part of a manufacturing plant or facility could result in future charges that could be significant. See [Note 4 - Acquisitions, Dispositions and Plant Closures](#) in the accompanying consolidated financial statements for further information.

***The insurance coverage that we maintain may not fully cover all operational risks.***

We maintain property, business interruption, casualty and cyber/information security insurance but such insurance may not cover all of the risks associated with the hazards of our business and is subject to limitations, including deductibles and maximum liabilities covered. We may incur losses beyond the limits, or outside the coverage, of our insurance policies, including liabilities for environmental remediation. In the future, the types of insurance we obtain and the level of coverage we maintain may be inadequate or we may be unable to continue to maintain our existing insurance or obtain comparable insurance at a reasonable cost.

***Risks associated with our joint ventures, including differences in views with our joint venture partners may cause them not to operate according to their business plans, which may adversely affect our results of operations.***

We currently participate in a number of joint ventures, acquired interests in several additional joint ventures through the M&M Acquisition and may enter into additional joint ventures in the future. Our joint ventures require us to work cooperatively with unaffiliated third parties. Differences in views among joint venture participants may result in delayed decisions or failure to agree on major decisions. Additionally, our partners may be unable or unwilling to meet their economic or other obligations to the joint ventures, which could negatively impact them. If these risks cause the joint ventures to fail to achieve their desired operating performance, our results of operations could be adversely affected.

***Our significant non-U.S. operations expose us to global exchange rate fluctuations that could adversely impact our profitability.***

We conduct a significant portion of our operations outside the U.S. Consequently, fluctuations in currencies of other countries, especially the euro, may materially affect our operating results. Because our consolidated financial statements are presented in U.S. dollars, we must translate revenues, income and expenses, as well as assets and liabilities, into U.S. dollars based on average exchange rates prevailing during the reporting period or the exchange rate at the end of that period. Therefore, increases or decreases in the value of the U.S. dollar against other major currencies will affect our net operating revenues, operating income and the cost of balance sheet items denominated in foreign currencies. Foreign exchange rates can also impact the competitiveness of products produced in certain jurisdictions and exported for sale into other jurisdictions. These changes may impact the value received for the sale of our goods versus those of our competitors.

In addition to currency translation risks, we incur a currency transaction risk whenever one of our operating subsidiaries enters into a purchase or sales transaction using a currency different from the operating subsidiary's functional currency. Given the

volatility of exchange rates, particularly the strengthening of the U.S. dollar against major currencies or the currencies of large developing countries, we may not be able to manage our currency transaction and translation risks effectively.

We use financial instruments to hedge certain exposure to foreign currency fluctuations, but those hedges in most cases cover existing balance sheet exposures and not future transactional exposures. We cannot guarantee that our hedging strategies will be effective. In addition, the use of financial instruments creates counterparty settlement risk. Failure to effectively manage these risks could have an adverse impact on our financial position, results of operations and cash flows.

***We are subject to information or operational technology cybersecurity threats that could materially affect our business.***

We have been and will continue to be subject to advanced and persistent threats in the areas of information and operational technology security and fraud. We seek to prevent unauthorized access to our information and operational technology systems and to detect and investigate any cybersecurity incidents that may occur, however in some cases we might be unaware of a particular incident or its magnitude and effects. We may face increased information technology security and fraud risks due to our increased reliance on working remotely during and following the COVID-19 pandemic, which may create additional information security vulnerabilities and/or magnify the impact of any disruption in information technology systems. Additionally, we may be exposed to unauthorized access to our information or operational technology systems through undetected vulnerabilities in our service providers' information systems or software. These risks may be heightened as a result of our efforts to integrate the M&M Business's technology environment with our own.

The theft, misuse or publication of our intellectual property and/or confidential business information or the compromising of our systems or networks (including through ransomware or denial-of-service attacks) could harm our competitive position, cause operational disruption (including the potential to disrupt or compromise our control of physical plant operations at our manufacturing sites), reduce the value of our investment in research and development of new products and other strategic initiatives or otherwise adversely affect our business or results of operations. To the extent that any security breach impacts operations at our manufacturing sites, we may experience production or shipping disruptions. To the extent that any security breach results in inappropriate disclosure of our employees', customers' or vendors' confidential or personally identifiable information, we may incur liability or suffer reputational damage in the marketplace as a result. We maintain cyber/information security insurance, but any losses may be beyond the limits, or outside the coverage, of our policy.

Information and operational security threats and methods of perpetrating fraud or misappropriating information are constantly evolving and becoming more complex, which increases the difficulty and expense of defending against these threats. Although we attempt to mitigate these risks by employing a number of measures, including insurance, monitoring of our systems and networks, employee training, crisis simulations and maintenance of backup and protective systems, our systems, networks, products and services remain potentially vulnerable to increasingly sophisticated advanced persistent threats that may have a material effect on our business. In addition, the devotion of additional resources to the security of our information or operational technology systems in the future could significantly increase the cost of doing business or otherwise adversely impact our financial results.

**Risks Relating to the acquisition of the majority of the Mobility & Materials business (the "M&M Acquisition" and such business being acquired, the "M&M Business") of DuPont de Nemours, Inc. ("DuPont")**

***We made certain assumptions relating to the M&M Acquisition which may prove to be materially inaccurate and we may fail to realize all of the anticipated benefits of the acquisition.***

We made certain assumptions relating to the M&M Acquisition, which may prove to be inaccurate. Expectations of future results may not materialize and we face risk of unanticipated or unknown issues or liabilities. Our mitigation strategies for such risks that are identified may be ineffective. We face risks and uncertainties regarding:

- performance of the M&M Business in future economic and business conditions;
- the process of integrating the M&M Business with ours, which may encounter unanticipated delays, costs or inefficiencies;
- the amount and timing of potential benefits and synergies;
- the amount of attention and resources needed to successfully align our and the M&M Business's practices and operations including integrating commercial activities and technologies, retaining key personnel and aligning business cultures;

- potential commercial, macroeconomic and financial risks associated with our broader international business footprint; and
- other financial and strategic risks of the M&M Acquisition.

We cannot guarantee that we will achieve our goals or meet our expectations with respect to the M&M Acquisition. Through 2022, the M&M Business underperformed prior expectations, in particular its financial performance from signing through the closing was lower than anticipated. We cannot be certain when we will be able to realize improvements in the underlying M&M Business performance and as we proceed with integration, we may identify additional risks and challenges. The benefits of the M&M Acquisition, including the anticipated financial benefits and the synergies and growth opportunities, may not be realized as expected or may not be achieved within the anticipated timeframe, or at all. If our assumptions are inaccurate or we are unable to meet our expectations (including our expectations regarding financial targets), our business, financial performance and operating results could be materially and adversely affected.

***We will incur direct and indirect costs as a result of the M&M Acquisition.***

We have incurred and expect to continue to incur a number of non-recurring costs associated with completing the M&M Acquisition, combining the operations of our business and the M&M Business and achieving desired synergies. These fees and costs have been, and will continue to be, substantial. Non-recurring expenses include, among others, employee retention costs, fees paid to financial, legal, integration and accounting advisors, severance and benefit costs. We will also incur transaction fees and costs related to formulating and implementing integration plans, including facilities and systems consolidation costs and employment-related costs. We will continue to assess the magnitude of these costs, and additional unanticipated costs may be incurred in the M&M Acquisition and the integration of the M&M Business into our business. Although we expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the M&M Business, should allow us to offset integration-related costs over time, this net benefit may not be achieved in the near term, or at all. Factors beyond our control could affect the total amount or timing of these expenses, many of which, by their nature, are difficult to estimate accurately.

***The risk of non-compliance with non-U.S. laws, regulations and policies could adversely affect our results of operations, financial condition or strategic objectives.***

The M&M Acquisition introduces us into a number of new geographic markets, subjecting us to additional non-U.S. laws, regulations and policies which do not currently apply to us, and will increase our exposure to certain other geographic markets as well as their laws and regulations. These laws and regulations are complex, change frequently, have become more stringent over time, could increase our cost of doing business, and could result in conflicting legal requirements. Therefore, the M&M Acquisition may increase our exposure to the risks described below under "Regulatory, Legal, Environmental and Tax Risks."

**Regulatory, Legal, Environmental and Tax Risks**

***Failure to comply with applicable laws or regulations and/or changes in applicable laws or regulations may adversely affect our business and financial results as a whole.***

We are subject to extensive international, national, state, local and other laws and regulations. Failure to comply with these laws, including antitrust, anticorruption and sanctions laws, rules, regulations or court decisions, could expose us to fines, penalties and other costs. For example, in December 2019 we announced the recording of a reserve in connection with a competition law investigation by the European Commission based on certain past ethylene purchases by certain subsidiaries of the Company, and in July 2020, we announced that we had reached a final settlement of \$92 million with respect to this investigation. The Company paid this settlement in full on January 12, 2021. Although we have implemented policies, procedures and employee training designed to ensure compliance with these laws, rules, regulations and court decisions, there can be no assurance that our employees and business partners and other third parties acting on our behalf will comply with these laws, rules, regulations and court decisions, which could result in fines, penalties and costs and damage to our business reputation.

Moreover, changes in laws or regulations, including the more aggressive enforcement of such laws and regulations, such as unexpected changes in regulatory requirements (including trade compliance requirements), or changes in reporting requirements of the U.S., Canadian, Mexican, German, EU or Asian governmental agencies, could increase the cost of doing business in these regions. In addition, enforcement of environmental or other governmental policy may result in plant shut downs or significantly decreased production, such as in China on high pollution days. For example, in 2021 we experienced energy curtailment mandates from the government in the Chinese province where our Nanjing production facility is located,

which forced us to reduce and curtail production at that site. Any of these types of conditions, including the failure to obtain or maintain operating permits for our business, may have an effect on our business and financial results as a whole and may result in volatile current and future prices for our products and raw materials. See [Note 19 - Commitments and Contingencies](#) in the accompanying consolidated financial statements for further information.

***Our business exposes us to potential product liability, warranty, and tort claims, and recalls, which could adversely affect our financial condition and performance.***

The development, manufacture and sale of specialty chemical products by us, including products produced for the food and beverage, medical device, pharmaceutical, automobile, construction, appliance, cigarette and aerospace end markets, involves a risk of exposure to product liability, warranty, and tort claims, product recalls, product seizures and related adverse publicity. A product liability, warranty, or tort claim or judgment against us that is larger than those typically experienced in the regular course of business could also result in substantial and unexpected expenditures, affect consumer or customer confidence in our products, and divert management's attention from other responsibilities. Although we maintain product liability insurance, there can be no assurance that this type or the level of coverage is adequate or that we will be able to continue to maintain our existing insurance or obtain comparable insurance at a reasonable cost, if at all. A product recall or a significant partially or completely uninsured judgment against us could have a material adverse effect on our results of operations or financial condition. Although we have standard contracting policies and controls, we may not always be able to contractually limit our exposure to third party claims should our failure to perform result in downstream supply disruptions or product recalls.

***Environmental regulations and other obligations relating to environmental matters could subject us to liability for fines, clean-ups and other damages, require us to incur significant costs to modify our operations and increase our manufacturing and delivery costs.***

Costs related to our compliance with environmental, health and safety laws and regulations, and potential obligations with respect to sites currently or formerly owned or operated by us, may have a negative impact on our operating results. We also have obligations related to the indemnity agreement contained in the demerger and transfer agreement between Celanese GmbH and Hoechst AG for environmental matters arising out of certain divestitures that took place prior to the demerger. See [Note 13 - Environmental](#) in the accompanying consolidated financial statements for further information.

Our operations are subject to extensive international, national, state, local and other laws and regulations that govern environmental, health and safety matters and that regulate the handling, manufacture, use, emission and disposal of products, materials and hazardous and non-hazardous waste. If we violate any one of those laws or regulations, we can be held liable for substantial fines and other sanctions, including limitations on our operations as a result of changes to or revocations of environmental permits involved. We could also face claims for damages from individuals or groups for alleged violations of these laws or regulations.

We also incur substantial capital and other costs to comply with environmental, health and safety requirements. Stricter environmental, safety and health laws and regulations could result in substantial additional costs and liabilities to us or limitations on our operations. Consequently, compliance with these laws and regulations may negatively affect our earnings and cash flows in a particular reporting period. See [Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources](#) for further information.

For more information on risks we face specifically related to climate change and related potential regulation, see the risk factor titled "We are subject to financial, regulatory, physical and transition risks associated with climate change or other sustainability matters as well as potential legislation, regulation and international accords to address climate change and other sustainability matters" below.

***Changes in environmental, health and safety regulations in the jurisdictions where we manufacture or sell our products could lead to a decrease in demand for our products.***

New or revised governmental regulations, independent studies or consumer or societal perceptions relating to the effect of our products on health, safety or the environment may affect demand for our products and the cost of producing our products. In addition, products we produce, including VAM, formaldehyde and polymers derived from formaldehyde, may be classified and labeled in a manner that would adversely affect demand for such products. For example, in 2019 the EPA designated formaldehyde as a high-priority substance under the Toxic Substances Control Act and the substance is currently undergoing risk evaluation. In addition, in 2012 the International Agency for Research on Cancer ("IARC"), a research agency within the World Health Organization, classified formaldehyde as carcinogenic to humans (Group 1) based on epidemiological studies linking formaldehyde exposure to nasopharyngeal cancer, a rare cancer in humans, and leukemia. In 2011, a similar conclusion

was reached by the National Toxicology Program ("NTP"), a U.S. inter-agency research program. We anticipate that the results of the IARC's and the NTP's reviews will continue to be examined and considered by government regulatory agencies with responsibility for setting worker and environmental exposure standards and labeling requirements.

Other initiatives, including the Chemical Strategy for Sustainability initiative currently to be undertaken by the EU as part of the Green Deal will potentially require, or increase existing requirements for, toxicological testing and risk assessments of a wide variety of chemicals, including chemicals used or produced by us. These assessments may result in heightened concerns about the chemicals involved and additional regulatory requirements being placed on the production, handling, labeling and/or use of the subject chemicals. The new requirements may necessitate reformulation of products in order to meet customers' demands, which would be a financially burdensome process.

Such concerns and additional requirements could also increase the cost incurred by our customers to use our chemical products and otherwise limit the use of these products, which could lead to a decrease in demand for these products. Such a decrease in demand would likely have an adverse impact on our business and results of operations.

***We are subject to financial, regulatory, physical and transition risks associated with climate change or other sustainability matters as well as potential legislation, regulation and international accords to address climate change and other sustainability matters.***

Greenhouse gas ("GHG") emissions have become the subject of significant international, national, regional, state and local attention. For example, the EPA and SEC have promulgated or proposed extensive rules concerning reporting of GHG emissions. The European Commission has also embarked on the European Green Deal initiative with the goal of making the EU carbon neutral by 2050, which is leading to additional statutory and regulatory requirements. In addition, regulation of greenhouse gas also could occur pursuant to future treaty obligations, statutory or regulatory changes or new climate change legislation intended to reduce or mitigate the effects of GHG emissions. Compliance with such legislation, regulation and accords and the associated potential cost is complicated by the fact that various countries and regions are following different approaches and standards to the regulation of climate change.

A number of our operations are within jurisdictions that have or are developing regulatory regimes governing GHG emissions, which may lead to direct and indirect costs on our operations. Some jurisdictions have emissions reduction measures directed at the power or oil and gas sectors, which could result in higher power input costs or reduced energy availability for us. Other regulations that are being implemented or contemplated include the potential for restrictions on GHG emissions, cap and trade emissions trading systems, taxes on GHG emissions, fuel, and energy, or carbon import charges on certain products among other provisions. These may exist in addition to country and corporate-level net-zero GHG emissions pledges. These measures, if and where enacted, may significantly increase our costs of operations or require us to incur significant additional capital costs for the installation of equipment to mitigate GHG emissions for our sites' manufacturing operations.

Physical impacts of climate change, such as increased frequency and severity of hurricanes and floods and impact on sea levels, may also impact our facilities and operations and those of our key suppliers. A number of our sites are located in areas that are exposed to weather events and changing sea levels (such as the Texas Gulf Coast) and that have been impacted by hurricanes and other weather events in the past as described elsewhere in these risk factors. To the extent climate change exacerbates these threats, our operations and supply chains could experience increased levels of disruptions and added costs.

Additionally, increased social, legislative and regulatory focus on climate change and other sustainability matters as well as customer demand for responsibly manufactured products could lead to changes in the behavior of our customers or their end-customers, and could result in reduced customer demand for products made from materials that are perceived to be significant contributors to greenhouse gas emissions and global climate change. We may fail to accurately react to these trends and refine our product offerings through innovation, or we may not be able to fully address these concerns through changes in manufacturing methods or use of more sustainable materials and processes, which could result in reduced demand for our products.

We closely monitor developments in this area, but there is significant uncertainty regarding what legislative or regulatory requirements may be put in place, which makes it impossible for us to predict the longer-term impact these measures have on our operations. However, we believe that future legislative and regulatory developments related to climate change are likely, which could materially increase operating costs in the chemical industry and thereby increase our manufacturing and delivery costs.

***Our aspirations, goals, and initiatives related to sustainability, and our public statements and disclosures regarding them, expose us to risks.***

We have developed and publicized, and expect to continue to establish, goals, targets, and other objectives related to sustainability matters. These include a GHG intensity reduction target and other environmental targets. Such statements reflect our current plans at the time they are made, and do not constitute a guarantee that they will be achieved. Our ability to track and meet these goals depends on future innovations and technology and the availability of accurate reporting methods. Our efforts to research, establish, accomplish, and accurately report on these goals, targets, and objectives could expose us to operational, reputational, financial, legal, and other risks. Our ability to achieve any stated goal, target, or objective is and will be subject to numerous factors and conditions, many of which are outside of our control, such as evolving regulatory or quasi-regulatory sustainability standards, the ability of suppliers to meet our sustainability and other standards, differing requirements and the pace of changes in technology.

We may face increased scrutiny from the investment community, other stakeholders, regulators, and the media related to our sustainability activities, including the goals, targets, and objectives that we announce, and our methodologies and timelines for pursuing them. If our sustainability practices do not meet investor or other stakeholder expectations and standards, which continue to evolve, our reputation, ability to attract or retain employees, and attractiveness as an investment, business partner, or as an acquirer could be negatively impacted, which could in turn adversely impact our business and results of operations. Similarly, our failure or perceived failure to pursue or fulfill our goals, targets, and objectives, to comply with ethical, environmental, or other standards, regulations, or expectations, or to satisfy various reporting standards with respect to these matters, within the timelines that we announce, or at all, could have the same negative impacts, as well as expose us to government enforcement actions and private litigation. Even if we achieve the goals, targets, and objectives we set, we may not realize all of the benefits that it expected at the time they were established.

***Our business and financial results may be adversely affected by various legal and regulatory proceedings.***

We are involved in legal and regulatory proceedings, lawsuits, claims and investigations in the normal course of business and could become subject to additional claims in the future, some of which could be material. The outcome of existing proceedings, lawsuits, claims and investigations may differ from our expectations because the outcomes of such proceedings, including regulatory matters, are often difficult to reliably predict. Various factors or developments can lead us to change current estimates of liabilities and related insurance receivables where applicable, or permit us to make such estimates for matters previously not susceptible to reasonable estimates, such as a significant judicial ruling or judgment, a significant settlement, significant regulatory developments, or changes in applicable law. A future adverse ruling, settlement, or unfavorable development could result in charges that could have a material adverse effect on our business, results of operations or financial condition in any particular period. See [Note 13 - Environmental](#) and [Note 19 - Commitments and Contingencies](#) in the accompanying consolidated financial statements for further information.

***Changes in, or the interpretation of, tax legislation or rates throughout the world, or the resolution of tax examinations or audits, could materially impact our results.***

Our future effective tax rate and related tax balance sheet attributes could be impacted by changes in tax legislation throughout the world. The overall tax environment has made it increasingly challenging for multinational corporations to operate with certainty about taxation in many jurisdictions. For example, the European Commission has been conducting investigations focusing on whether local country tax rulings or tax legislation provide preferential tax treatment that violates EU state aid rules.

Furthermore, a number of countries where we do business, including the U.S. and many countries in the EU, have changed or are considering changes in relevant tax, accounting and other laws, regulations and interpretations, including changes to tax laws applicable to multinational corporations. Our future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, expirations of tax holidays or rulings, changes in the assessment regarding the realization of deferred tax assets, or changes in tax laws and regulations or their interpretation. The increasingly complex global tax environment and related legislative developments could have a material adverse effect on our effective tax rate, results of operations, cash flows and financial condition.

For example, the Organization of Economic Cooperation and Development (the "OECD"), which represents a coalition of member countries, is supporting changes to numerous long-standing tax principles through its base erosion and profit shifting initiatives, which focus on a number of issues, including (i) the shifting of profits among affiliated entities located in different tax jurisdictions and (ii) a global minimum tax of at least 15% of adjusted financial statement income, applied on a country by country basis, applicable to multinational groups with annual adjusted financial statement income in excess of \$1.0 billion. The adoption of such changes is contingent upon the independent actions of participating countries to enact implementing domestic legislation.

Furthermore, in August 2022, the Inflation Reduction Act of 2022 ("IRA") was enacted in the U.S. The IRA created a new book minimum tax of at least 15% of consolidated GAAP pre-tax income for corporations with three-year average annual book income in excess of \$1.0 billion. The IRA also created an excise tax of 1% of the value of any stock repurchased by us after December 31, 2022.

We are subject to the regular examination of our income tax returns by various tax authorities. Examinations in material jurisdictions or changes in laws, rules, regulations or interpretations by local taxing authorities could result in impacts to tax years open under statute or to foreign operating structures currently in place.

Our tax returns are under audit for the years 2013 through 2015 by the United States, the Netherlands and Germany. These authorities have proposed adjustments to transfer pricing and the reallocation of income between the related jurisdictions to open tax years through 2019. While we have reached resolution with the Netherlands, we are currently continuing with the other taxing authorities and are evaluating all potential remedies. We are currently evaluating these proposals and all potential remedies. If this matter is resolved in a manner inconsistent with our expectations or we are unsuccessful in defending our position, our financial condition and operating results could be adversely impacted.

We cannot predict with certainty the outcome of tax examinations or audits. We regularly assess the likelihood of adverse outcomes resulting from these examinations or changes in laws, rules, regulations or interpretations to determine the adequacy of our provision for taxes. It is possible the outcomes from these examinations will have a material adverse effect on our financial condition and operating results in future periods.

### **Risks Related to Our Human Capital**

#### ***Our success depends upon our ability to attract and retain key employees and the identification and development of talent to succeed senior management.***

Our success depends on our ability to attract and retain key personnel including our management team. The inability to recruit and retain talented employees or the unexpected loss of such talented employees or key personnel may adversely affect our operations. Like many companies, we have experienced in the last couple of years and continue to experience an increasingly competitive hiring environment for skilled employees at our manufacturing and other sites, which in some cases has increased, or may in the future increase, the cost of retaining or hiring talented employees, particularly in technical manufacturing roles critical to our success.

In addition, we rely on our senior management team specifically, therefore our future success depends in part on our ability to retain those members of senior management and to identify and develop talent to succeed senior management. The hiring and retention of key personnel and appropriate senior management succession planning will continue to be important to the successful implementation of our strategies.

#### ***Significant changes in pension fund investment performance or assumptions relating to pension costs may have a material effect on the valuation of pension obligations, the funded status of pension plans and our pension cost.***

The cost of our pension plans is incurred over long periods of time and involves many uncertainties during those periods of time. Our funding policy for pension plans is to accumulate plan assets that, over the long run, will approximate the present value of projected benefit obligations. Our pension cost is materially affected by the discount rate used to measure pension obligations, the level and value of plan assets available to fund those obligations at the measurement date and the expected long-term rate of return on plan assets. Significant changes in investment performance or a change in the portfolio mix of invested assets will likely result in corresponding increases and decreases in the valuation of plan assets and a change in the discount rate or mortality assumptions, which will likely result in an increase or decrease in the valuation of pension obligations. The combined impact of these changes will affect the reported funded status of our pension plans as well as the net periodic pension cost in the following fiscal years. In recent years, an extended duration strategy in the asset portfolio has been implemented in some plans to reduce the influence of liability volatility due to changes in interest rates. If the funded status of a

pension plan declines, we may be required to make unscheduled contributions in addition to those contributions for which we have already planned. See [Note 12 - Benefit Obligations](#) in the accompanying consolidated financial statements for further information.

***Some of our employees are unionized, represented by workers councils or are subject to local laws that are less favorable to employers than the laws of the U.S.***

As of December 31, 2022, we had 13,263 employees globally. Approximately 11% of our 4,722 U.S.-based employees are unionized. In addition, a large number of our employees are employed in countries in which employment laws provide greater bargaining or other employment rights than the laws of the U.S. Such employment rights require us to work collaboratively with the legal representatives of the employees to effect any changes to labor agreements. Most of our employees in Europe are represented by workers councils and/or unions that must approve any changes in terms and conditions of employment, including potentially salaries and benefits. They may also impede efforts to restructure our workforce. Although we believe we have a good working relationship with our employees and their legal representatives, a strike, work stoppage, or slowdown by our employees could occur, resulting in a disruption of our operations or higher ongoing labor costs.

#### **Risks Related to Our Indebtedness**

***Financing the M&M Acquisition significantly increased our indebtedness and interest expense, which could adversely affect us, decrease our business flexibility, diminish our ability to raise additional capital to fund our operations or refinance our existing indebtedness when it matures and limit our ability to react to changes in the economy or the chemicals industry.***

See [Note 11 - Debt](#) in the accompanying consolidated financial statements for further information about our indebtedness. See [Note 12 - Benefit Obligations](#), [Note 13 - Environmental](#) and [Note 19 - Commitments and Contingencies](#) in the accompanying consolidated financial statements for further information about our other obligations.

We incurred approximately \$11.0 billion of indebtedness to finance the M&M Acquisition, bringing our total outstanding indebtedness to \$14.7 billion at December 31, 2022, compared to \$4.0 billion at December 31, 2021. Also, the amount of cash required to pay interest on our increased indebtedness, and thus the demands on our cash resources, has significantly increased as a result of the indebtedness to finance the M&M Acquisition.

We intend to allocate capital to repay and reduce our outstanding debt using cash from operations and potentially proceeds from asset sales or dispositions if we are able to do so on favorable terms. Our ability to reduce our level of indebtedness over time in line with our strategic goals depends on a number of factors including our business performance, macroeconomic and industry conditions, commercial and financing market conditions, and other factors described in these risk factors, and our inability to achieve these objectives could delay or alter our deleveraging plan, or could negatively impact the trading prices of our securities or our credit ratings.

Our higher level of indebtedness and other liabilities could have other important consequences, including:

- Increasing our vulnerability to general economic and industry conditions, including exacerbating the impact of any adverse business effects that could impact our ability to repay amounts due under existing senior credit agreements (the "Credit Agreements") or our indentures (the "Indentures") governing our outstanding senior unsecured notes (collectively, the "Senior Notes");
- Requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on indebtedness and amounts payable in connection with the satisfaction of our other liabilities, therefore reducing our ability to use our cash flow to fund operations, capital expenditures and future business opportunities or pay dividends on our common stock, par value \$0.0001 per share ("Common Stock");
- Reducing our flexibility to respond to changing business and economic conditions;
- Exposing us to the risk of increased interest rates as certain of our borrowings are at variable rates of interest;
- Exposing us to the risk of changes in currency exchange rates as certain of our borrowings are denominated in foreign currencies; and
- Limiting our ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions and general corporate or other purposes.

***We may not be able to generate sufficient cash to service our indebtedness and may be forced to take other actions to satisfy obligations under our indebtedness, which may not be successful.***

If our cash flows and capital resources are insufficient to fund our debt obligations, we may be forced to reduce or delay capital expenditures, sell assets on unfavorable terms, seek additional capital or restructure or refinance our indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service and other obligations. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to complete those dispositions or to obtain the proceeds that we could realize from them, and these proceeds may not be adequate to meet any debt service obligations then due.

***Restrictive covenants in our debt agreements may limit our ability to engage in certain transactions and may diminish our ability to make payments on our indebtedness or pay dividends.***

The Credit Agreements, the Indentures and the Receivables Purchase Agreement governing our receivables securitization facility each contain various covenants that limit our ability to engage in specified types of transactions. The Credit Agreements and the Indentures contain covenants including, but not limited to, restrictions on our and certain of our subsidiaries' ability to incur additional debt; incur liens securing debt; merge or consolidate with any other person; and sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the Issuer's assets or the assets of certain subsidiaries. Additionally, the Credit Agreements require the maintenance of certain financial ratios.

Such restrictions in our debt obligations could result in us having to obtain the consent of our lenders and holders of the Senior Notes in order to take certain actions. Disruptions in credit markets may prevent us from obtaining or make it more difficult or more costly for us to obtain such consents. Our ability to expand our business or to address declines in our business may be limited if we are unable to obtain such consents.

A breach of any of these covenants could result in a default, which, if not cured or waived, could have a material adverse effect on our business, financial condition and results of operations. Furthermore, a default under any of the Credit Agreements could permit lenders to accelerate the maturity of our indebtedness under such Credit Agreement and to terminate any commitments to lend. If the lenders under any Credit Agreement accelerate the repayment of such indebtedness, we may not have sufficient liquidity to repay such amounts or our other indebtedness, including the Senior Notes. In such event, we could be forced into bankruptcy or liquidation.

***Celanese and Celanese U.S. are holding companies and depend on subsidiaries to satisfy their obligations under the Senior Notes and the guarantee of Celanese U.S.'s obligations under the Senior Notes and the Credit Agreements by Celanese.***

As holding companies, Celanese and Celanese U.S. conduct substantially all of their operations through their subsidiaries, which own substantially all of our consolidated assets. Consequently, the principal source of cash to pay Celanese and Celanese U.S.'s obligations, including obligations under the Senior Notes and the guarantee of Celanese U.S.'s obligations under the Credit Agreements and the Indentures by Celanese, is the cash that our subsidiaries generate from their operations. We cannot assure that our subsidiaries will be able to, or be permitted to, make distributions to enable Celanese U.S. and/or Celanese to make payments in respect of their obligations. Each of our subsidiaries is a distinct legal entity and, under certain circumstances, applicable country or state laws, regulatory limitations and terms of our debt instruments may limit our subsidiaries' ability to distribute cash to Celanese U.S. and Celanese. In the event Celanese U.S. and/or Celanese do not receive distributions from our subsidiaries, Celanese U.S. and/or Celanese may be unable to make required payments on the indebtedness under the Credit Agreements, the Indentures, the guarantee of Celanese U.S.'s obligations under the Credit Agreements and the Indentures by Celanese, or our other indebtedness.

**Item 1B. Unresolved Staff Comments**

None.

**Item 2. Properties****Description of Property**

Our corporate headquarters is located in Irving, Texas and we also have administrative offices in Amsterdam, Netherlands; Asturias, Spain; Budapest, Hungary; Hyderabad, India; Kunshan, China; Mexico City, Mexico; Nanjing, China; Shanghai, China; and Sulzbach, Germany. We own or lease numerous production and manufacturing facilities throughout the world. We also own or lease other properties, including office buildings, warehouses, pipelines, research and development facilities and sales offices. We continuously review and evaluate our facilities as a part of our strategy to optimize our business portfolio. The following table sets forth our principal production and other facilities throughout the world as of December 31, 2022. These facilities are well-maintained, in good operating condition, are suitable and adequate for their use and have sufficient capacity for our current needs and expected near-term growth.

Geographic Region	Engineered Materials <sup>(1)</sup>		Acetyl Chain <sup>(1)</sup>		Corporate
	Leased	Owned	Leased	Owned	Leased
North America	11	9	1	7	2
Europe and Africa	5	5	1	5	4
Asia-Pacific	5	8	3	—	4
South America	3	1	—	—	—
Total	24	23	5	12	10

<sup>(1)</sup> Certain geographic locations may contain sites used by multiple segments.

We have also entered into strategic ventures with partners in various locations around the world. See [Item 1. Business](#) for a discussion of our investments in affiliates and their respective site locations.

**Item 3. Legal Proceedings**

The Company is involved in legal and regulatory proceedings, lawsuits, claims and investigations incidental to the normal conduct of its business, relating to such matters as product liability, land disputes, insurance coverage disputes, contracts, employment, antitrust and competition, intellectual property, personal injury and other actions in tort, workers' compensation, chemical exposure, asbestos exposure, taxes, trade compliance, acquisitions and divestitures, claims of legacy shareholders, past waste disposal practices and release of chemicals into the environment. The Company is actively defending those matters where it is named as a defendant. Due to the inherent subjectivity of assessments and unpredictability of outcomes of legal proceedings, the Company's litigation accruals and estimates of possible loss or range of possible loss may not represent the ultimate loss to the Company from legal proceedings. See [Note 13 - Environmental](#) and [Note 19 - Commitments and Contingencies](#) in the accompanying consolidated financial statements for a discussion of material environmental matters and material commitments and contingencies related to legal and regulatory proceedings. See [Item 1A. Risk Factors](#) for certain risk factors relating to these legal proceedings.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Information about our Executive Officers**

The names, ages and biographies of our executive officers as of February 24, 2023 are as follows:

Name	Age	Position
Lori J. Ryerkerk	60	Chair of the Board of Directors, Chief Executive Officer and President
Scott A. Richardson	46	Executive Vice President and Chief Financial Officer
Thomas F. Kelly	57	Senior Vice President, Engineered Materials
Mark C. Murray	52	Senior Vice President, Acetyls
A. Lynne Puckett	60	Senior Vice President and General Counsel

**Lori J. Ryerkerk** was named our Chief Executive Officer and President and a member of our board of directors effective May 2019. In April 2020, she was named Chair of the Board. Previously, Ms. Ryerkerk was the Executive Vice President of Global Manufacturing, the largest business in Shell Downstream Inc., where she led a team of 30,000 employees and contractors at refineries and chemical sites worldwide. Ms. Ryerkerk joined Shell in May 2010 as the Regional Vice President of Manufacturing in Europe and Africa, and was responsible for the operation of five Shell manufacturing facilities and five joint ventures. In October 2013, she was named Executive Vice President of Global Manufacturing, Shell Downstream Inc. Before joining Shell, she was Senior Vice President, Refining, Supply and Terminals at Hess Corporation, where she was responsible for refineries, terminals and a distribution network, and supply and trading. Prior to that, Ms. Ryerkerk spent 24 years with ExxonMobil where she started her career as a process technologist at a refinery in Baton Rouge, Louisiana. Throughout her tenure at ExxonMobil, she took on a variety of operational and senior leadership roles in Refining and Chemicals Manufacturing, Power Generation, and various other groups including Supply, Economics and Planning, HSSE and Public Affairs/Government Relations. Ms. Ryerkerk received a Chemical Engineering degree from Iowa State University. She serves on the board of Eaton Corporation plc, a diversified power management company, and previously served on the board of directors of Axalta Coating Systems, a leading provider of liquid and powder coatings.

**Scott A. Richardson** was named Chief Financial Officer for Celanese Corporation in February 2018 after serving as Senior Vice President of the Engineered Materials business since December 2015, where he had global responsibility for strategy, product and business management, planning and portfolio development, and pipeline management. He was promoted to Executive Vice President in March 2020. Previously, Mr. Richardson served as Vice President and General Manager of the Acetyl Chain since 2011. Mr. Richardson has progressed through several Celanese roles including global commercial director, Acetyls; manager of Investor Relations; business analysis manager, Acetyls; and business line controller, Polyols and Solvents. He joined Celanese in 2005. Prior to joining Celanese, Mr. Richardson held various finance, operational and leadership roles at American Airlines. He earned a Bachelor of Arts in Accounting from Westminster College and a Master of Business Administration from Texas Christian University.

**Thomas F. Kelly** was named Senior Vice President, Engineered Materials in April 2020, leading the Engineered Materials business with global responsibility for product and business management, planning and portfolio development, and pipeline management. He had previously served as Vice President of Engineered Materials with Celanese since January 2019. He re-joined Celanese in January 2019 after serving with Cabot Microelectronics (now CMC Materials), a global supplier of consumable materials to semiconductor manufacturers and pipeline companies, from September 2016 to January 2019. At Cabot Microelectronics he held the roles of Vice President and Chief Commercial Officer and Vice President of Corporate Development. He was previously with Celanese from August 2012 to September 2016 as Director of Raw Materials, where he led a team responsible for sourcing strategic raw materials. Before joining Celanese, he had additional roles in supply chain, sales and manufacturing management with Chemtura, Cabot Microelectronics and Rohm & Haas. Mr. Kelly also served as a board member of Nucera Solutions, a provider of specialty polymer solutions, from June 2021 through August 2022, and of Vertellus Global Holdings LLC, a supplier of specialty chemical products, from August 2019 through December 2020. He holds a Master of Business Administration from Drexel University, and Master's and Bachelor's Degrees in Chemical Engineering from Villanova University.

**Mark C. Murray** was named Senior Vice President, Acetyls in February 2023 after having served as the interim leader of Celanese's Acetyls Business since November 2022. Before rejoining Celanese in June 2022 as Vice President of Business Strategy and Development, Mr. Murray served as Executive Vice President, Biomaterials and Advanced Technologies at Avantor, a global materials manufacturer and distributor. Mr. Murray previously served in senior commercial and business roles within the Acetyl Chain and Engineered Materials businesses at Celanese from November 2009 through June 2019 and from May 2002 to March 2007. Earlier in his career he served as a consultant with McKinsey & Co. Mr. Murray holds a Bachelor of Science degree in Chemical Engineering from the University of Texas at Austin and a Master of Business Administration from Northwestern University.

**A. Lynne Puckett** joined Celanese Corporation in February 2019 as Senior Vice President and General Counsel. Prior to that, Ms. Puckett was Senior Vice President, General Counsel and Secretary of Colfax Corporation since 2010. Prior to Colfax, she was a Partner with the law firm of Hogan Lovells. Her experience includes a broad range of corporate and transactional matters, including mergers and acquisitions, venture capital financings, debt and equity offerings, and general corporate and securities law matters. Before entering the practice of law, Ms. Puckett worked for the U.S. Central Intelligence Agency and a major U.S. defense contractor. She currently serves on the board of directors of Markel Corporation, an insurance and investment operations holding company and is a member of the Board of Trustees of the American Shakespeare Center. Ms. Puckett received a Juris Doctor degree from the University of Maryland School of Law and a Bachelor of Science degree from James Madison University.

## PART II

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

#### **Market Information**

Our common stock, par value \$0.0001 per share ("Common Stock"), has traded on the New York Stock Exchange under the symbol "CE" since January 21, 2005.

#### **Holders**

As of February 10, 2023, there were 111 holders of record of our Common Stock. A substantially greater number of holders of our common stock are "street name" or beneficial holders, whose shares of record are held by banks, brokers and other financial institutions.

#### **Dividend Policy**

The amount available to us to pay cash dividends is not currently restricted by our existing senior credit facilities and our indentures governing our senior unsecured notes. Also, the general corporation law of the State of Delaware imposes restrictions on the payment of dividends by all Delaware corporations that do not currently limit our ability to pay our current and anticipated regular cash dividends. See [Note 14 - Shareholders' Equity](#) in the accompanying consolidated financial statements for further information.

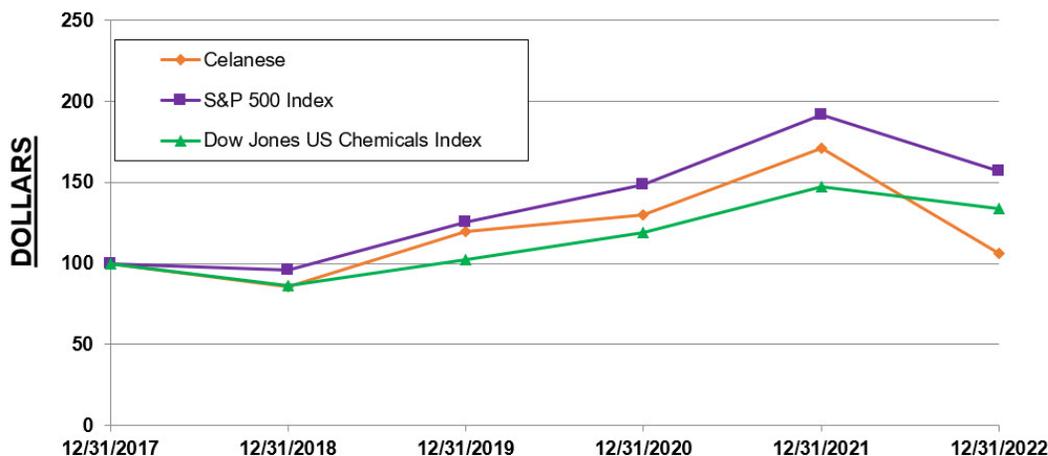
#### **Celanese Purchases of its Equity Securities**

We did not repurchase any Common Stock during the three months ended December 31, 2022. As of December 31, 2022, our Board of Directors had authorized the repurchase of \$6.9 billion of our Common Stock since February 2008, with approximately \$1.1 billion value of shares remaining that may be purchased under the program. See [Note 14 - Shareholders' Equity](#) in the accompanying consolidated financial statements for further information.

**Performance Graph**

The following performance graph compares the cumulative total return on Celanese Corporation Common Stock from December 31, 2017 through December 31, 2022 to that of the Standard & Poor's ("S&P") 500 Stock Index and the Dow Jones U.S. Chemicals Index. Cumulative total return represents the change in stock price and the amount of dividends received during the indicated period, assuming reinvestment of all dividends. The performance graph assumes an investment of \$100 on December 31, 2017. The stock performance shown in the graph is included in response to SEC requirements and is not intended to forecast or to be indicative of future performance.

**Comparison of Cumulative Total Return**



Company Name / Index	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
Celanese	100	85.69	119.82	129.73	170.86	106.34
S&P 500 Index	100	95.61	125.70	148.81	191.48	156.77
Dow Jones US Chemicals Index	100	86.01	102.44	119.16	147.21	133.58

*The above performance graph and related information shall not be deemed "soliciting material" or to be "filed" with the Securities and Exchange Commission, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or Securities Exchange Act of 1934, each as amended, except to the extent that we specifically incorporate it by reference into such filing.*

**Recent Sales of Unregistered Securities**

Our deferred compensation plan offers certain of our senior employees and directors the opportunity to defer a portion of their compensation in exchange for a future payment amount equal to their deferrals plus or minus certain amounts based upon the market-performance of specified measurement funds selected by the participant. These deferred compensation obligations may be considered securities of Celanese. Participants were required to make deferral elections under the plan prior to January 1 of the year such deferrals will be withheld from their compensation. We relied on the exemption from registration provided by Section 4(a)(2) of the Securities Act in making this offer to a select group of employees, fewer than 35 of which were non-accredited investors under the rules promulgated by the Securities and Exchange Commission.

**Item 6. Reserved**

This item is no longer required, as the Company has adopted the amendment to Item 301 of Regulation S-K contained in SEC Release No. 33-10890, which became effective on February 10, 2021.

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

*In this Annual Report on Form 10-K ("Annual Report"), the term "Celanese" refers to Celanese Corporation, a Delaware corporation, and not its subsidiaries. The terms the "Company," "we," "our" and "us," refer to Celanese and its subsidiaries on a consolidated basis. The term "Celanese U.S." refers to the Company's subsidiary, Celanese US Holdings LLC, a Delaware limited liability company, and not its subsidiaries.*

*The following discussion should be read in conjunction with the accompanying consolidated financial statements and notes to the consolidated financial statements, which are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").*

*Investors are cautioned that the forward-looking statements contained in this section and other parts of this Annual Report involve both risk and uncertainty. Several important factors could cause actual results to differ materially from those anticipated by these statements. Many of these statements are macroeconomic in nature and are, therefore, beyond the control of management. See "Forward-Looking Statements" below.*

### **Forward-Looking Statements**

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and other parts of this Annual Report contain certain forward-looking statements and information relating to us that are based on the beliefs of our management as well as assumptions made by, and information currently available to, us. Generally, words such as "believe," "expect," "intend," "estimate," "anticipate," "project," "plan," "may," "can," "could," "might," and "will," and similar expressions, as they relate to us are intended to identify forward-looking statements. These statements reflect our current views and beliefs with respect to future events at the time that the statements are made, are not historical facts or guarantees of future performance and involve risks and uncertainties that are difficult to predict and many of which are outside of our control. Further, certain forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. See "[Special Note Regarding Forward-Looking Statements](#)" at the beginning of this Annual Report for further discussion. All forward-looking statements made in this Annual Report are made as of the date hereof, and the risk that actual results will differ materially from expectations expressed in this Annual Report will increase with the passage of time. We undertake no obligation, and disclaim any duty, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changes in our expectations or otherwise.

### **Risk Factors**

[Item 1A. Risk Factors](#) of this Annual Report also contains a description of certain risk factors that you should consider which could significantly affect our financial results. In addition, the following factors, among others, could cause our actual results to differ materially from those results, performance or achievements that may be expressed or implied by such forward-looking statements:

- changes in general economic, business, political and regulatory conditions in the countries or regions in which we operate;
- volatility or changes in the price and availability of raw materials and energy, particularly changes in the demand for, supply of, and market prices of ethylene, methanol, natural gas, wood pulp and fuel oil and the prices for electricity and other energy sources;
- the length and depth of product and industry business cycles particularly in the automotive, electrical, textiles, electronics and construction industries;
- the ability to pass increases in raw material prices, logistics costs and other costs on to customers or otherwise improve margins through price increases;
- the accuracy or inaccuracy of our beliefs or assumptions regarding anticipated benefits of the acquisition (the "M&M Acquisition") by us of the majority of the Mobility & Materials business (the "M&M Business") of DuPont de Nemours, Inc. ("DuPont"), including as a result of the performance of the M&M Business between signing and closing of the M&M Acquisition;
- the possibility that we will not be able to realize anticipated improvements in the M&M Business's financial performance – including optimizing pricing, currency mix and inventory – or realize the anticipated benefits of the M&M Acquisition, including synergies and growth opportunities, within the anticipated timeframe or at all, whether as a result of difficulties

- arising from the operation or integration of the M&M Business or other unanticipated delays, costs, inefficiencies or liabilities;
- increased commercial, legal or regulatory complexity of entering into, or expanding our exposure to, certain end markets and geographies;
  - risks in the global economy and equity and credit markets and their potential impact on our ability to pay down debt in the future and/or refinance at suitable rates, in a timely manner, or at all;
  - diversion of management's attention from ongoing business operations and opportunities and other disruption caused by the M&M Acquisition and the integration processes and their impact on our existing business and relationships;
  - risks and costs associated with increased leverage from the M&M Acquisition, including increased interest expense and potential reduction of business and strategic flexibility;
  - the ability to maintain plant utilization rates and to implement planned capacity additions, expansions and maintenance;
  - the ability to reduce or maintain current levels of production costs and to improve productivity by implementing technological improvements to existing plants;
  - increased price competition and the introduction of competing products by other companies;
  - the ability to identify desirable potential acquisition or divestiture opportunities and to complete such transactions, including obtaining regulatory approvals, consistent with our strategy;
  - market acceptance of our products and technology;
  - compliance and other costs and potential disruption or interruption of production or operations due to accidents, interruptions in sources of raw materials, transportation, logistics or supply chain disruptions, cybersecurity incidents, terrorism or political unrest, public health crises (including, but not limited to, the COVID-19 pandemic), or other unforeseen events or delays in construction or operation of facilities, including as a result of geopolitical conditions, the occurrence of acts of war (such as the Russia-Ukraine conflict) or terrorist incidents or as a result of weather, natural disasters, or other crises;
  - the ability to obtain governmental approvals and to construct facilities on terms and schedules acceptable to us;
  - changes in applicable tariffs, duties and trade agreements, tax rates or legislation throughout the world including, but not limited to, adjustments, changes in estimates or interpretations or the resolution of tax examinations or audits that may impact recorded or future tax impacts and potential regulatory and legislative tax developments in the United States and other jurisdictions;
  - changes in the degree of intellectual property and other legal protection afforded to our products or technologies, or the theft of such intellectual property;
  - potential liability for remedial actions and increased costs under existing or future environmental, health and safety regulations, including those relating to climate change or other sustainability matters;
  - potential liability resulting from pending or future claims or litigation, including investigations or enforcement actions, or from changes in the laws, regulations or policies of governments or other governmental activities, in the countries in which we operate;
  - changes in currency exchange rates and interest rates; and
  - various other factors, both referenced and not referenced in this Annual Report.

Many of these factors are macroeconomic in nature and are, therefore, beyond our control. COVID-19 and responses to the pandemic by governments and businesses, have significantly increased financial, economic and cost volatility and uncertainty, exacerbating the risks and potential impact of these factors. Should one or more of these risks or uncertainties materialize, affect us in ways or to an extent that we currently do not expect or consider to be significant, or should underlying assumptions prove incorrect, our actual results, performance or achievements may vary materially from those described in this Annual Report as anticipated, believed, estimated, expected, intended, planned or projected. We neither intend nor assume any obligation to update these forward-looking statements, which speak only as of their dates.

## Results of Operations

### Financial Highlights

	Year Ended December 31,		Change
	2022	2021	
(In \$ millions, except percentages)			
<b>Statement of Operations Data</b>			
Net sales	9,673	8,537	1,136
Gross profit	2,380	2,682	(302)
Selling, general and administrative ("SG&A") expenses	(824)	(633)	(191)
Other (charges) gains, net	(8)	3	(11)
Operating profit (loss)	1,378	1,946	(568)
Equity in net earnings (loss) of affiliates	220	146	74
Non-operating pension and other postretirement employee benefit (expense) income	17	106	(89)
Interest expense	(405)	(91)	(314)
Interest income	69	8	61
Dividend income - equity investments	133	147	(14)
Earnings (loss) from continuing operations before tax	1,421	2,248	(827)
Earnings (loss) from continuing operations	1,910	1,918	(8)
Earnings (loss) from discontinued operations	(8)	(22)	14
Net earnings (loss)	1,902	1,896	6
Net earnings (loss) attributable to Celanese Corporation	1,894	1,890	4
<b>Other Data</b>			
Depreciation and amortization	462	371	91
SG&A expenses as a percentage of Net sales	8.5 %	7.4 %	
Operating margin <sup>(1)</sup>	14.2 %	22.8 %	
Other (charges) gains, net			
Restructuring	(6)	(5)	(1)
Asset impairments	(14)	(2)	(12)
Plant/office closures	12	10	2
Total Other (charges) gains, net	(8)	3	(11)

<sup>(1)</sup> Defined as Operating profit (loss) divided by Net sales.

	As of December 31,	
	2022	2021
	(In \$ millions)	
<b>Balance Sheet Data</b>		
Cash and cash equivalents	1,508	536
Short-term borrowings and current installments of long-term debt - third party and affiliates	1,306	791
Long-term debt, net of unamortized deferred financing costs	13,373	3,176
Total debt	14,679	3,967

**Factors Affecting Business Segment Net Sales**

The percentage increase (decrease) in Net sales attributable to each of the factors indicated for each of our business segments is as follows:

*Year Ended December 31, 2022 Compared to Year Ended December 31, 2021*

	Volume	Price	Currency	Total
	(In percentages)			
Engineered Materials	33	23	(8)	48
Acetyl Chain	(6)	6	(3)	(3)
Total Company	6	11	(4)	13

**Consolidated Results**

*Year Ended December 31, 2022 Compared to Year Ended December 31, 2021*

Net sales increased \$1.1 billion, or 13%, for the year ended December 31, 2022 compared to the same period in 2021 primarily due to:

- higher pricing in both of our segments, primarily driven by our Engineered Materials segment, due to higher raw material costs, higher energy costs and product mix; and
- higher volume in our Engineered Materials segment, primarily in elastomers related to our acquisition of the majority of the Mobility & Materials business (the "M&M Business"), our acquisition of the Santoprene™ thermoplastic vulcanizates elastomers business of Exxon Mobil Corporation ("Santoprene"), as well as the Korea Engineering Plastics Co., Ltd., ("KEPCO") restructuring;

partially offset by:

- an unfavorable currency impact resulting from a weaker euro relative to the U.S. dollar; and
- lower volume in our Acetyl Chain segment, primarily due to decreased demand in Asia.

Selling, general and administrative expenses increased \$191 million, or 30%, for the year ended December 31, 2022 compared to the same period in 2021, primarily due to:

- higher functional and project spending of \$187 million in Other Activities, primarily related to our acquisitions of the M&M Business and Santoprene.

Operating profit decreased \$568 million, or 29%, for the year ended December 31, 2022 compared to the same period in 2021 primarily due to:

- higher raw material and energy costs in both of our segments;
- higher spending in both of our segments, primarily as a result of our acquisitions of the M&M Business and Santoprene, as well as increased plant operating and maintenance expenses; and

- lower Net sales in our Acetyl Chain segment;

partially offset by:

- higher Net sales in our Engineered Materials segment.

Non-operating pension and other postretirement employee benefit income decreased \$89 million for the year ended December 31, 2022 compared to the same period in 2021 primarily due to an increase in recognized actuarial loss of \$40 million as a result of lower than expected actual asset returns, partially offset by an increase in the weighted average discount rate used to determine benefit obligations from 2.5% to 4.9% and a decrease in expected asset returns of \$39 million. See [Note 12 - Benefit Obligations](#) in the accompanying consolidated financial statements for further information.

Our effective income tax rate for the year ended December 31, 2022 was (34)% compared to 15% for the year ended 2021. The lower effective income tax rate for the year ended December 31, 2022 compared to the same period in 2021 was primarily due to the reorganization of our foreign legal entity holding structure and relocation of certain of our intangible assets to align with the acquired M&M Business foreign operations. See [Note 15 - Income Taxes](#) in the accompanying consolidated financial statements for further information.

Discussion of our financial condition and results of operations for the year ended December 31, 2021 compared to the year ended December 31, 2020 and for the year ended December 31, 2020 compared to the year ended December 31, 2019, can be found in *Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Reports for the years ended December 31, 2021 and December 31, 2020, respectively.

**Business Segments****Engineered Materials**

	Year Ended December 31,		Change	%
	2022	2021		
	(In \$ millions, except percentages)			
Net sales	4,024	2,718	1,306	48.1 %
<b>Net Sales Variance</b>				
<i>Volume</i>	33 %			
<i>Price</i>	23 %			
<i>Currency</i>	(8) %			
Operating profit (loss)	429	411	18	4.4 %
Operating margin	10.7 %	15.1 %		
Equity in net earnings (loss) of affiliates	202	126	76	60.3 %
Depreciation and amortization	226	144	82	56.9 %

*Year Ended December 31, 2022 Compared to Year Ended December 31, 2021*

Net sales increased for the year ended December 31, 2022 compared to the same period in 2021 primarily due to:

- higher volume, primarily in elastomers related to our acquisition of the M&M Business, our acquisition of Santoprene, as well as the KEPCO restructuring. See [Note 4 - Acquisitions, Dispositions and Plant Closures](#) in the accompanying consolidated financial statements for further information; and
- higher pricing for most of our products, primarily due to higher raw material costs, higher energy costs and product mix;

partially offset by:

- an unfavorable currency impact resulting from a weaker euro relative to the U.S. dollar.

Operating profit increased for the year ended December 31, 2022 compared to the same period in 2021 primarily due to:

- higher Net sales;

largely offset by:

- higher raw material costs for all of our products and increased sourcing costs as a result of higher logistical costs and global shipping constraints and our acquisition of the M&M Business;
- higher spending of \$258 million, primarily as a result of our acquisitions of the M&M Business and Santoprene, as well as plant operating and administrative expenses; and
- higher energy costs of \$124 million, primarily for steam.

Equity in net earnings (loss) of affiliates increased for the for the year ended December 31, 2022 compared to the same period in 2021 primarily due to:

- an increase in equity investment in earnings of \$90 million from our Ibn Sina strategic affiliate, primarily as a result of tighter market conditions and stronger demand.

*Acetyl Chain*

	Year Ended December 31,		Change	%
	2022	2021		
Net sales	5,743	5,894	(151)	(2.6)%
<b>Net Sales Variance</b>				
<i>Volume</i>	(6) %			
<i>Price</i>	6 %			
<i>Currency</i>	(3) %			
Operating profit (loss)	1,447	1,875	(428)	(22.8)%
Operating margin	25.2 %	31.8 %		
Dividend income - equity investments	132	146	(14)	(9.6)%
Depreciation and amortization	213	210	3	1.4 %

*Year Ended December 31, 2022 Compared to Year Ended December 31, 2021*

Net sales decreased for the year ended December 31, 2022 compared to the same period in 2021 primarily due to:

- lower volume for most of our products due to decreased demand, primarily in Asia; and
- an unfavorable currency impact resulting from a weaker euro relative to the U.S. dollar;

partially offset by:

- higher pricing for most of our products, primarily due to tighter market conditions as a result of increased customer demand in the Western Hemisphere and supply constraints across most regions; and
- higher volume for VAM due to increased demand.

Operating profit decreased for the year ended December 31, 2022 compared to the same period in 2021 primarily due to:

- higher raw material and sourcing costs, primarily for methanol and carbon monoxide due to stronger demand and tighter market conditions, as well as higher distribution costs due to global shipping constraints;
- lower Net sales;
- higher energy costs of \$89 million, primarily due to price increases for natural gas and electricity; and
- higher spending of \$53 million, primarily as a result of increased plant operating and maintenance expenses.

**Other Activities**

	<b>Year Ended December 31,</b>		<b>Change</b>	<b>% Change</b>
	<b>2022</b>	<b>2021</b>		
	(In \$ millions, except percentages)			
Operating profit (loss)	(498)	(340)	(158)	(46.5)%
Non-operating pension and other postretirement employee benefit (expense) income	17	106	(89)	(84.0)%

*Year Ended December 31, 2022 Compared to Year Ended December 31, 2021*

Operating loss increased for the year ended December 31, 2022 compared to the same period in 2021 primarily due to:

- higher functional and project spending of \$187 million, primarily related to our acquisitions of the M&M Business and Santoprene;

partially offset by:

- lower incentive compensation cost.

Non-operating pension and other postretirement employee benefit income decreased for the year ended December 31, 2022 compared to the same period in 2021 primarily due to:

- an increase in recognized actuarial loss of \$40 million as a result of lower than expected actual asset returns, partially offset by an increase in the weighted average discount rate used to determine benefit obligations from 2.5% to 4.9%, and a decrease in expected asset returns of \$39 million. See [Note 12 - Benefit Obligations](#) in the accompanying consolidated financial statements for further information.

**Liquidity and Capital Resources**

Our primary sources of liquidity are cash generated from operations, available cash and cash equivalents, dividends from our portfolio of strategic investments and available borrowings under our senior unsecured revolving credit facility. As of December 31, 2022, we have \$1.45 billion available for borrowing under our senior unsecured revolving credit facility, if required, in meeting our working capital needs and other contractual obligations. In addition, we held cash and cash equivalents of \$1.5 billion as of December 31, 2022. We are actively managing our business to maintain cash flow, and we believe that liquidity from the above-referenced sources will be sufficient to meet our operational and capital investment needs and financial obligations for the foreseeable future.

On November 1, 2022, we acquired a majority of the M&M Business for a purchase price of \$11.0 billion, subject to transaction adjustments, in an all-cash transaction. For further information regarding the acquisition and related financing transactions, see *Debt and Other Obligations* in this [Liquidity and Capital Resources](#) and [Note 4 - Acquisitions, Dispositions and Plant Closures](#) in the accompanying consolidated financial statements for further information.

While our contractual obligations, commitments and debt service requirements over the next several years are significant, we continue to believe we will have available resources to meet our liquidity requirements, including debt service, for the next twelve months. If our cash flow from operations is insufficient to fund our debt service and other obligations, we may be required to use other means available to us such as increasing our borrowings, reducing or delaying capital expenditures, seeking additional capital or seeking to restructure or refinance our indebtedness. There can be no assurance, however, that we will continue to generate cash flows at or above current levels.

Capital expenditures were \$543 million for the year ended December 31, 2022. We continue to prioritize those projects expected to drive productivity in the near-term and expect capital expenditures to be approximately \$600 million in 2023, primarily due to certain investments in growth opportunities and productivity improvements. In Engineered Materials, our expansion of (1) the compounding capacity and (2) the new liquid crystal polymer ("LCP") unit at our facilities in Nanjing, China are, after experiencing some delays due to certain permitting issues, in detailed engineering design and our (3) energy optimization productivity project at our polyoxymethylene ("POM") unit in Frankfurt, Germany is in front end engineering design. In the Acetyl Chain, our planned expansion of (1) the capacity of our vinyl acetate ethylene ("VAE") emulsions units in Nanjing, China, (2) the capacity of our vinyl acetate monomer ("VAM") plant in Bay City, Texas, (3) the sustainable

production of methanol at our Fairway joint venture methanol unit in Clear Lake, Texas using captured carbon dioxide as feedstock, (4) our acetic acid complex expansion in Clear Lake, Texas and (5) our VAE emulsion plant expansion in Frankfurt, Germany, are in various stages of construction and on schedule. We continue to see the incremental capacity from investments made in recent years strengthen our manufacturing network reliability to best serve our customers.

We did not repurchase any Common Stock during the year ended December 31, 2022.

On a stand-alone basis, Celanese and its immediate 100% owned subsidiary, Celanese U.S., have no independent external operations of their own. Accordingly, they generally depend on the cash flow of their subsidiaries and their ability to pay dividends and make other distributions to Celanese and Celanese U.S. in order to meet their obligations, including their obligations under senior credit facilities and senior notes, and to pay dividends on our Common Stock.

We are subject to capital controls and exchange restrictions imposed by the local governments in certain jurisdictions where we operate, such as China, India and Indonesia. Capital controls impose limitations on our ability to exchange currencies, repatriate earnings or capital, lend via intercompany loans or create cross-border cash pooling arrangements. Our largest exposure to a country with capital controls is in China. Pursuant to applicable regulations, foreign-invested enterprises in China may pay dividends only out of their accumulated profits, if any, determined in accordance with Chinese accounting standards and regulations. In addition, the Chinese government imposes certain currency exchange controls on cash transfers out of China, puts certain limitations on duration, purpose and amount of intercompany loans, and restricts cross-border cash pooling. While it is possible that future tightening of these restrictions or application of new similar restrictions could impact us, these limitations do not currently restrict our operations.

We remain in compliance with the financial covenants under our senior unsecured revolving credit facility and expect to remain in compliance based on our current expectation of future results of operations. If our actual future results of operations differ materially from these expectations, or if we otherwise experience increased indebtedness or substantially lower EBITDA, we may be required to seek an amendment or waiver of such covenants which may increase our borrowing costs under those debt instruments.

### **Cash Flows**

Cash and cash equivalents increased \$972 million to \$1.5 billion as of December 31, 2022 compared to December 31, 2021. As of December 31, 2022, \$1.3 billion of the \$1.5 billion of cash and cash equivalents was held by our foreign subsidiaries. Under the TCJA, we have incurred a prior year charge associated with the deemed repatriation of previously unremitted foreign earnings, including foreign held cash. These funds are largely accessible without additional material tax consequences, if needed in the U.S., to fund operations. See [Note 15 - Income Taxes](#) in the accompanying consolidated financial statements for further information.

#### *Year Ended December 31, 2022 Compared to Year Ended December 31, 2021*

##### **• Net Cash Provided by (Used in) Operating Activities**

Net cash provided by operating activities increased \$62 million to \$1.8 billion for the year ended December 31, 2022 compared to \$1.8 billion for the same period in 2021, primarily due to:

- favorable changes in trade working capital of \$291 million, primarily due to the timing of collections of trade receivables, inventory builds and settlement of trade payables;

partially offset by:

- a lower earnings performance.

##### **• Net Cash Provided by (Used in) Investing Activities**

Net cash used in investing activities increased \$10.0 billion to \$11.1 billion for the year ended December 31, 2022 compared to \$1.1 billion for the same period in 2021, primarily due to:

- a net cash outflow of \$9.4 billion related to the M&M Acquisition in November 2022, partially offset by the acquisition of the Santoprene™ thermoplastic vulcanizates elastomers business of Exxon Mobil Corporation in 2021, which did not recur in the current year. See [Note 4 - Acquisitions, Dispositions and Plant Closures](#) in the accompanying consolidated financial statements for further information; and

- proceeds from the sale of marketable securities of \$516 million, which did not recur in the current year.
- **Net Cash Provided by (Used in) Financing Activities**

Net cash provided by financing activities increased \$11.3 billion to \$10.3 billion for the year ended December 31, 2022 compared to net cash used in financing activities of \$1.0 billion for the same period in 2021, primarily due to:

- an increase in net proceeds of long-term debt of \$10.0 billion, primarily due to the issuance of senior unsecured notes consisting of \$2.0 billion in principal amount of 5.900% notes due July 5, 2024, \$1.75 billion in principal amount of 6.050% notes due March 15, 2025, \$2.0 billion in principal amount of 6.165% notes due July 15, 2027, \$750 million in principal amount of 6.330% notes due July 15, 2029 and \$1.0 billion in principal amount of 6.379% notes due July 15, 2032 (collectively, the "Acquisition USD Notes"), as well as senior unsecured notes consisting of €1.0 billion in principal amount of 4.777% notes due July 19, 2026 and €500 million in principal amount of 5.337% notes due January 19, 2029 (collectively, the "Acquisition Euro Notes" and, together with the Acquisition USD Notes, the "Acquisition Notes"), partially offset by the maturity of the 5.875% senior unsecured notes ("5.875% Notes") which were repaid during the year ended December 31, 2021;
- a decrease in share repurchases of our Common Stock of \$983 million during the year ended December 31, 2022; and
- an increase in net borrowings on short-term debt of \$336 million, primarily due to borrowing under the senior unsecured revolving credit facility related to the M&M Acquisition in November 2022.

In addition, exchange rates had a favorable impact of \$4 million on cash and cash equivalents and an unfavorable impact of \$15 million on cash and cash equivalents for the years ended December 31, 2022 and 2021, respectively.

#### **Debt and Other Obligations**

##### **Senior Credit Facilities**

In connection with the M&M Acquisition, on February 17, 2022, we entered into a bridge facility commitment letter with Bank of America, N.A. ("Bank of America") pursuant to which Bank of America committed to provide, subject to the terms and conditions set forth therein, a 364-day \$11.0 billion senior unsecured bridge term loan facility (the "Bridge Facility"). Subsequently, commitments in respect of the Bridge Facility were syndicated to additional financial institutions as contemplated thereby.

On March 18, 2022, we entered into a term loan credit agreement (the "March 2022 Term Loan Credit Agreement"), pursuant to which lenders have provided a tranche of delayed-draw term loans due 364 days from issuance in an amount equal to \$500 million and a tranche of delayed-draw term loans due 5 years from issuance in an amount equal to \$1.0 billion. On September 16, 2022, Celanese, Celanese U.S. and certain subsidiaries entered into an additional term loan credit agreement (the "September 2022 Term Loan Credit Agreement" and, together with the March 2022 Term Loan Credit Agreement, the "Term Loan Credit Agreements"), pursuant to which lenders have provided delayed-draw term loans due 3 years from issuance in an amount equal to \$750 million (the term loans represented by the Term Loan Credit Agreements collectively, the "Term Loan Facility"). The Term Loan Facility was fully drawn during the three months ended December 31, 2022. The Term Loan Facility is guaranteed by Celanese and domestic subsidiaries representing substantially all of our U.S. assets and business operations.

On March 18, 2022, we entered into a new revolving credit agreement (the "New Revolving Credit Agreement" and, together with the Term Loan Credit Agreements the "Credit Agreements") consisting of a \$1.75 billion senior unsecured revolving credit facility (with a letter of credit sublimit), maturing in 2027. The proceeds of a \$365 million borrowing under the new senior unsecured revolving credit facility were used to repay and terminate our existing revolving credit facility.

• **Senior Notes**

We have outstanding senior unsecured notes, issued in public offerings registered under the Securities Act of 1933 ("Securities Act"), as amended, as follows (collectively, the "Senior Notes"):

Senior Notes	Issue Date	Principal (In millions)	Interest Rate (In percentages)	Interest Pay Dates		Maturity Date
1.125% Notes	September 2016	€450	1.125	September 26		September 26, 2023
3.500% Notes	May 2019	\$500	3.500	May 8	November 8	May 8, 2024
5.900% Notes	July 2022	\$2,000	5.900	January 5	July 5	July 5, 2024
1.250% Notes	December 2017	€300	1.250	February 11		February 11, 2025
6.050% Notes	July 2022	\$1,750	6.050	March 15	September 15	March 15, 2025
4.777% Notes	July 2022	€1,000	4.777	July 19		July 19, 2026
1.400% Notes	August 2021	\$400	1.400	February 5	August 5	August 5, 2026
2.125% Notes	November 2018	€500	2.125	March 1		March 1, 2027
6.165% Notes	July 2022	\$2,000	6.165	January 15	July 15	July 15, 2027
0.625% Notes	September 2021	€500	0.625	September 10		September 10, 2028
5.337% Notes	July 2022	€500	5.337	January 19		January 19, 2029
6.330% Notes	July 2022	\$750	6.330	January 15	July 15	July 15, 2029
6.379% Notes	July 2022	\$1,000	6.379	January 15	July 15	July 15, 2032

The Senior Notes were issued by Celanese U.S. and are guaranteed on a senior unsecured basis by Celanese and the Subsidiary Guarantors. Celanese U.S. may redeem some or all of each of the Senior Notes, prior to their respective maturity dates, at a redemption price of 100% of the principal amount, plus a "make-whole" premium as specified in the applicable indenture, plus accrued and unpaid interest, if any, to the redemption date.

On July 14, 2022 and July 19, 2022, Celanese U.S. completed the offerings of the Acquisition USD Notes and Acquisition Euro Notes, respectively. Fees and expenses of the offering of the Acquisition Notes, inclusive of underwriting discounts, were \$65 million. Net proceeds from the sale of the Acquisition Notes were used to fund the purchase price for the M&M Acquisition, with any remaining proceeds being used for general corporate purposes.

The entry into the Term Loan Credit Agreements and the offerings of the Acquisition Notes reduced availability under the Bridge Facility to zero, and we terminated the Bridge Facility. During the year ended December 31, 2022, we paid \$66 million in fees related to the Bridge Facility commitment, amortizing these fees to interest expense.

• **Accounts Receivable Securitization Facility**

In 2021, we entered into an amendment to the amended and restated receivables purchase agreement under our U.S. accounts receivable purchasing facility among certain of our subsidiaries, our wholly-owned, "bankruptcy remote" special purpose subsidiary ("SPE") and certain global financial institutions ("Purchasers"). We de-recognized \$1.1 billion and \$1.1 billion of accounts receivable under this agreement for the years ended December 31, 2022 and 2021, respectively, and collected \$1.1 billion and \$1.1 billion of accounts receivable sold under this agreement during the same periods. Unsold U.S. accounts receivable of \$99 million were pledged by the SPE as collateral to the Purchasers as of December 31, 2022.

• **Factoring and Discounting Agreements**

We have factoring agreements in Europe and Singapore with financial institutions. We de-recognized \$320 million and \$230 million of accounts receivable under these factoring agreements for the years ended December 31, 2022 and 2021, respectively, and collected \$325 million and \$185 million of accounts receivable sold under these factoring agreements during the same periods.

In 2021, we entered into a letter of credit discounting agreement in Singapore with a financial institution. We de-recognized \$50 million and \$70 million of accounts receivable under this agreement for the years ended December 31, 2022 and 2021, respectively.

Our material financing arrangements contain customary covenants, including the maintenance of certain financial ratios, events of default and change of control provisions. Failure to comply with these covenants, or the occurrence of any other event of

default, could result in acceleration of the borrowings and other financial obligations. We are in compliance with all of the covenants related to our debt agreements as of December 31, 2022. On February 21, 2023, we amended the Credit Agreements for certain covenants included in the respective credit agreements.

See [Note 11 - Debt](#) in the accompanying consolidated financial statements for further information.

### **Guarantor Financial Information**

We have outstanding senior unsecured notes, issued in public offerings registered under the Securities Act of 1933, as amended (collectively, the "Senior Notes"). The Senior Notes were issued by Celanese U.S. ("Issuer") and are guaranteed by Celanese Corporation ("Parent Guarantor") and the Subsidiary Guarantors (collectively the "Obligor Group"). See [Note 11 - Debt](#) in the accompanying consolidated financial statements for further information. The Issuer and Subsidiary Guarantors are 100% owned subsidiaries of the Parent Guarantor. The Subsidiary Guarantors are listed in [Exhibit 22.1](#) to this Annual Report.

The Parent Guarantor and the Subsidiary Guarantors have guaranteed the Senior Notes on a full and unconditional, joint and several, senior unsecured basis. The guarantees are subject to certain customary release provisions, including that a Subsidiary Guarantor will be released from its respective guarantee in specified circumstances, including (i) the sale or transfer of all of its assets or capital stock; (ii) its merger or consolidation with, or transfer of all or substantially all of its assets to, another person; or (iii) its ceasing to be a majority-owned subsidiary of the Issuer in connection with any sale of its capital stock or other transaction. Additionally, a Subsidiary Guarantor will be released from its guarantee of the Senior Notes at such time that it ceases to guarantee the Issuer's obligations under the Credit Agreement (subject to the satisfaction of customary document delivery requirements). The obligations of the Subsidiary Guarantors under their guarantees are limited as necessary to prevent such guarantees from constituting a fraudulent conveyance or fraudulent transfer under applicable law.

The Parent Guarantor and the Issuer are holding companies that conduct substantially all of their operations through their subsidiaries, which own substantially all of our consolidated assets. The Parent Guarantor has no material assets other than the stock of its immediate 100% owned subsidiary, the Issuer. The principal source of cash to pay the Parent Guarantor's and the Issuer's obligations, including obligations under the Senior Notes and the guarantee of the Issuer's obligations under the Credit Agreement, is the cash that our subsidiaries generate from their operations. Each of the Subsidiary Guarantors and our non-guarantor subsidiaries is a distinct legal entity and, under certain circumstances, applicable country or state laws, regulatory limitations and terms of other debt instruments may limit our subsidiaries' ability to distribute cash to the Issuer and the Parent Guarantor.

For cash management purposes, we transfer cash among the Parent Guarantor, Issuer, Subsidiary Guarantors and non-guarantors through intercompany financing arrangements, contributions or declaration of dividends between the respective parent and its subsidiaries. While the non-guarantor subsidiaries do not guarantee the Issuer's obligations under our outstanding debt, the transfer of cash under these activities facilitates the ability of the recipient to make specified third-party payments for principal and interest on the Senior Notes, Credit Agreement, other outstanding debt, Common Stock dividends and Common Stock repurchases.

The summarized financial information of the Obligor Group is presented below on a combined basis after the elimination of: (i) intercompany transactions among such entities and (ii) equity in earnings from and investments in the non-guarantor subsidiaries. Transactions with, and amounts due to or from, non-guarantor subsidiaries and affiliates are separately disclosed.

	<b>Year Ended December 31, 2022</b>
	<b>(In \$ millions)</b>
Net sales to third parties	2,022
Net sales to non-guarantor subsidiaries	1,160
Total net sales	<u>3,182</u>
Gross profit	609
Earnings (loss) from continuing operations	327
Net earnings (loss)	321
Net earnings (loss) attributable to the Obligor Group	321

	As of December 31,	
	2022	2021
	(In \$ millions)	
Receivables from non-guarantor subsidiaries	754	624
Other current assets	1,588	1,236
<b>Total current assets</b>	<b>2,342</b>	<b>1,860</b>
Goodwill	567	578
Other noncurrent assets	2,718	2,584
<b>Total noncurrent assets</b>	<b>3,285</b>	<b>3,162</b>
Current liabilities due to non-guarantor subsidiaries	2,100	2,493
Current liabilities due to affiliates	2	64
Other current liabilities	2,201	1,347
<b>Total current liabilities</b>	<b>4,303</b>	<b>3,904</b>
Noncurrent liabilities due to non-guarantor subsidiaries	3,400	2,348
Other noncurrent liabilities	13,842	3,610
<b>Total noncurrent liabilities</b>	<b>17,242</b>	<b>5,958</b>

**Share Capital**

On February 8, 2023, we declared a quarterly cash dividend of \$0.70 per share on our Common Stock amounting to approximately \$76 million. The cash dividend will be paid on March 7, 2023 to holders of record as of February 21, 2023.

Our Board of Directors has authorized the aggregate repurchase of \$6.9 billion of our Common Stock since February 2008. These authorizations give management discretion in determining the timing and conditions under which shares may be repurchased. This repurchase program does not have an expiration date. During the year ended December 31, 2022, we did not repurchase any shares of our Common Stock. As of December 31, 2022, we had \$1.1 billion remaining under authorizations by our Board of Directors.

See [Note 14 - Shareholders' Equity](#) in the accompanying consolidated financial statements for further information.

**Contractual Obligations, Guarantees and Commitments**

We calculated \$2.7 billion of all future interest payments on debt and other obligations using the rate in effect on December 31, 2022 and \$476 million of all future pension and other postretirement funding obligations. We have directly guaranteed various debt obligations under agreements with third parties related to certain equity affiliates. As of December 31, 2022, we have directly guaranteed \$142 million and €27 million of such obligations.

We have not entered into any material off-balance sheet arrangements.

In the accompanying consolidated financial statements, see [Note 10 - Current Other Liabilities](#) for current asset retirement obligations, [Note 11 - Debt](#) for a description of the guarantees under our Senior Notes and Credit Agreement, [Note 12 - Benefit Obligations](#) for a description of the pension and other postretirement funding obligations, [Note 13 - Environmental](#) for a description of environmental obligations, [Note 15 - Income Taxes](#) for a description of uncertain tax positions, [Note 16 - Leases](#) for lease obligations and [Note 19 - Commitments and Contingencies](#) for a discussion of commitments and contingencies related to legal and regulatory proceedings.

**Market Risks**

See [Item 7A. Quantitative and Qualitative Disclosure about Market Risk](#) for further information.

**Business Environment**

We experienced significant cost inflation, inflationary pressure and supply disruptions related to the sourcing of raw materials, energy, logistics and labor in 2022. We continue to closely monitor the impact of, and responses to, COVID-19 variants, including government imposed lockdowns and permitted reopenings in various locations around the world, and the effects of geopolitical events on demand conditions and the supply chain. Demand conditions across certain regions in the Western Hemisphere and China deteriorated, creating uncertainty, impacting consumer activity and driving customer destocking.

Average prices of energy feedstocks, particularly natural gas, which are a significant input and source of energy for our manufacturing operations, increased in the Western Hemisphere and particularly in Europe. We also experienced cost pressure on raw material inputs. We continued pricing actions intended to offset these inflationary headwinds experienced during 2022. Moderation of acetyls pricing trended to more normalized levels by the end of 2022. We expect sourcing costs and inflationary pressures to improve in 2023.

We continue to monitor the situation in Ukraine. While the conflict has not had a material impact on our business, financial condition or results of operations to date, we have experienced shortages in materials and increased costs for transportation, energy and raw materials as well as other supply chain challenges, particularly in Europe, due in part to the effects of the conflict, and government responses thereto, including sanctions, on the global economy. We continue to monitor these developments.

Following Russia's invasion, we have suspended sales into Russia, Belarus and the sanctioned regions of Ukraine. Revenue from these countries and regions constituted less than 1% of our consolidated Net sales for the years ended December 31, 2022 and 2021 and we have no manufacturing assets in these countries or regions.

### **Critical Accounting Policies and Estimates**

Our consolidated financial statements are based on the selection and application of significant accounting policies. The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of net sales, expenses and allocated charges during the reporting period. Actual results could differ from those estimates. However, we are not currently aware of any reasonably likely events or circumstances that would result in materially different results.

We believe the following accounting policies and estimates are critical to understanding the financial reporting risks present in the current economic environment. These matters, and the judgments and uncertainties affecting them, are also essential to understanding our reported and future operating results. See [Note 2 - Summary of Accounting Policies](#) in the accompanying consolidated financial statements for further information.

- ***Purchase Accounting***

We recognize the identifiable tangible and intangible assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date. The excess of purchase price over the aggregate fair values is recorded as goodwill. Intangible assets are valued using the relief from royalty, multi-period excess earnings and discounted cash flow methodologies, which are considered Level 3 measurements. The relief from royalty method estimates our theoretical royalty savings from ownership of the intangible asset. Key assumptions used in this method include discount rates, royalty rates, growth rates, sales projections and terminal value rates. Key assumptions used in the multi-period excess earnings method include discount rates, retention rates, growth rates, sales projections, expense projections and contributory asset charges. Key assumptions used in the discounted cash flow valuation model include discount rates, growth rates, tax rates, cash flow projections and terminal value rates. All of these methodologies require significant management judgment and, therefore, are susceptible to change. We calculate the fair value of the identifiable tangible and intangible assets acquired and liabilities assumed to allocate the purchase price at the acquisition date. We may use the assistance of third-party valuation consultants. See [Note 4 - Acquisitions, Dispositions and Plant Closures](#) in the accompanying consolidated financial statements for further information.

- ***Recoverability of Long-Lived Assets***

#### *Recoverability of Goodwill and Indefinite-Lived Assets*

We assess the recoverability of the carrying amount of our goodwill and other indefinite-lived intangible assets annually during the third quarter of our fiscal year using June 30 balances or whenever events or changes in circumstances indicate that the carrying amount of the asset may not be fully recoverable.

When assessing the recoverability of goodwill and other indefinite-lived intangible assets, we may first assess qualitative factors in determining whether it is more likely than not that the fair value of a reporting unit or other indefinite-lived intangible asset is less than its carrying amount. The qualitative evaluation is an assessment of multiple factors, including the current operating environment, financial performance and market considerations. We may elect to bypass the qualitative assessment for some or all of our reporting units or other indefinite-lived intangible assets and proceed directly to a quantitative analysis depending on the facts and circumstances.

In performing a quantitative analysis of goodwill, recoverability of goodwill for each reporting unit is measured using a discounted cash flow model incorporating discount rates commensurate with the risks involved. The key assumptions used in the discounted cash flow valuation model include discount rates, growth rates, tax rates, cash flow projections and terminal value rates. Discount rates, growth rates and cash flow projections are the most sensitive and susceptible to change as they require significant management judgment.

Management tests other indefinite-lived intangible assets quantitatively utilizing the relief from royalty method under the income approach to determine the estimated fair value for each indefinite-lived intangible asset. Key assumptions used in this model include discount rates, royalty rates, growth rates, tax rates, sales projections and terminal value rates. Discount rates, royalty rates, growth rates, growth rates and sales projections are the assumptions most sensitive and susceptible to change as they require significant management judgment.

Specific assumptions discussed above are updated at the date of each test to consider current industry and company-specific risk factors from the perspective of a market participant. The current business environment is subject to evolving market conditions and requires significant management judgment to interpret the potential impact to our assumptions. To the extent that changes in the current business environment result in adjusted management projections, impairment losses may occur in future periods.

See [Note 9 - Goodwill and Intangible Assets, Net](#) in the accompanying consolidated financial statements for further information.

• **Benefit Obligations**

Various assumptions are used in the calculation of the actuarial valuation of the employee benefit plans. These key assumptions include the discount rate and expected long-term rates of return on plan assets. The actuarial assumptions used may differ materially from actual results due to changing market and economic conditions. These differences may result in a significant impact to the amount of net periodic benefit cost recorded in future periods.

Pension assumptions are reviewed annually in the fourth quarter of each fiscal year and whenever a plan is required to be remeasured. Assumptions are reviewed on a plan and country-specific basis by third-party actuaries and senior management. Such assumptions are adjusted as appropriate to reflect changes in market rates and outlook.

See [Note 12 - Benefit Obligations](#) in the accompanying consolidated financial statements for further information.

The estimated change in pension net periodic benefit cost and projected benefit obligations that would occur in 2023 from a change in the indicated assumptions are as follows:

	Change in Rate	Impact on Net Periodic Benefit Cost	Impact on Projected Benefit Obligations
(In \$ millions)			
<b>U.S. Pension Benefits</b>			
Decrease in the discount rate	0.5 %	(5)	85
Decrease in the long-term expected rate of return on plan assets <sup>(1)</sup>	0.5 %	10	N/A
<b>Non-U.S. Pension Benefits</b>			
Decrease in the discount rate	0.5 %	(1)	53
Decrease in the long-term expected rate of return on plan assets	0.5 %	3	N/A

<sup>(1)</sup> Excludes nonqualified pension plans.

• **Income Taxes**

We regularly review our deferred tax assets for recoverability and establish a valuation allowance as needed. In forming our judgment regarding the recoverability of deferred tax assets related to deductible temporary differences and tax attribute carryforwards, we give weight to positive and negative evidence based on the extent to which the forms of evidence can be objectively verified.

The recoverability of deferred tax assets and the recognition and measurement of uncertain tax positions are subject to various assumptions and management judgment. If actual results differ from the estimates made by management in establishing or maintaining valuation allowances against deferred tax assets, the resulting change in the valuation allowance would generally impact earnings or Other comprehensive income depending on the nature of the respective deferred tax asset. In addition, the positions taken with regard to tax contingencies may be subject to audit and review by tax authorities, which may result in future taxes, interest and penalties.

See [Note 15 - Income Taxes](#) in the accompanying consolidated financial statements for further information.

#### **Recent Accounting Pronouncements**

See [Note 3 - Recent Accounting Pronouncements](#) in the accompanying consolidated financial statements for information regarding recent accounting pronouncements.

#### **Item 7A. Quantitative and Qualitative Disclosures About Market Risk**

##### **Market Risks**

Our financial market risk consists principally of exposure to currency exchange rates, interest rates and commodity prices. Exchange rate and interest rate risks are managed with a variety of techniques, including use of derivatives. We have in place policies of hedging against changes in currency exchange rates, interest rates and commodity prices as described below.

See [Note 2 - Summary of Accounting Policies](#) in the accompanying consolidated financial statements for further information regarding our derivative and hedging instruments accounting policies related to financial market risk.

See [Note 17 - Derivative Financial Instruments](#) in the accompanying consolidated financial statements for further information regarding our market risk management and the related impact on our financial position and results of operations.

- **Foreign Currency Forwards and Swaps**

A portion of our assets, liabilities, net sales and expenses are denominated in currencies other than the U.S. dollar. Fluctuations in the value of these currencies against the U.S. dollar can have a direct and material impact on the business and financial results. Our largest exposures are to the euro and Chinese yuan ("CNY"). A decline in the value of the euro and CNY versus the U.S. dollar results in a decline in the U.S. dollar value of our sales and earnings denominated in euros and CNYs. Likewise, an increase in the value of the euro and CNY versus the U.S. dollar would result in an opposite effect. We estimate that a 10% change in the euro/U.S. dollar and CNY/U.S. dollar exchange rates would impact our earnings by \$61 million and \$41 million, respectively.

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

The selected quarterly financial data is no longer required, as the Company has adopted the amendment to Item 302 of Regulation S-K contained in SEC Release No. 33-10890, which became effective on February 10, 2021. There were no material retrospective changes to any quarters in the two most recent fiscal years that would require this disclosure.

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

None.

**Item 9A. Controls and Procedures**

Under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended, as of the end of the period covered by this Annual Report. Based on that evaluation, as of December 31, 2022, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective.

**Changes in Internal Control Over Financial Reporting**

During the three months ended December 31, 2022, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Report of Management on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our consolidated financial statements; providing reasonable assurance that receipts and expenditures of company assets are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on our consolidated financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our consolidated financial statements would be prevented or detected.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Management has elected to exclude the internal control over financial reporting of the recently acquired majority of the Mobility & Materials business ("M&M") of DuPont de Nemours, Inc. from its assessment of internal control over financial reporting as of December 31, 2022, see [Note 4 - Acquisitions, Dispositions and Plant Closures](#) in the accompanying consolidated financial statements for further information. The excluded financial statement amounts of M&M constituted 15% of our consolidated Total assets and 4% of our consolidated Net sales as of and for the year ended December 31, 2022. Based on this evaluation, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2022. The Company's independent registered public accounting firm, KPMG LLP, has issued an audit report on the effectiveness of the Company's internal control over financial reporting. Their report follows on [page 60](#).

**Item 9B. Other Information**

None.

**Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not applicable.

## PART III

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

The information required by this Item 10 is incorporated herein by reference from the subsections of "Governance," captioned "Item 1: Election of Directors," "Director Nominees," "Board and Committee Governance," "Additional Governance Matters" and the sections "Stock Ownership Information" and "Questions and Answers — Company Documents, Communications and Shareholder Proposals" sections of the Company's definitive proxy statement for the 2023 annual meeting of shareholders to be filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "2023 Proxy Statement"). With regard to the information required by this Item regarding compliance with Section 16(a) of the Exchange Act, we will provide disclosure of delinquent Section 16(a) reports, if any, in the 2023 Proxy Statement under "Delinquent Section 16(a) Reports" and such disclosure, if any, is incorporated herein by reference. Information about executive officers of the Company is contained in Part I of this Annual Report.

#### ***Codes of Ethics***

The Company has adopted a Business Conduct Policy for directors, officers and employees along with a Financial Code of Ethics for its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. These codes are available on the corporate governance portal of the Company's investor relations website at [investors.celanese.com](http://investors.celanese.com). The Company intends to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding amendments to and waivers from these codes by posting such information on the same website.

### **Item 11. Executive Compensation**

The information required by this Item 11 is incorporated herein by reference from the section "Governance – Director Compensation" and the subsections of "Executive Compensation" captioned "Compensation Discussion and Analysis," "Compensation Risk Assessment," "Compensation and Management Development Committee Report," "Compensation Tables," and "CEO Pay Ratio" of the 2023 Proxy Statement.

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

The information with respect to beneficial ownership and equity compensation plans required by this Item 12 is incorporated herein by reference from the subsections of "Stock Ownership Information" captioned "Principal Shareholders and Beneficial Owners" and "Securities Authorized for Issuance Under Equity Compensation Plans" in the 2023 Proxy Statement.

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

The information required by this Item 13 is incorporated herein by reference from the "Governance — Director Independence and Related Person Transactions" section of the 2023 Proxy Statement.

### **Item 14. Principal Accounting Fees and Services**

Our independent registered public accounting firm is KPMG LLP, Dallas, TX, Auditor Firm ID: 185.

The information required by this Item 14 is incorporated herein by reference from the "Audit Matters — Item 2: Ratification of Independent Registered Public Accounting Firm" section of the 2023 Proxy Statement.

## PART IV

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

1. *Financial Statements.* The report of our independent registered public accounting firm and our consolidated financial statements are listed below and begin on [page 60](#) of this Annual Report.

	<b>Page Number</b>
<a href="#">Report of Independent Registered Public Accounting Firm</a>	<a href="#">60</a>
<a href="#">Consolidated Statements of Operations</a>	<a href="#">63</a>
<a href="#">Consolidated Statements of Comprehensive Income (Loss)</a>	<a href="#">64</a>
<a href="#">Consolidated Balance Sheets</a>	<a href="#">65</a>
<a href="#">Consolidated Statements of Equity</a>	<a href="#">66</a>
<a href="#">Consolidated Statements of Cash Flows</a>	<a href="#">67</a>
<a href="#">Notes to the Consolidated Financial Statements</a>	<a href="#">68</a>

2. *Financial Statement Schedules.*

The financial statement schedules required by this item, if any, are included as Exhibits to this Annual Report.

3. *Exhibit List.*

INDEX TO EXHIBITS<sup>(1)</sup>

Exhibits will be furnished upon request for a nominal fee, limited to reasonable expenses.

<b>Exhibit Number</b>	<b>Description</b>
2.1†	<a href="#">Transaction Agreement, dated as of February 17, 2022, by and among DuPont De Nemours, Inc., DuPont E&amp;I Holding, Inc. and Celanese Corporation (incorporated by reference to Exhibit 2.1 to the Current Report on form 8-K filed with the SEC on February 18, 2022).</a>
3.1	<a href="#">Second Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Quarterly Report on Form 10-Q filed with the SEC on October 18, 2016).</a>
3.1(a)	<a href="#">Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Celanese Corporation dated as of April 21, 2016 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the SEC on April 22, 2016).</a>
3.1(b)	<a href="#">Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Celanese Corporation dated as of September 17, 2018 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the SEC on September 17, 2018).</a>
3.1(c)	<a href="#">Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Celanese Corporation dated as of April 18, 2019 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the SEC on April 23, 2019).</a>
3.2	<a href="#">Seventh Amended and Restated By-laws, effective as of November 2, 2022 (incorporated by reference to Exhibit 3.1 to the Quarterly Report on Form 10-Q filed with the SEC on November 4, 2022).</a>
4.1	<a href="#">Form of certificate of Common Stock (incorporated by reference to Exhibit 4.1 to the Registration Statement on Form 8-A/A filed with the SEC on September 18, 2018).</a>
4.2	<a href="#">Indenture, dated May 6, 2011, by and between Celanese US Holdings LLC, Celanese Corporation and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed with the SEC on May 6, 2011).</a>
4.3	<a href="#">Sixth Supplemental Indenture, dated as of September 26, 2016, among Celanese US Holdings LLC, Celanese Corporation, the subsidiary guarantors party thereto, Wells Fargo Bank, National Association, as trustee, and Deutsche Bank Trust Companies Americas, as paying agent, registrar and transfer agent (incorporated by reference to Exhibit 4.2 to the Form 8-K filed with the SEC on September 26, 2016).</a>
4.4	<a href="#">Seventh Supplemental Indenture, dated as of December 11, 2017, among Celanese US Holdings LLC, Celanese Corporation, the subsidiary guarantors party thereto, Wells Fargo Bank, National Association, as trustee, and Deutsche Bank Trust Companies Americas, as paying agent, registrar and transfer agent (incorporated by reference to Exhibit 4.2 to the Form 8-K filed with the SEC on December 11, 2017).</a>

Exhibit Number	Description
4.5	<a href="#">Eighth Supplemental Indenture, dated as of November 5, 2018, among Celanese US Holdings LLC, Celanese Corporation, the subsidiary guarantors party thereto, Wells Fargo Bank, National Association, as trustee, and Deutsche Bank Trust Company Americas, as paying agent, registrar and transfer agent (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed with the SEC on November 5, 2018).</a>
4.6	<a href="#">Ninth Supplemental Indenture, dated as of May 8, 2019, among Celanese US Holdings LLC, Celanese Corporation, the subsidiary guarantors party thereto and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed with the SEC on May 8, 2019).</a>
4.7	<a href="#">Tenth Supplemental Indenture, dated as of August 5, 2021, among Celanese US Holdings LLC, Celanese Corporation, the subsidiary guarantors party thereto and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed with the SEC on August 5, 2021).</a>
4.8	<a href="#">Eleventh Supplemental Indenture, dated as of September 10, 2021, among Celanese US Holdings LLC, Celanese Corporation, the subsidiary guarantors party thereto and Wells Fargo Bank, National Association, as trustee, and Deutsche Bank Trust Company Americas, as paying agent, registrar and transfer agent (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed with the SEC on September 10, 2021).</a>
4.9	<a href="#">Twelfth Supplemental Indenture, dated as of July 14, 2022, among Celanese US Holdings LLC, Celanese Corporation, the subsidiary guarantors party thereto, U.S. Bank Trust Company, National Association, as series trustee and Computershare Trust Company, N.A. (as successor trustee to Wells Fargo Bank, National Association), as base trustee (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed with the SEC on July 14, 2022).</a>
4.10	<a href="#">Thirteenth Supplemental Indenture, dated as of July 19, 2022, among Celanese US Holdings LLC, Celanese Corporation, the subsidiary guarantors party thereto, U.S. Bank Trust Company, National Association, as series trustee, registrar and transfer agent, Computershare Trust Company, N.A. (as successor trustee to Wells Fargo Bank, National Association), as base trustee, and Elavon Financial Services DAC, UK Branch, as paying agent (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed with the SEC on July 19, 2022).</a>
4.11*	<a href="#">Description of the Company's Securities Registered Under Section 12 of the Securities Exchange Act of 1934.</a>
10.1†	<a href="#">Credit Agreement, dated as of March 18, 2022, by and among Celanese Corporation, Celanese US Holdings LLC, Celanese Europe B.V., certain subsidiaries of Celanese US Holdings LLC from time to time party thereto as borrowers, each lender from time to time party thereto, Bank of America, N.A., as Administrative Agent, a Swing Line Lender and an L/C Issuer and other Swing Line Lenders and L/C Issuers party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K Filed with the SEC on March 24, 2022).</a>
10.1(a)	<a href="#">First Amendment to Credit Agreement, dated as of February 21, 2023, by and among Celanese Corporation, Celanese US Holdings LLC, Celanese Europe B.V., the subsidiary guarantors party thereto, each lender party thereto, and Bank of America, N.A., as Administrative Agent, amending that certain Credit Agreement dated as of March 18, 2022 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on February 23, 2023).</a>
10.2†	<a href="#">Term Loan Credit Agreement, dated as of March 18, 2022, by and among Celanese Corporation, Celanese US Holdings LLC, each lender from time to time party thereto, and Bank of America, N.A., as Administrative Agent, a Swing Line Lender and an L/C Issuer and other Swing Line Lenders and L/C Issuers party thereto (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K Filed with the SEC on March 24, 2022).</a>
10.2(a)	<a href="#">First Amendment to Credit Agreement, dated as of February 21, 2023, by and among Celanese Corporation, Celanese US Holdings LLC, the subsidiary guarantors party thereto, each lender party thereto, and Bank of America, N.A., as Administrative Agent, amending that certain Term Loan Credit Agreement dated as of March 18, 2022 (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed with the SEC on February 23, 2023).</a>
10.3*†	<a href="#">3-Year Term Loan Credit Agreement, dated as of September 16, 2022, by and among Celanese Corporation, Celanese US Holdings LLC, each lender from time to time a party thereto, and Bank of America, N.A., as Administrative Agent.</a>

<b>Exhibit Number</b>	<b>Description</b>
10.3(a)	<a href="#">First Amendment to Credit Agreement, dated as of February 21, 2023, by and among Celanese Corporation, Celanese US Holdings LLC, the subsidiary guarantors party thereto, each lender party thereto, and Bank of America, N.A., as Administrative Agent, amending that certain Term Loan Credit Agreement dated as of September 16, 2022 (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed with the SEC on February 23, 2023).</a>
10.4‡	<a href="#">Celanese Corporation 2008 Deferred Compensation Plan (incorporated by reference to Exhibit 10.6 to the Annual Report on Form 10-K filed on February 29, 2008).</a>
10.5(a)‡	<a href="#">Amendment Number One to Celanese Corporation 2008 Deferred Compensation Plan dated December 11, 2008 (incorporated by reference to Exhibit 10.2 to the Registration Statement on Form S-8 filed with the SEC on April 23, 2009).</a>
10.5(b)‡	<a href="#">Amendment Number Two to Celanese Corporation 2008 Deferred Compensation Plan dated December 22, 2008 (incorporated by reference to Exhibit 10.4(b) to the Annual Report on Form 10-K filed with the SEC on February 7, 2014).</a>
10.5(c)‡	<a href="#">Amendment Number Three to the Celanese Corporation 2008 Deferred Compensation Plan dated October 31, 2019 (incorporated by reference to Exhibit 10.4(c) to the Annual Report on Form 10-K filed with the SEC on February 6, 2020).</a>
10.5(d)‡	<a href="#">Amendment Number Four to the Celanese Corporation Deferred Compensation Plan dated February 5, 2020 (incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed with the SEC on April 28, 2020).</a>
10.5(e)‡	<a href="#">Amendment Number Five to the Celanese Corporation Deferred Compensation Plan dated December 28, 2020 incorporated by reference to Exhibit 10.2(e) to the Annual Report on Form 10-K filed with the SEC on February 11, 2021).</a>
10.6‡	<a href="#">Celanese Corporation 2009 Employee Stock Purchase Program (incorporated by reference to Exhibit 4.5 to the Registration Statement on Form S-8 filed on April 23, 2009).</a>
10.7‡	<a href="#">Celanese Corporation 2018 Global Incentive Plan, effective as of April 23, 2018 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on April 20, 2018).</a>
10.8(a)‡	<a href="#">Form of 2020 Performance-Based Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q filed with the SEC on April 28, 2020).</a>
10.8(b)‡	<a href="#">Form of 2020 Time-Based Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.4 to the Quarterly Report on Form 10-Q filed with the SEC on April 28, 2020).</a>
10.8(c)‡	<a href="#">Form of 2021 Executive Officer Performance-Based Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed with the SEC on April 23, 2021).</a>
10.8(d)‡	<a href="#">Form of 2021 Time-Based Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q filed with the SEC on April 23, 2021).</a>
10.8(e)‡	<a href="#">Form of 2021 Time-Based Restricted Stock Unit Award Agreement (for non-employee directors) (incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed with the SEC on July 23, 2021).</a>
10.8(f)‡	<a href="#">Form of 2022 Performance-Based Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.4 to the Quarterly Report on Form 10-Q filed with the SEC on April 29, 2022).</a>
10.8(g)‡	<a href="#">Form of 2022 Performance-Based Restricted Stock Unit Award Agreement for Chief Executive Officer (incorporated by reference to Exhibit 10.5 to the Quarterly Report on Form 10-Q filed with the SEC on April 29, 2022).</a>
10.8(h)‡	<a href="#">Form of 2022 Time-Based Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.6 to the Quarterly Report on Form 10-Q filed with the SEC on April 29, 2022).</a>
10.8(i)‡	<a href="#">Form of 2022 Performance-Based Restricted Stock Unit Award Agreement for Chief Executive Officer (incorporated by reference to Exhibit 10.7 to the Quarterly Report on Form 10-Q filed with the SEC on April 29, 2022).</a>
10.8(j)‡	<a href="#">Form of 2022 Time-Based Restricted Stock Unit Award Agreement (for non-employee directors) (incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed with the SEC on July 29, 2022).</a>
10.9(a)‡	<a href="#">Executive Severance Benefits Plan, amended effective February 6, 2013 (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed with the SEC on February 12, 2013).</a>

<b>Exhibit Number</b>	<b>Description</b>
10.9(b)‡	<a href="#">Executive Severance Benefits Plan, amended effective October 18, 2017 (incorporated by reference to Exhibit 10.9(b) the Annual Report on Form 10-K filed with the SEC on February 9, 2018).</a>
10.9(c)‡	<a href="#">Executive Severance Benefits Plan, amended effective February 5, 2020 (incorporated by reference to Exhibit 10.5 to the Quarterly Report on Form 10-Q filed with the SEC on April 28, 2020).</a>
10.10(a)‡	<a href="#">Offer Letter, dated December 12, 2018, between Celanese Corporation and A. Lynne Puckett (incorporated by reference to Exhibit 10.6 to the Quarterly Report on Form 10-Q filed with the SEC on April 23, 2019).</a>
10.10(b)‡	<a href="#">Amended and Restated Offer Letter, dated February 5, 2020, between Celanese Corporation and Lori J. Rykerkerk (incorporated by reference to Exhibit 10.6 to the Quarterly Report on Form 10-Q filed with the SEC on April 28, 2020).</a>
10.11(a)‡	<a href="#">Form of Amended and Restated Change in Control Agreement between Celanese Corporation and Lori J. Rykerkerk (incorporated by reference to Exhibit 10.7 to the Quarterly Report on Form 10-Q filed with the SEC on April 28, 2020).</a>
10.11(b)‡	<a href="#">Form of Amended and Restated Change in Control Agreement between Celanese Corporation and participant, together with a schedule identifying each of the executive officers with substantially identical agreements (incorporated by reference to Exhibit 10.8 to the Quarterly Report on Form 10-Q filed with the SEC on April 28, 2020).</a>
10.11(b).1*‡	<a href="#">Amended Schedule of Participants to Form of Non-CEO Amended and Restated Change in Control Agreement (incorporated by reference to Exhibit 10.8(b).1 to the Annual Report on Form 10-K filed with the SEC on February 10, 2022).</a>
10.12‡	<a href="#">Form of Long-Term Incentive Claw-Back Agreement between Celanese Corporation and award recipient (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K/A filed with the SEC on January 26, 2009).</a>
10.13‡	<a href="#">Celanese Americas Supplemental Retirement Savings Plan, as amended and restated effective January 1, 2014 (incorporated by reference to Exhibit 10.14(a) to the Annual Report on Form 10-K filed with the SEC on February 6, 2015).</a>
10.13(a)‡	<a href="#">Amendment Number One to the Celanese Americas Supplemental Retirement Savings Plan, as amended and restated effective January 1, 2014, dated December 28, 2020 (incorporated by reference to Exhibit 10.11(a) to the Annual Report on Form 10-K filed with the SEC on February 11, 2021).</a>
10.14‡	<a href="#">Celanese Americas Supplemental Retirement Pension Plan, as amended and restated effective January 1, 2009 (incorporated by reference to Exhibit 10.15 to the Annual Report on Form 10-K filed with the SEC on February 6, 2020).</a>
10.14(a)‡	<a href="#">First Amendment to the Celanese Americas Supplemental Retirement Pension Plan, as amended and restated effective January 1, 2009, dated as of July 22, 2013 (incorporated by reference to Exhibit 10.15(a) to the Annual Report on Form 10-K filed with the SEC on February 6, 2020).</a>
10.14(b)‡	<a href="#">Amendment Number Two to the Celanese Americas Supplemental Retirement Pension Plan, as amended and restated effective January 1, 2009, dated as of February 5, 2020 (incorporated by reference to Exhibit 10.9 to the Quarterly Report on Form 10-Q filed with the SEC on April 28, 2020).</a>
10.15*‡	<a href="#">Summary of Non-Employee Director Compensation.</a>
21.1*	<a href="#">List of Subsidiaries of Celanese Corporation.</a>
22.1*	<a href="#">List of Guarantor Subsidiaries.</a>
23.1*	<a href="#">Consent of Independent Registered Public Accounting Firm of Celanese Corporation, KPMG LLP.</a>
24.1*	<a href="#">Power of Attorney (included on the signature page of this Annual Report on Form 10-K).</a>
31.1*	<a href="#">Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.2*	<a href="#">Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32.1*	<a href="#">Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.2*	<a href="#">Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.

<b>Exhibit Number</b>	<b>Description</b>
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	The cover page from the Company's Annual Report on Form 10-K for the year ended December 31, 2022 has been formatted in Inline XBRL.

\* Filed herewith.

‡ Indicates a management contract or compensatory plan or arrangement.

<sup>(1)</sup> The Company and its subsidiaries have in the past issued, and may in the future issue from time to time, long-term debt. The Company may not file with the applicable report copies of the instruments defining the rights of holders of long-term debt to the extent that the aggregate principal amount of the debt instruments of any one series of such debt instruments for which the instruments have not been filed has not exceeded or will not exceed 10% of the assets of the Company at any pertinent time. The Company hereby agrees to furnish a copy of any such instrument(s) to the SEC upon request.

**SIGNATURES**

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

CELANESE CORPORATION

By: /s/ LORI J. RYERKERK  
Name: Lori J. Ryerkerk  
Title: Chair of the Board of Directors, Chief  
Executive Officer and President  
Date: February 24, 2023

**POWER OF ATTORNEY**

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Scott A. Richardson and Aaron M. McGilvray, and each of them, his or her true and lawful attorney-in-fact and agent, each with full power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, to do any and all things and execute any and all instruments that any such attorney-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934 and any rules, regulations and requirements of the U.S. Securities and Exchange Commission in connection with the Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and any and all amendments hereto, as fully for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that such said attorney-in-fact, acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

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

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ LORI J. RYERKERK</u> Lori J. Ryerkerk	Chair of the Board of Directors, Chief Executive Officer and President (Principal Executive Officer)	February 24, 2023
<u>/s/ SCOTT A. RICHARDSON</u> Scott A. Richardson	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 24, 2023
<u>/s/ AARON M. MCGILVRAY</u> Aaron M. McGilvray	Vice President, Finance, Controller and Chief Accounting Officer (Principal Accounting Officer)	February 24, 2023
<u>/s/ JEAN S. BLACKWELL</u> Jean S. Blackwell	Director	February 24, 2023
<u>/s/ WILLIAM M. BROWN</u> William M. Brown	Director	February 24, 2023
<u>/s/ EDWARD G. GALANTE</u> Edward G. Galante	Director	February 24, 2023
<u>/s/ RAHUL GHAI</u> Rahul Ghai	Director	February 24, 2023
<u>/s/ KATHRYN M. HILL</u> Kathryn M. Hill	Director	February 24, 2023

<b>Signature</b>	<b>Title</b>	<b>Date</b>
<u>/s/ DAVID F. HOFFMEISTER</u> David F. Hoffmeister	Director	February 24, 2023
<u>/s/ JAY V. IHLENFELD</u> Jay V. Ihlenfeld	Director	February 24, 2023
<u>/s/ DEBORAH J. KISSIRE</u> Deborah J. Kissire	Director	February 24, 2023
<u>/s/ MICHAEL KOENIG</u> Michael Koenig	Director	February 24, 2023
<u>/s/ KIM K.W. RUCKER</u> Kim K.W. Rucker	Director	February 24, 2023

**CELANESE CORPORATION AND SUBSIDIARIES**  
**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**

	<b>Page Number</b>
<a href="#">Report of Independent Registered Public Accounting Firm</a>	<a href="#">60</a>
<a href="#">Consolidated Statements of Operations for the years ended December 31, 2022, 2021 and 2020</a>	<a href="#">63</a>
<a href="#">Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2022, 2021 and 2020</a>	<a href="#">64</a>
<a href="#">Consolidated Balance Sheets as of December 31, 2022 and 2021</a>	<a href="#">65</a>
<a href="#">Consolidated Statements of Equity for the years ended December 31, 2022, 2021 and 2020</a>	<a href="#">66</a>
<a href="#">Consolidated Statements of Cash Flows for the years ended December 31, 2022, 2021 and 2020</a>	<a href="#">67</a>
<a href="#">Notes to the Consolidated Financial Statements</a>	<a href="#">68</a>
<a href="#">1. Description of the Company and Basis of Presentation</a>	<a href="#">68</a>
<a href="#">2. Summary of Accounting Policies</a>	<a href="#">68</a>
<a href="#">3. Recent Accounting Pronouncements</a>	<a href="#">77</a>
<a href="#">4. Acquisitions, Dispositions and Plant Closures</a>	<a href="#">77</a>
<a href="#">5. Receivables, Net</a>	<a href="#">80</a>
<a href="#">6. Inventories</a>	<a href="#">80</a>
<a href="#">7. Investments in Affiliates</a>	<a href="#">80</a>
<a href="#">8. Property, Plant and Equipment, Net</a>	<a href="#">82</a>
<a href="#">9. Goodwill and Intangible Assets, Net</a>	<a href="#">83</a>
<a href="#">10. Current Other Liabilities</a>	<a href="#">85</a>
<a href="#">11. Debt</a>	<a href="#">86</a>
<a href="#">12. Benefit Obligations</a>	<a href="#">90</a>
<a href="#">13. Environmental</a>	<a href="#">97</a>
<a href="#">14. Shareholders' Equity</a>	<a href="#">100</a>
<a href="#">15. Income Taxes</a>	<a href="#">101</a>
<a href="#">16. Leases</a>	<a href="#">106</a>
<a href="#">17. Derivative Financial Instruments</a>	<a href="#">107</a>
<a href="#">18. Fair Value Measurements</a>	<a href="#">110</a>
<a href="#">19. Commitments and Contingencies</a>	<a href="#">111</a>
<a href="#">20. Supplemental Cash Flow Information</a>	<a href="#">113</a>
<a href="#">21. Segment Information</a>	<a href="#">113</a>
<a href="#">22. Revenue Recognition</a>	<a href="#">116</a>
<a href="#">23. Earnings (Loss) Per Share</a>	<a href="#">117</a>
<a href="#">24. Other (Charges) Gains, Net</a>	<a href="#">118</a>
<a href="#">25. Subsequent Events</a>	<a href="#">118</a>

## Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors  
Celanese Corporation:

### *Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting*

We have audited the accompanying consolidated balance sheets of Celanese Corporation and subsidiaries (the Company) as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows for each of the years in the three-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022 based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

The Company acquired a majority of DuPont's Mobility and Materials ("M&M") business during 2022, and management excluded from its assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2022, M&M's internal control over financial reporting associated with 15% of total assets and 4% of net sales included in the consolidated financial statements of the Company as of and for the year ended December 31, 2022. Our audit of internal control over financial reporting of the Company also excluded an evaluation of the internal control over financial reporting of M&M.

### *Basis for Opinions*

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report of Management on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

### *Definition and Limitations of Internal Control Over Financial Reporting*

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit

preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

#### *Critical Audit Matters*

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

##### *Evaluation of the Company's application of multinational income tax regulations*

As discussed in [Note 15](#) to the consolidated financial statements, the Company recorded \$489 million of income tax benefit for the year ended December 31, 2022. Because of its multinational presence, the Company's effective income tax rate and related income tax attributes are significantly impacted by tax regulations in certain operating locations. As a result, the Company continuously monitors, evaluates, and responds to these impacts.

We identified the evaluation of the Company's ongoing assessment and application of multinational income tax regulations as a critical audit matter. This was due to the complex, subjective and evolving nature of tax regulations, the steps taken by the Company to interpret and respond to changes in the tax environment, and taxing authorities' collective impacts on the Company's consolidated income tax computations. As a result, a high degree of auditor judgment and the use of income tax professionals with specialized skills and knowledge were required to 1) evaluate significant income tax regulations, including changes thereto, 2) assess the application of the taxing authorities' regulations on the Company's business operations, and 3) evaluate the Company's accounting for income taxes pertaining to significant transactions and restructurings.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the critical audit matter. This included controls related to 1) the application of tax regulations, 2) the execution of certain significant transactions and restructurings, and 3) their collective impacts on consolidated income tax computations. We involved income tax professionals with specialized skills and knowledge, who assisted in evaluating the Company's interpretation and application of tax regulations, including tax regulation changes, and the associated income tax consequences. They also assisted in assessing certain significant transactions and restructurings, including reviewing the underlying documentation and evaluating the impact on the Company's global tax rate.

##### *Fair value of customer-related intangible assets and trade name acquired in a business combination*

As discussed in [Note 4](#) to the consolidated financial statements, on November 1, 2022, the Company acquired a majority of the Mobility and Materials ("M&M") business from DuPont de Nemours, Inc. ("DuPont") for a purchase price of \$11.0 billion, subject to transaction adjustments. The Company allocated the purchase price of the acquisition to identifiable assets and liabilities assumed, of which \$1.5 billion was preliminarily allocated to customer-related intangible assets and \$1.4 billion was preliminarily allocated to trade names.

We identified the evaluation of the preliminary fair values of one of the customer-related intangible assets and one of the trade names acquired in the business combination as a critical audit matter. A high degree of subjective auditor judgment and valuation specialized skills and knowledge were required in evaluating certain inputs into the preliminary fair value determinations, including the royalty rate and discount rate. Changes in these inputs could have a significant impact on the estimated fair values of the intangible assets.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's purchase accounting process, including controls related to the development of the above-listed inputs into the valuation of the customer-

related intangible asset and the trade name. In addition, we involved valuation professionals with specialized skills and knowledge who assisted in: (1) evaluating the discount rate by comparing it to an independently developed range of discount rates based on publicly available market data for comparable entities; (2) developing an estimate of fair value of the customer-related intangible asset using projected cash flows of the M&M business and an independently developed range of discount rates, and comparing it to the Company's fair value estimate; (3) evaluating the royalty rate for the trade name by comparing it to royalty rates from comparable licensing agreements; and (4) developing an estimate of fair value of the trade name using the royalty rate and projected cash flows of the M&M business, and an independently developed range of discount rates, and comparing it to the Company's fair value estimate.

/s/ KPMG LLP

We have served as the Company's auditor since 2004.

Dallas, Texas  
February 24, 2023

**CELANESE CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions, except share and per share data)		
Net sales	9,673	8,537	5,655
Cost of sales	(7,293)	(5,855)	(4,362)
Gross profit	2,380	2,682	1,293
Selling, general and administrative expenses	(824)	(633)	(482)
Amortization of intangible assets	(62)	(25)	(22)
Research and development expenses	(112)	(86)	(74)
Other (charges) gains, net	(8)	3	(39)
Foreign exchange gain (loss), net	(1)	2	(5)
Gain (loss) on disposition of businesses and assets, net	5	3	(7)
Operating profit (loss)	1,378	1,946	664
Equity in net earnings (loss) of affiliates	220	146	134
Non-operating pension and other postretirement employee benefit (expense) income	17	106	17
Interest expense	(405)	(91)	(109)
Refinancing expense	—	(9)	—
Interest income	69	8	6
Dividend income - equity investments	133	147	126
Gain (loss) on sale of investments in affiliates	—	—	1,408
Other income (expense), net	9	(5)	5
Earnings (loss) from continuing operations before tax	1,421	2,248	2,251
Income tax (provision) benefit	489	(330)	(247)
Earnings (loss) from continuing operations	1,910	1,918	2,004
Earnings (loss) from operation of discontinued operations	(9)	(27)	(14)
Income tax (provision) benefit from discontinued operations	1	5	2
Earnings (loss) from discontinued operations	(8)	(22)	(12)
Net earnings (loss)	1,902	1,896	1,992
Net (earnings) loss attributable to noncontrolling interests	(8)	(6)	(7)
Net earnings (loss) available to Celanese Corporation	1,894	1,890	1,985
Amounts attributable to Celanese Corporation			
Earnings (loss) from continuing operations	1,902	1,912	1,997
Earnings (loss) from discontinued operations	(8)	(22)	(12)
Net earnings (loss)	1,894	1,890	1,985
Earnings (loss) per common share - basic			
Continuing operations	17.55	17.19	16.95
Discontinued operations	(0.07)	(0.20)	(0.10)
Net earnings (loss) - basic	17.48	16.99	16.85
Earnings (loss) per common share - diluted			
Continuing operations	17.41	17.06	16.85
Discontinued operations	(0.07)	(0.20)	(0.10)
Net earnings (loss) - diluted	17.34	16.86	16.75
Weighted average shares - basic	108,380,082	111,224,017	117,817,445
Weighted average shares - diluted	109,235,376	112,084,412	118,481,376

See the accompanying notes to the consolidated financial statements.

**CELANESE CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
Net earnings (loss)	1,902	1,896	1,992
Other comprehensive income (loss), net of tax			
Foreign currency translation gain (loss)	(217)	(11)	(8)
Gain (loss) on cash flow hedges	21	13	(18)
Pension and postretirement benefits	7	(3)	(2)
Total other comprehensive income (loss), net of tax	(189)	(1)	(28)
Total comprehensive income (loss), net of tax	1,713	1,895	1,964
Comprehensive (income) loss attributable to noncontrolling interests	(8)	(6)	(7)
Comprehensive income (loss) attributable to Celanese Corporation	1,705	1,889	1,957

See the accompanying notes to the consolidated financial statements.

**CELANESE CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

	As of December 31,	
	2022	2021
	(In \$ millions, except share data)	
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	1,508	536
Trade receivables - third party and affiliates	1,379	1,161
Non-trade receivables, net	675	506
Inventories	2,808	1,524
Other assets	241	80
Total current assets	6,611	3,807
Investments in affiliates	1,062	823
Property, plant and equipment (net of accumulated depreciation - 2022: \$3,687; 2021: \$3,484)	5,584	4,193
Operating lease right-of-use assets	413	236
Deferred income taxes	808	248
Other assets	547	521
Goodwill	7,142	1,412
Intangible assets, net	4,105	735
Total assets	26,272	11,975
<b>LIABILITIES AND EQUITY</b>		
Current Liabilities		
Short-term borrowings and current installments of long-term debt - third party and affiliates	1,306	791
Trade payables - third party and affiliates	1,518	1,160
Other liabilities	1,201	473
Income taxes payable	43	81
Total current liabilities	4,068	2,505
Long-term debt, net of unamortized deferred financing costs	13,373	3,176
Deferred income taxes	1,242	555
Uncertain tax positions	322	280
Benefit obligations	411	558
Operating lease liabilities	364	200
Other liabilities	387	164
Commitments and Contingencies		
Shareholders' Equity		
Preferred stock, \$0.01 par value, 100,000,000 shares authorized (2022 and 2021: 0 issued and outstanding)	—	—
Common stock, \$0.0001 par value, 400,000,000 shares authorized (2022: 170,135,425 issued and 108,473,932 outstanding; 2021: 169,760,024 issued and 108,023,735 outstanding)	—	—
Treasury stock, at cost (2022: 61,661,493 shares; 2021: 61,736,289 shares)	(5,491)	(5,492)
Additional paid-in capital	372	333
Retained earnings	11,274	9,677
Accumulated other comprehensive income (loss), net	(518)	(329)
Total Celanese Corporation shareholders' equity	5,637	4,189
Noncontrolling interests	468	348
Total equity	6,105	4,537
Total liabilities and equity	26,272	11,975

See the accompanying notes to the consolidated financial statements.

**CELANESE CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF EQUITY**

	Year Ended December 31,					
	2022		2021		2020	
	Shares	Amount	Shares	Amount	Shares	Amount
	(In \$ millions, except share data)					
<b>Common Stock</b>						
Balance as of the beginning of the period	108,023,735	—	114,168,464	—	119,555,207	—
Purchases of treasury stock	—	—	(6,556,378)	—	(5,889,073)	—
Stock awards	450,197	—	411,649	—	502,330	—
Balance as of the end of the period	<u>108,473,932</u>	<u>—</u>	<u>108,023,735</u>	<u>—</u>	<u>114,168,464</u>	<u>—</u>
<b>Treasury Stock</b>						
Balance as of the beginning of the period	61,736,289	(5,492)	55,234,515	(4,494)	49,417,965	(3,846)
Purchases of treasury stock, including related fees	—	—	6,556,378	(1,000)	5,889,073	(650)
Issuance of treasury stock under stock plans	(74,796)	1	(54,604)	2	(72,523)	2
Balance as of the end of the period	<u>61,661,493</u>	<u>(5,491)</u>	<u>61,736,289</u>	<u>(5,492)</u>	<u>55,234,515</u>	<u>(4,494)</u>
<b>Additional Paid-In Capital</b>						
Balance as of the beginning of the period		333		257		254
Stock-based compensation, net of tax		39		76		3
Balance as of the end of the period		<u>372</u>		<u>333</u>		<u>257</u>
<b>Retained Earnings</b>						
Balance as of the beginning of the period		9,677		8,091		6,399
Net earnings (loss) attributable to Celanese Corporation		1,894		1,890		1,985
Common stock dividends		(297)		(304)		(293)
Balance as of the end of the period		<u>11,274</u>		<u>9,677</u>		<u>8,091</u>
<b>Accumulated Other Comprehensive Income (Loss), Net</b>						
Balance as of the beginning of the period		(329)		(328)		(300)
Other comprehensive income (loss), net of tax		(189)		(1)		(28)
Balance as of the end of the period		<u>(518)</u>		<u>(329)</u>		<u>(328)</u>
Total Celanese Corporation shareholders' equity		<u>5,637</u>		<u>4,189</u>		<u>3,526</u>
<b>Noncontrolling Interests</b>						
Balance as of the beginning of the period		348		369		391
Net earnings (loss) attributable to noncontrolling interests		8		6		7
(Distributions to) contributions from noncontrolling interests		(13)		(27)		(29)
Acquisition of noncontrolling interest		125		—		—
Balance as of the end of the period		<u>468</u>		<u>348</u>		<u>369</u>
Total equity		<u>6,105</u>		<u>4,537</u>		<u>3,895</u>

See the accompanying notes to the consolidated financial statements.

**CELANESE CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
<b>Operating Activities</b>			
Net earnings (loss)	1,902	1,896	1,992
Adjustments to reconcile net earnings (loss) to net cash provided by (used in) operating activities			
Asset impairments	14	2	31
Depreciation, amortization and accretion	478	378	356
Pension and postretirement net periodic benefit cost	(85)	(136)	(99)
Pension and postretirement contributions	(48)	(51)	(48)
Actuarial (gain) loss on pension and postretirement plans	81	41	96
Pension curtailments and settlements, net	—	3	(1)
Deferred income taxes, net	(835)	13	77
(Gain) loss on disposition of businesses and assets, net	(8)	(5)	3
Stock-based compensation	60	95	28
Undistributed earnings in unconsolidated affiliates	(3)	(34)	13
(Gain) loss on sale of investments in affiliates	—	—	(1,408)
Other, net	11	28	18
Operating cash provided by (used in) discontinued operations	(28)	15	5
Changes in operating assets and liabilities			
Trade receivables - third party and affiliates, net	218	(396)	141
Inventories	(253)	(367)	124
Other assets	(13)	(80)	60
Trade payables - third party and affiliates	(84)	353	(6)
Other liabilities	412	2	(39)
Net cash provided by (used in) operating activities	1,819	1,757	1,343
<b>Investing Activities</b>			
Capital expenditures on property, plant and equipment	(543)	(467)	(364)
Acquisitions, net of cash acquired	(10,589)	(1,142)	(100)
Proceeds from sale of businesses and assets, net	48	27	21
Proceeds from sale of investments in affiliates	—	—	1,575
Proceeds from sale of marketable securities	—	516	43
Purchases of marketable securities	—	—	(544)
Other, net	(57)	(53)	(39)
Net cash provided by (used in) investing activities	(11,141)	(1,119)	592
<b>Financing Activities</b>			
Net change in short-term borrowings with maturities of 3 months or less	36	206	(287)
Proceeds from short-term borrowings	500	—	311
Repayments of short-term borrowings	—	(6)	(466)
Proceeds from long-term debt	10,769	990	—
Repayments of long-term debt	(526)	(786)	(30)
Purchases of treasury stock, including related fees	(17)	(1,000)	(650)
Common stock dividends	(297)	(304)	(293)
(Distributions to) contributions from noncontrolling interests	(13)	(27)	(29)
Settlement of forward-starting interest rate swaps	—	(72)	—
Issuance cost of bridge facility	(63)	—	—
Other, net	(99)	(43)	(27)
Net cash provided by (used in) financing activities	10,290	(1,042)	(1,471)
Exchange rate effects on cash and cash equivalents	4	(15)	28
Net increase (decrease) in cash and cash equivalents	972	(419)	492
Cash and cash equivalents as of beginning of period	536	955	463
Cash and cash equivalents as of end of period	1,508	536	955

See the accompanying notes to the consolidated financial statements.

**CELANESE CORPORATION AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**1. Description of the Company and Basis of Presentation**

***Description of the Company***

Celanese Corporation and its subsidiaries (collectively, the "Company") is a global chemical and specialty materials company. The Company produces high performance engineered polymers that are used in a variety of high-value applications, as well as acetyl products, which are intermediate chemicals for nearly all major industries. The Company also engineers and manufactures a wide variety of products essential to everyday living. The Company's broad product portfolio serves a diverse set of end-use applications including automotive, chemical additives, construction, consumer and industrial adhesives, consumer and medical, energy storage, filtration, food and beverage, paints and coatings, paper and packaging, performance industrial and textiles.

***Definitions***

In this Annual Report on Form 10-K ("Annual Report"), the term "Celanese" refers to Celanese Corporation, a Delaware corporation, and not its subsidiaries. The term "Celanese U.S." refers to the Company's subsidiary, Celanese US Holdings LLC, a Delaware limited liability company, and not its subsidiaries.

***Basis of Presentation***

The consolidated financial statements contained in this Annual Report were prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for all periods presented and include the accounts of the Company, its majority owned subsidiaries over which the Company exercises control and, when applicable, variable interest entities in which the Company is the primary beneficiary. The consolidated financial statements and other financial information included in this Annual Report, unless otherwise specified, have been presented to separately show the effects of discontinued operations.

In the ordinary course of business, the Company enters into contracts and agreements relative to a number of topics, including acquisitions, dispositions, joint ventures, supply agreements, product sales and other arrangements. The Company endeavors to describe those contracts or agreements that are material to its business, results of operations or financial position. The Company may also describe some arrangements that are not material but in which the Company believes investors may have an interest or which may have been included in a Form 8-K filing. Investors should not assume the Company has described all contracts and agreements relative to the Company's business in this Annual Report.

For those consolidated ventures in which the Company owns or is exposed to less than 100% of the economics, the outside shareholders' interests are shown as noncontrolling interests.

**2. Summary of Accounting Policies**

***Critical Accounting Policies***

***Purchase Accounting***

The Company recognizes the identifiable tangible and intangible assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date. The excess of purchase price over the aggregate fair values is recorded as goodwill. Intangible assets are valued using the relief from royalty, multi-period excess earnings and discounted cash flow methodologies, which are considered Level 3 measurements. The relief from royalty method estimates the Company's theoretical royalty savings from ownership of the intangible asset. Key assumptions used in this method include discount rates, royalty rates, growth rates, sales projections and terminal value rates. Key assumptions used in the multi-period excess earnings method include discount rates, retention rates, growth rates, sales projections, expense projections and contributory asset charges. Key assumptions used in the discounted cash flow valuation model include discount rates, growth rates, tax rates, cash flow projections and terminal value rates. All of these methodologies require significant management judgment and, therefore, are susceptible to change. The Company calculates the fair value of the identifiable tangible and intangible assets acquired and liabilities assumed to allocate the purchase price at the acquisition date. The Company may use the assistance of third-party valuation consultants.

### ***Recoverability of Goodwill and Indefinite-Lived Assets***

The Company assesses the recoverability of the carrying amount of its reporting unit goodwill and other indefinite-lived intangible assets either qualitatively or quantitatively annually during the third quarter of its fiscal year using June 30 balances or whenever events or changes in circumstances indicate that the carrying amount of the asset may not be fully recoverable. Recoverability of the carrying amount of goodwill is measured at the reporting unit level. The Company assesses the recoverability of finite-lived intangible assets in the same manner as for property, plant and equipment. Impairment losses are generally recorded in Other (charges) gains, net in the consolidated statements of operations.

When assessing the recoverability of goodwill and other indefinite-lived intangible assets, the Company may first assess qualitative factors in determining whether it is more likely than not that the fair value of a reporting unit, including goodwill, or an other indefinite-lived intangible asset is less than its carrying amount. The qualitative evaluation is an assessment of multiple factors, including the current operating environment, financial performance and market considerations. The Company may elect to bypass this qualitative assessment for some or all of its reporting units or other indefinite-lived intangible assets and perform a quantitative test, based on management's judgment.

In performing a quantitative analysis of goodwill, the Company measures the recoverability of goodwill for each reporting unit using a discounted cash flow model incorporating discount rates commensurate with the risks involved, which is classified as a Level 3 fair value measurement. The key assumptions used in the discounted cash flow valuation model include discount rates, growth rates, tax rates, cash flow projections and terminal value rates. Discount rates, growth rates and cash flow projections are the most sensitive and susceptible to change as they require significant management judgment. Discount rates used are similar to the rates estimated by the weighted average cost of capital ("WACC") considering any differences in company-specific risk factors. The Company may engage third-party valuation consultants to assist with this process.

Management tests other indefinite-lived intangible assets for impairment quantitatively utilizing the relief from royalty method under the income approach to determine the estimated fair value for each indefinite-lived intangible asset, which is classified as a Level 3 fair value measurement. The relief from royalty method estimates the Company's theoretical royalty savings from ownership of the intangible asset. The key assumptions used in this model include discount rates, royalty rates, growth rates, tax rates, sales projections and terminal value rates. Discount rates, royalty rates, growth rates and sales projections are the assumptions most sensitive and susceptible to change as they require significant management judgment. Discount rates used are similar to the rates estimated by the WACC considering any differences in company-specific risk factors. Royalty rates are established by management and are periodically substantiated by third-party valuation consultants.

### ***Pension and Other Postretirement Obligations***

The Company recognizes a balance sheet asset or liability for each of its pension and other postretirement benefit plans equal to the plan's funded status as of a December 31 measurement date. The amounts recognized in the consolidated financial statements related to pension and other postretirement benefits are determined on an actuarial basis. Various assumptions are used in the calculation of the actuarial valuation of the employee benefit plans. These assumptions include the discount rate, compensation levels, expected long-term rates of return on plan assets and trends in health care costs. In addition, actuarial consultants use factors such as withdrawal and mortality rates to estimate the projected benefit obligation.

The Company applies the long-term expected rate of return to the fair value of plan assets and immediately recognizes in operating results the change in fair value of plan assets and net actuarial gains and losses annually in the fourth quarter of each fiscal year and whenever a plan is required to be remeasured. Events requiring a plan remeasurement will be recognized in the quarter in which such remeasurement event occurs. The remaining components of pension and other postretirement plan net periodic benefit costs are recorded on a quarterly basis.

The Company allocates the service cost and amortization of prior service cost (or credit) components of its pension and postretirement plans to its business segments. Interest cost, expected return on assets and net actuarial gains and losses are considered financing activities managed at the corporate level and are recorded to Other Activities. The Company believes the expense allocation appropriately matches the cost incurred for active employees to the respective business segment.

Other postretirement benefit plans provide medical and life insurance benefits to retirees who meet minimum age and service requirements. The key determinants of the accumulated postretirement benefit obligation are the discount rate and the health care cost trend rate.

- ***Discount Rate***

As of the measurement date, the Company determines the appropriate discount rate used to calculate the present value of future cash flows currently expected to be required to settle the pension and other postretirement benefit obligations. The discount rate is generally based on the yield on high-quality corporate fixed-income securities.

In the U.S., the rate used to discount pension and other postretirement benefit plan liabilities is based on a yield curve developed from market data of over 300 Aa-grade non-callable bonds at the measurement date. This yield curve has discount rates that vary based on the duration of the obligations. The estimated future cash flows for the pension and other benefit obligations were matched to the corresponding rates on the yield curve to derive a weighted average discount rate.

Outside of the U.S., a similar approach of discounting pension and other postretirement benefit plan liabilities is used based on the high quality corporate bonds available in each market. There are some exceptions to this methodology, namely in locations where there is a sparse corporate bond market, and in such cases the discount rate takes into account yields of government bonds at the appropriate duration.

- ***Expected Long-Term Rate of Return on Assets***

The Company determines the long-term expected rate of return on plan assets by considering the current target asset allocation, as well as the historical and expected rates of return on various asset categories in which the plans are invested. A single long-term expected rate of return on plan assets is then calculated for each plan as the weighted average of the target asset allocation and the long-term expected rate of return assumptions for each asset category within each plan. The expected rate of return is assessed annually.

- ***Investment Policies and Strategies***

The investment objectives for the Company's pension plans are to earn, over a moving 20-year period, a long-term expected rate of return, net of investment fees and transaction costs, sufficient to satisfy the benefit obligations of the plan, while at the same time maintaining adequate liquidity to pay benefit obligations and proper expenses, and meet any other cash needs, in the short- to medium-term.

The equity and debt securities objectives are to provide diversified exposure across the U.S. and global equity and fixed income markets, and to manage the risks and returns of the plans through the use of multiple managers and strategies. The fixed income strategies are designed to reduce liability-related interest rate risk by investing in bonds that match the duration and credit quality of the plan liabilities.

The financial objectives of the qualified pension plans are established in conjunction with a comprehensive review of each plan's liability structure. The Company's asset allocation policy is based on detailed asset/liability analysis. In developing investment policy and financial goals, consideration is given to each plan's demographics, the returns and risks associated with current and alternative investment strategies and the current and projected cash, expense and funding ratios of each plan. Investment policies must also comply with local statutory requirements as determined by each country. A formal asset/liability study of each plan is undertaken approximately every three to five years or whenever there has been a material change in plan demographics, benefit structure or funding status and investment market. The Company has adopted a long-term investment horizon such that the risk and duration of investment losses are weighed against the long-term potential for appreciation of assets. Although there cannot be complete assurance that these objectives will be realized, it is believed that the likelihood for their realization is reasonably high, based upon the asset allocation chosen and the historical and expected performance of the asset classes utilized by the plans. The intent is for investments to be broadly diversified across asset classes, investment styles, market sectors, investment managers, developed and emerging markets and securities in order to moderate portfolio volatility and risk. Investments may be in separate accounts, commingled trusts, mutual funds and other pooled asset portfolios provided they all conform to fiduciary standards.

External investment managers are hired to manage pension assets. Investment consultants assist with the screening process for each new manager hired. Over the long-term, the investment portfolio is expected to earn returns that exceed a composite of market indices that are weighted to match each plan's target asset allocation. The portfolio return should also (over the long-term) meet or exceed the return used for actuarial calculations in order to meet the future needs of each plan.

### ***Income Taxes***

The provision for income taxes is determined using the asset and liability approach of accounting for income taxes. Under this approach, deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and net operating loss and tax credit carryforwards. The amount of deferred taxes on these temporary differences is determined using the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, as applicable, based on tax rates and laws in the respective tax jurisdiction enacted as of the balance sheet date.

The Company reviews its deferred tax assets for recoverability and establishes a valuation allowance based on historical taxable income, projected future taxable income, remaining carryforward periods, applicable tax strategies and the expected timing of the reversals of existing temporary differences. A valuation allowance is provided when it is more likely than not (likelihood of greater than 50%) that some portion or all of the deferred tax assets will not be realized.

The Company considers many factors when evaluating and estimating its tax positions and tax benefits, which may require periodic adjustments and which may not accurately anticipate actual outcomes. Tax positions are recognized only when it is more likely than not (likelihood of greater than 50%), based on technical merits, that the positions will be sustained upon examination. Tax positions that meet the more-likely-than-not threshold are measured using a probability weighted approach as the largest amount of tax benefit that is greater than 50% likely of being realized upon settlement. Whether the more-likely-than-not recognition threshold is met for a tax position is a matter of judgment based on the individual facts and circumstances of that position evaluated in light of all available evidence and technical authorities in the relevant jurisdiction.

The Company recognizes interest and penalties related to uncertain tax positions in Income tax (provision) benefit in the consolidated statements of operations.

### ***Other Accounting Policies***

#### ***Consolidation Principles***

The consolidated financial statements have been prepared in accordance with U.S. GAAP for all periods presented and include the accounts of the Company and its majority owned subsidiaries over which the Company exercises control. All intercompany accounts and transactions have been eliminated in consolidation.

#### ***Estimates and Assumptions***

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of net sales, expenses and allocated charges during the reporting period. Significant estimates pertain to impairments of goodwill, intangible assets and other long-lived assets, purchase price allocations, restructuring costs and other (charges) gains, net, income taxes, pension and other postretirement benefits, asset retirement obligations, environmental liabilities and loss contingencies, among others. Actual results could differ from those estimates.

#### ***Variable Interest Entities***

The Company assesses whether it has a variable interest in legal entities in which it has a financial relationship and, if so, whether or not those entities are variable interest entities ("VIEs"). A VIE is an entity with insufficient equity at risk for the entity to finance its activities without additional subordinated financial support or in which equity investors lack the characteristics of a controlling financial interest. If an entity is determined to be a VIE, the Company evaluates whether the Company is the primary beneficiary. The primary beneficiary analysis is a qualitative analysis based on power and economics. The Company concludes that it is the primary beneficiary and consolidates the VIE if the Company has both (i) the power to direct the activities of the VIE that most significantly influence the VIE's economic performance, and (ii) the obligation to absorb losses of, or the right to receive benefits from, the VIE that could potentially be significant to the VIE.

The Company has a joint venture, Fairway Methanol LLC ("Fairway"), with Mitsui & Co., Ltd., of Tokyo, Japan ("Mitsui"), in which the Company owns 50% of Fairway, for the production of methanol at the Company's integrated chemical plant in Clear Lake, Texas. Fairway is a VIE in which the Company is the primary beneficiary. Accordingly, the Company consolidates the venture and records a noncontrolling interest for the share of the venture owned by Mitsui. Fairway is included in the Company's Acetyl Chain segment. As of December 31, 2022 and 2021, the carrying amount of the total assets associated with

Fairway included in the consolidated balance sheets were \$627 million and \$628 million, respectively, made up primarily of \$544 million and \$560 million, respectively, of property, plant and equipment.

The Company holds variable interests in entities that supply certain raw materials and services to the Company. The variable interests primarily relate to cost-plus contractual arrangements with the suppliers and recovery of capital expenditures for certain plant assets plus a rate of return on such assets. Liabilities for such supplier recoveries of capital expenditures have been recorded as finance lease obligations. The entities are not consolidated because the Company is not the primary beneficiary of the entities as it does not have the power to direct the activities of the entities that most significantly impact the entities' economic performance. The Company's maximum exposure to loss as a result of its involvement with these VIEs as of December 31, 2022 and 2021 were \$223 million and \$235 million, respectively, related primarily to the recovery of capital expenditures for certain property, plant and equipment.

#### ***Fair Value Measurements***

The Company determines fair value based on the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the Company considers assumptions that market participants would use when pricing the asset or liability. Market participant assumptions are categorized by a three-tiered fair value hierarchy which prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. If a financial instrument uses inputs that fall in different levels of the hierarchy, the instrument will be categorized based upon the lowest level of input that is significant to the fair value calculation. Valuations for fund investments, such as common/collective trusts, registered investment companies and short-term investment funds, which do not have readily determinable fair values, are typically estimated using a net asset value provided by a third party as a practical expedient.

The levels of inputs used to measure fair value are as follows:

Level 1 - unadjusted quoted prices for identical assets or liabilities in active markets accessible by the Company

Level 2 - inputs that are observable in the marketplace other than those inputs classified as Level 1

Level 3 - inputs that are unobservable in the marketplace and significant to the valuation

#### ***Cash and Cash Equivalents***

All highly liquid investments with original maturities of three months or less are considered cash equivalents.

#### ***Inventories***

Inventories, including stores and supplies, are stated at the lower of cost and net realizable value. Cost for inventories is determined using the first-in, first-out method. Cost includes raw materials, direct labor and manufacturing overhead. Cost for stores and supplies is primarily determined by the average cost method.

#### ***Investments in Affiliates***

Investments in equity securities where the Company can exercise significant influence over operating and financial policies of an investee, which is generally considered when an investor owns 20% or more of the voting stock of an investee, are accounted for under the equity method of accounting. Investments in equity securities where the Company does not exercise significant influence are accounted for at fair value or, if such investments do not have a readily determinable fair value, an election may be made to measure them at cost after considering observable price changes for similar instruments, minus impairment, if any. The Company determined it cannot exercise significant influence over certain investments where the Company owns greater than a 20% interest due to local government investment in and influence over these entities, limitations on the Company's involvement in the day-to-day operations and the present inability of the entities to provide timely financial information prepared in accordance with U.S. GAAP. Further, these investments were determined not to have a readily determinable fair value. Accordingly, these investments are accounted for using the alternative measure described above.

In certain instances, the financial information of the Company's equity investees is not available on a timely basis. Accordingly, the Company records its proportional share of the investee's earnings or losses on a consistent lag of no more than one quarter.

When required to assess the recoverability of its investments in affiliates, the Company estimates fair value using a discounted cash flow model. The Company may engage third-party valuation consultants to assist with this process.

***Property, Plant and Equipment, Net***

Land is recorded at historical cost. Buildings, machinery and equipment, including capitalized interest, and property under finance lease agreements, are recorded at cost less accumulated depreciation. The Company records depreciation and amortization in its consolidated statements of operations as either Cost of sales, Selling, general and administrative expenses or Research and development expenses consistent with the utilization of the underlying assets. Depreciation is calculated on a straight-line basis over the following estimated useful lives of depreciable assets:

Land improvements	20 years
Buildings and improvements	30 years
Machinery and equipment	20 years

Leasehold improvements are amortized over 10 years or the remaining life of the respective lease, whichever is shorter.

Accelerated depreciation is recorded when the estimated useful life is shortened. Ordinary repair and maintenance costs, including costs for planned maintenance turnarounds, that do not extend the useful life of the asset are charged to earnings as incurred. Fully depreciated assets are retained in property and depreciation accounts until sold or otherwise disposed. In the case of disposals, assets and related depreciation are removed from the accounts, and the net amounts, less proceeds from disposal, are included in earnings.

The Company assesses the recoverability of the carrying amount of its property, plant and equipment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be assessed when estimated undiscounted future cash flows from the operation and disposition of the asset group are less than the carrying amount of the asset group. Asset groups have identifiable cash flows and are largely independent of other asset groups. Measurement of an impairment loss is based on the excess of the carrying amount of the asset group over its fair value. The Company calculates the fair value using a discounted cash flow model incorporating discount rates commensurate with the risks involved for the asset group, which is classified as a Level 3 fair value measurement. The key assumptions used in the discounted cash flow valuation model include discount rates, growth rates, tax rates, cash flow projections and terminal value rates. Discount rates, growth rates and cash flow projections involve significant judgment and are based on management's estimate of current and forecasted market conditions and cost structure. Impairment losses are generally recorded in Other (charges) gains, net in the consolidated statements of operations.

***Definite-lived Intangible Assets***

Customer-related intangible assets and other intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives, which range from six to 30 years.

***Derivative and Hedging Instruments***

The Company manages its exposures to interest rates, foreign exchange rates and commodity prices through a risk management program that includes the use of derivative financial instruments. The Company does not use derivative financial instruments for speculative trading purposes. The fair value of derivative instruments other than foreign currency forwards and swaps is recorded as an asset or liability on a net basis at the balance sheet date.

• ***Interest Rate Risk Management***

The Company entered into a forward-starting interest rate swap to mitigate the risk of variability in the benchmark interest rate for debt issued in 2021. The interest rate swap agreement was designated as a cash flow hedge. Accordingly, to the extent the cash flow hedges were effective, changes in the fair value of the interest rate swap were included in gain (loss) from cash flow hedges within Accumulated other comprehensive income (loss), net in the consolidated balance sheets. The Company settled the forward-starting interest rate swap in August 2021, resulting in a payment to the counterparty of \$72 million, which payment was included as part of financing activities in the consolidated statements of cash flows.

• **Foreign Exchange Risk Management**

Certain subsidiaries of the Company have assets and liabilities denominated in currencies other than their respective functional currencies, which creates foreign exchange risk. The Company also is exposed to foreign currency fluctuations on transactions with third-party entities as well as intercompany transactions. The Company minimizes its exposure to foreign currency fluctuations by entering into foreign currency forwards and swaps. These foreign currency forwards and swaps are not designated as hedges. Gains and losses on foreign currency forwards and swaps entered into to offset foreign exchange impacts on intercompany balances are included in Other income (expense), net in the consolidated statements of operations. Gains and losses on foreign currency forwards and swaps entered into to offset foreign exchange impacts on all other assets and liabilities are included in Foreign exchange gain (loss), net in the consolidated statements of operations.

The Company uses non-derivative financial instruments that may give rise to foreign currency transaction gains or losses to hedge the foreign currency exposure of net investments in foreign operations. Accordingly, the effective portion of gains and losses from remeasurement of the non-derivative financial instrument is included in foreign currency translation within Accumulated other comprehensive income (loss), net in the consolidated balance sheets. Gains and losses are reclassified to earnings in the period the hedged investment is sold or liquidated.

The Company entered into cross-currency swaps to synthetically convert its USD borrowings to EUR borrowings in 2019 and 2022. The cross-currency swap agreements are designated as a net investment hedge. Accordingly, to the extent the net investment hedges are effective, changes in the fair value of the cross-currency swap are included in foreign currency translation within Accumulated other comprehensive income (loss), net in the consolidated balance sheets. Gains and losses are reclassified to earnings in the period the hedged investment is sold or liquidated.

• **Commodity Risk Management**

The Company has exposure to the prices of commodities in its procurement of certain raw materials. The Company manages its exposure to commodity risk primarily through the use of long-term supply agreements, multi-year purchasing and sales agreements and forward purchase contracts. The Company regularly assesses its practice of using forward purchase contracts and other raw material hedging instruments in accordance with changes in economic conditions. Forward purchases and swap contracts for raw materials are principally settled through physical delivery of the commodity. For qualifying contracts, the Company has elected to apply the normal purchases and normal sales exception based on the probability at the inception and throughout the term of the contract that the Company would not net settle and the transaction would result in the physical delivery of the commodity. Accordingly, realized gains and losses on these contracts are included in the cost of the commodity upon the settlement of the contract.

The Company also uses commodity swaps to hedge the risk of fluctuating price changes in certain raw materials and in which physical settlement does not occur. These commodity swaps fix the variable fee component of the price of certain commodities. All or a portion of these commodity swap agreements may be designated as cash flow hedges. Accordingly, to the extent the cash flow hedge was effective, changes in the fair value of commodity swaps are included in gain (loss) from cash flow hedges within Accumulated other comprehensive income (loss), net in the consolidated balance sheets. Gains and losses are reclassified to earnings in the period that the hedged item affected earnings.

**Asset Retirement Obligations**

Periodically, the Company will conclude a site no longer has an indeterminate life based on long-lived asset impairment triggering events and decisions made by the Company. Accordingly, the Company will record asset retirement obligations associated with such sites. To measure the fair value of the asset retirement obligations, the Company will use the expected present value technique, which is classified as a Level 3 fair value measurement. The expected present value technique uses a set of cash flows that represent the probability-weighted average of all possible cash flows based on the Company's judgment. The Company uses the following inputs to determine the fair value of the asset retirement obligations based on the Company's experience with fulfilling obligations of this type and the Company's knowledge of market conditions: (a) labor costs; (b) allocation of overhead costs; (c) profit on labor and overhead costs; (d) effect of inflation on estimated costs and profits; (e) risk premium for bearing the uncertainty inherent in cash flows, other than inflation; (f) time value of money represented by the risk-free interest rate commensurate with the timing of the associated cash flows; and (g) nonperformance risk relating to the liability, which includes the Company's own credit risk. The asset retirement obligations are accreted to their undiscounted values until the time at which they are expected to be settled.

The Company has identified but not recognized asset retirement obligations related to certain of its existing operating facilities. Examples of these types of obligations include demolition, decommissioning, disposal and restoration activities. Legal obligations exist in connection with the retirement of these assets upon closure of the facilities or abandonment of the existing operations. However, the Company currently plans on continuing operations at these facilities indefinitely and therefore, a reasonable estimate of fair value cannot be determined at this time. In the event the Company considers plans to abandon or cease operations at these sites, an asset retirement obligation will be reassessed at that time. If certain operating facilities were to close, the related asset retirement obligations could significantly affect the Company's results of operations and cash flows.

#### ***Environmental Liabilities***

The Company manufactures and sells a diverse line of chemical products throughout the world. Accordingly, the Company's operations are subject to various hazards incidental to the production of industrial chemicals including the use, handling, processing, storage and transportation of hazardous materials. The Company recognizes losses and accrues liabilities relating to environmental matters if available information indicates that it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. Depending on the nature of the site, the Company accrues through 15 years, unless the Company has government orders or other agreements that extend beyond 15 years. The Company estimates environmental liabilities on a case-by-case basis using the most current status of available facts, existing technology, presently enacted laws and regulations and prior experience in remediation of contaminated sites. Recoveries of environmental costs from other parties are recorded as assets when their receipt is deemed probable.

An environmental liability related to cleanup of a contaminated site might include, for example, a provision for one or more of the following types of costs: site investigation and testing costs, cleanup costs, costs related to soil and water contamination resulting from tank ruptures and post-remediation monitoring costs. These undiscounted liabilities do not take into account any claims or recoveries from insurance. The measurement of environmental liabilities is based on the Company's periodic estimate of what it will cost to perform each of the elements of the remediation effort. The Company utilizes third parties to assist in the management and development of cost estimates for its sites. Changes to environmental regulations or other factors affecting environmental liabilities are reflected in the consolidated financial statements in the period in which they occur.

#### ***Loss Contingencies***

When determinable, the Company accrues a liability for loss contingencies deemed probable of occurring for which an amount can be reasonably estimated. For certain potentially material loss contingencies, the Company is sometimes unable to estimate and accrue a loss deemed probable of occurring. For such matters, the Company discloses an estimate of the possible loss, range of loss or a statement that such estimate cannot be made.

Because the Company's evaluation and assessment of critical facts and circumstances surrounding a contingent loss often occurs well in advance of the matter's final determination, there is an inherent subjectivity and unpredictability involved in estimating, accounting for and reporting contingent losses. Generally, the less progress made in the resolution of a contingent loss matter or the broader the range of potential outcomes, the more difficult it is for the Company to estimate, accrue and report a loss. For example, the Company may disclose certain information about a plaintiff's legal claim against the Company that is alleged in the plaintiff's pleadings or otherwise publicly available. While information of this type may provide more insight into the potential magnitude of a matter, it may not necessarily be indicative of the Company's estimate of probable or possible loss. In addition, some of the Company's contingent loss exposures may be eligible for reimbursement under the provisions of its insurance coverage. The Company does not consider the potential availability of insurance coverage in determining its probable or possible loss estimates. As a result of these factors among others, the Company's ultimate contingent loss exposure may be higher or lower, and possibly materially so, than the Company's recorded probable loss accruals and disclosures of possible losses.

#### ***Revenue Recognition***

Revenue is recognized when performance obligations under the terms of a contract with a customer are satisfied. The majority of the Company's contracts have a single performance obligation to transfer products. Accordingly, the Company recognizes revenue when title and risk of loss have been transferred to the customer, generally at the time of shipment of products. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring products and is generally based upon a negotiated, formula, list or fixed price. The Company sells its products both directly to customers and through distributors generally under agreements with payment terms typically less than 90 days.

The Company has elected to account for shipping and handling as activities to fulfill the promise to transfer the good. As such, shipping and handling fees billed to customers in a sales transaction are recorded in Net sales and shipping and handling costs

incurred are recorded in Cost of sales. The Company has elected to exclude from Net sales any value add, sales and other taxes which it collects concurrent with revenue-producing activities.

- **Contract Estimates**

The nature of certain of the Company's contracts gives rise to variable consideration, which may be constrained, including retrospective volume-based rebates to certain customers. The Company issues retrospective volume-based rebates to customers when they purchase a certain volume level, and the rebates are applied retroactively to prior purchases. The Company also issues prospective volume-based rebates to customers when they purchase a certain volume level, and the rebates are applied to future purchases. Prospective volume-based rebates represent a material right within the contract and therefore are considered to be separate performance obligations. For both retrospective and prospective volume-based rebates, the Company estimates the level of volumes based on anticipated purchases at the beginning of the period and records a rebate accrual for each purchase toward the requisite rebate volume. These estimated rebates, which are reassessed each reporting period, are included in the transaction price of the Company's contracts with customers as a reduction to Net sales and are included in Current Other liabilities in the consolidated balance sheets ([Note 10](#)).

The majority of the Company's revenue is derived from contracts (i) with an original expected length of one year or less and (ii) contracts for which it recognizes revenue at the amount in which it has the right to invoice as product is delivered. The Company has elected the practical expedient not to disclose the value of remaining performance obligations associated with these types of contracts. However, the Company has certain contracts that represent take-or-pay revenue arrangements in which the Company's performance obligations extend over multiple years. As of December 31, 2022, the Company had \$1.4 billion of remaining performance obligations related to take-or-pay contracts. The Company expects to recognize approximately \$430 million of its remaining performance obligations as Net sales in 2023, \$430 million in 2024, \$304 million in 2025 and the balance thereafter.

The Company has certain contracts which contain performance obligations which are immaterial in the context of the contract with the customer. The Company has elected the practical expedient not to assess whether these promised goods or services are performance obligations.

- **Contract Balances**

Contract liabilities primarily relate to advances or deposits received from the Company's customers before revenue is recognized. These amounts are recorded as deferred revenue and are included in Noncurrent Other liabilities in the consolidated balance sheets.

The Company does not have any material contract assets as of December 31, 2022.

### **Research and Development**

The costs of research and development are charged as an expense in the period in which they are incurred.

### **Leases**

The Company leases certain real estate, fleet assets, warehouses and equipment. Leases with an initial term of 12 months or less ("short-term leases") are not recorded on the consolidated balance sheet; the Company recognizes lease expense for these leases on a straight-line basis over the lease term. The Company determines if an arrangement is a lease at inception.

Operating lease right-of-use ("ROU") assets and operating lease liabilities are recognized based on the present value of lease payments over the lease term at commencement date. Because most of the Company's leases do not provide an implicit rate of return, the Company uses its imputed collateralized rate based on the information available at commencement date in determining the present value of lease payments. The estimated rate is based on a risk-free rate plus a risk-adjusted margin. Operating lease ROU assets are comprised of the lease liability plus prepaid rents and are reduced by lease incentives or deferred rents. The Company has lease agreements with non-lease components which are not bifurcated.

Most leases include one or more options to renew, with renewal terms that can extend the lease term from one to 30 years. The exercise of a lease renewal option typically occurs at the discretion of both parties. Certain leases also include options to purchase the leased property. For purposes of calculating operating lease liabilities, lease terms are deemed not to include options to extend the lease termination until it is reasonably certain that the Company will exercise that option. Certain of the Company's lease agreements include payments adjusted periodically for inflation based on the consumer price index. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

#### ***Functional and Reporting Currencies***

For the Company's international operations where the functional currency is other than the U.S. dollar, assets and liabilities are translated using period-end exchange rates, while the statement of operations amounts are translated using the average exchange rates for the respective period. Differences arising from the translation of assets and liabilities in comparison with the translation of the previous periods or from initial recognition during the period are included as a separate component of Accumulated other comprehensive income (loss), net.

#### **3. Recent Accounting Pronouncements**

There are no recent Accounting Standard Updates issued by the Financial Accounting Standards Board which are expected to materially impact the Company's financial position, operating results or financial disclosures.

#### **4. Acquisitions, Dispositions and Plant Closures**

##### ***Acquisitions***

- ***Santoprene***

In December 2021, the Company acquired the Santoprene™ thermoplastic vulcanizates ("TPV") elastomers business of Exxon Mobil Corporation ("Santoprene") for a purchase price of \$1.15 billion in an all-cash transaction. The Company acquired the Santoprene™, Dytron™ and Geolast™ trademarks and product portfolios, customer and supplier contracts and agreements, both production facilities producing TPV, the TPV intellectual property portfolio with associated technical and R&D assets and employees of the TPV elastomer business. The acquisition of Santoprene substantially strengthens the Company's existing elastomers portfolio, allowing the Company to bring a wider range of functionalized solutions into targeted growth areas including future mobility, medical and sustainability. The acquisition was accounted for as a business combination and the acquired operations are included in the Engineered Materials segment.

The Company allocated the purchase price of the acquisition to identifiable assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date. The purchase price allocation was based upon preliminary information. During the measurement period, there were no adjustments that materially impacted the Company's goodwill initially recorded.

- ***Mobility & Materials***

On November 1, 2022, the Company acquired 100% ownership of entities and assets consisting of a majority of the Mobility & Materials business ("M&M") of DuPont de Nemours, Inc. ("DuPont") (the "M&M Acquisition") for a purchase price of \$11.0 billion, subject to transaction adjustments, in an all-cash transaction. The Company acquired a global production network of 29 facilities, including compounding and polymerization, customer and supplier contracts and agreements, an intellectual property portfolio, including approximately 850 patents with associated technical and R&D assets, and approximately 5,000 employees across the manufacturing, technical, and commercial organizations. This acquisition of M&M enhances the engineered materials product portfolio by adding new polymers, brands, product technology, and backward integration in critical polymers, allowing the Company to accelerate growth in high-value applications including future mobility, connectivity and medical. The acquisition was accounted for as a business combination and the acquired operations are included in the Engineered Materials segment.

The Company preliminarily allocated the purchase price of the acquisition to identifiable assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date. The excess of the purchase price over the aggregate fair values was recorded as goodwill. The Company calculated the fair value of the assets acquired using the income, market or cost approach (or a combination thereof). Fair values of certain assets were determined based on Level 3 inputs including estimated future cash flows, discount rates, royalty rates, growth rates, sales projections, retention rates and terminal values, all of which require significant management judgment and are susceptible to change. The purchase price allocation was based upon preliminary information and is subject to change if additional information about the facts and circumstances that existed at the acquisition date becomes available. The Company is in the ongoing process of conducting a valuation of the assets acquired and

liabilities assumed related to the acquisition, including trade names and customer relationships, personal and real property, and deferred taxes. The final fair value of the net assets acquired may result in adjustments to these assets and liabilities, including goodwill. However, any subsequent measurement period adjustments are not expected to have a material impact on the Company's results of operations.

The preliminary purchase price allocation for the M&M Acquisition is as follows:

	<b>As of November 1, 2022</b>
	<b>(In \$ millions)</b>
Cash and cash equivalents	462
Trade receivables - third party and affiliates ( <a href="#">Note 5</a> )	484
Inventories ( <a href="#">Note 6</a> )	1,078
Current other assets	311
Property, plant and equipment, net ( <a href="#">Note 8</a> )	1,281
Intangible assets ( <a href="#">Note 9</a> )	
Customer-related intangible assets	1,500
Trade names	1,400
Developed technology	550
Goodwill ( <a href="#">Note 9</a> ) <sup>(1)</sup>	5,788
Other assets	359
<b>Total fair value of assets acquired</b>	<b>13,213</b>
Trade payables - third party and affiliates	(458)
Current other liabilities ( <a href="#">Note 10</a> )	(339)
Deferred income taxes ( <a href="#">Note 15</a> )	(1,006)
Noncurrent operating lease liabilities ( <a href="#">Note 16</a> )	(159)
Other liabilities	(77)
<b>Total fair value of liabilities assumed</b>	<b>(2,039)</b>
Noncontrolling interests	(125)
<b>Net assets acquired</b>	<b>11,049</b>

<sup>(1)</sup> Goodwill consists of expected revenue and operating synergies resulting from the acquisition, a portion of which is expected to be deductible for income tax purposes.

The following unaudited pro forma financial information presents the consolidated results of operations as if the M&M acquisition had occurred at the beginning of 2021. M&M's pre-acquisition results have been added to the Company's historical results. The pro forma results contained in the table below include adjustments for (i) increased depreciation expense as a result of acquisition date fair value adjustments, (ii) amortization of acquired intangibles, (iii) interest expense and amortization of debt issuance costs of \$366 million and \$674 million related to borrowings under the Term Loan Facility and the issuance of Acquisition Notes as if these had taken place at the beginning of 2021 for the years ended December 31, 2022 and 2021, respectively and (iv) net total inventory step up of inventory amortized to Cost of sales of \$66 million for the years ended December 31, 2022 and 2021.

These pro forma results have been prepared for comparative purposes only and are not necessarily indicative of the results of operations as they would have been had the acquisitions occurred on the assumed dates, nor are they necessarily an indication of future operating results.

	Year Ended December 31,	
	2022	2021
(In millions)		
<b>Unaudited Consolidated Pro Forma Results</b>		
<i>Proforma</i> Net sales	\$ 12,614	\$ 12,069
<i>Proforma</i> Earnings (loss) from continuing operations before tax	888	1,843

The amount of M&M Net sales and Earnings (loss) from continuing operations before tax consolidated by the Company since the acquisition date were \$430 million and \$(80) million, respectively.

During the year ended December 31, 2022, transaction related costs of \$117 million were expensed as incurred to Selling, general and administrative expenses in the consolidated statements of operations.

***Korea Engineering Plastics Co. Restructuring***

On April 1, 2022, the Company completed the restructuring of Korea Engineering Plastics Co. ("KEPCO"), a joint venture owned 50% by the Company and 50% by Mitsubishi Gas Chemical Company, Inc. KEPCO was first formed in 1987 to manufacture and market polyoxymethylene ("POM") in Asia, with a particular focus on serving domestic demand in South Korea. KEPCO will now focus solely on manufacturing and supplying high quality products to its shareholders, who will independently market them globally. As part of the restructuring of KEPCO, the Company paid KEPCO \$5 million and will pay 5 equal annual installments of €24 million on October 1 of each year beginning in 2022. This resulted in an increase to the Company's investment in KEPCO of \$134 million. The Company's joint venture partner will be making similar payments to KEPCO. The restructuring did not result in a change in ownership percentage of KEPCO, nor a change in control, and KEPCO will continue to be accounted for as an equity method investment.

***Plant Closures***

- ***Silao, Mexico***

In September 2022, the Company announced that it will cease manufacturing operations at the Engineered Materials compounding facility in Silao, Mexico by the end of 2022, with decommissioning taking place in 2023. Manufacturing operations formally ceased on December 16, 2022.

The exit and shutdown costs related to this closure are as follows:

	Year Ended December 31,
	2022
(In \$ millions)	
Asset impairments <sup>(1)</sup>	(8)
Restructuring <sup>(1)</sup>	(1)
Accelerated amortization expense	(10)
Plant/Office closure <sup>(1)</sup>	8
<b>Total</b>	<b>(11)</b>

<sup>(1)</sup> Included in Other (charges) gains, net in the consolidated statements of operations ([Note 24](#)).

**5. Receivables, Net**

	As of December 31,	
	2022	2021
	(In \$ millions)	
Trade receivables - third party and affiliates	1,394	1,171
Allowance for doubtful accounts - third party and affiliates	(15)	(10)
Trade receivables - third party and affiliates, net	<u>1,379</u>	<u>1,161</u>

	As of December 31,	
	2022	2021
	(In \$ millions)	
Non-income taxes receivable	334	282
Income taxes receivable	26	123
Other <sup>(1)</sup>	315	101
Non-trade receivables, net	<u>675</u>	<u>506</u>

<sup>(1)</sup> Includes \$193 million of non-trade receivables related to the M&M Acquisition as of December 31, 2022.

**6. Inventories**

	As of December 31,	
	2022	2021
	(In \$ millions)	
Finished goods	1,820	1,014
Work-in-process	202	75
Raw materials and supplies	786	435
Total	<u>2,808</u>	<u>1,524</u>

**7. Investments in Affiliates**

Entities in which the Company has an investment accounted for under the equity method of accounting or equity investments without readily determinable fair values are considered affiliates; any transactions or balances with such companies are considered affiliate transactions.

In October 2020, the Company completed the sale of its 45% joint venture equity interest in Polyplastics Co., Ltd. ("Polyplastics"), to its joint venture partner Daicel Corporation ("Daicel"), for a purchase price of approximately \$1.6 billion in cash. In connection with the transaction, the Company recorded a gain on the sale of its equity interest in Polyplastics of \$1.4 billion to Gain (loss) on sale of investments in affiliates in the consolidated statements of operations and income tax expense, net, of approximately \$254 million during the three months ended December 31, 2020. The gain on the sale of the Company's equity interest in Polyplastics was included in its Engineered Materials segment.

In addition to the sale of the Company's 45% equity interest in Polyplastics, the agreement also provided for the amendment of certain supply agreements and the execution of certain intellectual property licenses between Celanese, certain of its affiliates and Polyplastics and Daicel, as applicable, as well as the termination of certain agreements and a mutual release of liabilities under such terminated agreements.

**Equity Method**

As a part of the M&M Acquisition, the Company acquired certain equity method investments and ownership interests. See *Strategic Affiliates* in [Item 1. Business](#) for additional information.

The Company has ownership interests in 13 equity method investments ranging from 22% to 50% at December 31, 2022.

Equity method investments by business segment are as follows:

	Carrying Value as of December 31,		Share of Earnings (Loss) Year Ended December 31,			Dividends and Other Distributions Year Ended December 31,		
	2022	2021	2022	2021	2020	2022	2021	2020
	(In \$ millions)							
Engineered Materials <sup>(1)</sup>	760	595	209	133	120	(204)	(98)	(137)
Other Activities	53	58	11	13	14	(13)	(14)	(10)
Total	813	653	220	146	134	(217)	(112)	(147)

<sup>(1)</sup> Engineered Materials includes an equity method investment with losses in excess of its carrying amount due to the Company's guarantee of various debt obligations under agreements with third parties related to an equity affiliate (Note 19). This equity method investment was recorded in Current other liabilities (Note 10) as of December 31, 2022.

**Equity Investments Without Readily Determinable Fair Values**

The Company has ownership interests in 4 equity investments without readily determinable fair values ranging from 8% to 31% at December 31, 2022.

Equity investments without readily determinable fair values by business segment are as follows:

	Carrying Value as of December 31,		Dividend Income for the Year Ended December 31,		
	2022	2021	2022	2021	2020
	(In \$ millions)				
Acetyl Chain	165	165	132	146	126
Other Activities	5	5	1	1	—
Total	170	170	133	147	126

**Transactions with Affiliates**

The Company owns manufacturing facilities at the InfraServ location in Frankfurt am Main-Hoechst, Germany and has contractual agreements with the InfraServ Entities and certain other equity affiliates and investees accounted for at cost less impairment, adjusted for observable price changes for an identical or similar investment of the same issuer. These contractual agreements primarily relate to energy purchases, site services and purchases of product for consumption and resale.

Transactions and balances with affiliates are as follows:

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
Purchases	590	334	249
Sales and other credits	72	74	42

	As of December 31,	
	2022	2021
	(In \$ millions)	
Trade receivables	8	—
Non-trade receivables	36	32
Total due from affiliates	44	32
Short-term borrowings <sup>(1)</sup>	—	64
Trade payables	36	71
Current Other liabilities	37	12
Total due to affiliates	73	147

<sup>(1)</sup> The Company has agreements with certain affiliates whereby excess affiliate cash is lent to and managed by the Company at variable interest rates governed by those agreements.

#### 8. Property, Plant and Equipment, Net

	As of December 31,	
	2022	2021
	(In \$ millions)	
Land	291	48
Land improvements	83	78
Buildings and building improvements	1,062	833
Machinery and equipment	6,897	5,993
Construction in progress	938	725
Gross asset value	9,271	7,677
Accumulated depreciation	(3,687)	(3,484)
Net book value	5,584	4,193

Assets under finance leases, net, included in the amounts above were \$176 million and \$131 million as of December 31, 2022 and 2021, respectively.

Capitalized interest costs and depreciation expense are as follows:

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
Capitalized interest	18	12	8
Depreciation expense	399	346	327

During 2022, 2021 and 2020, certain long-lived assets were impaired ([Note 24](#)).

**9. Goodwill and Intangible Assets, Net****Goodwill**

	<b>Engineered Materials</b>	<b>Acetyl Chain</b>	<b>Total</b>
	<b>(In \$ millions)</b>		
As of December 31, 2020	768	398	1,166
Acquisitions	299	2	301 <sup>(1)</sup>
Exchange rate changes	(37)	(18)	(55)
As of December 31, 2021	1,030	382	1,412
Acquisitions ( <a href="#">Note 4</a> )	5,781	—	5,781 <sup>(2)</sup>
Exchange rate changes	(36)	(15)	(51)
As of December 31, 2022 <sup>(3)</sup>	<u>6,775</u>	<u>367</u>	<u>7,142</u>

<sup>(1)</sup> Primarily represents goodwill related to the acquisition of Santoprene.

<sup>(2)</sup> Primarily represents goodwill related to the acquisition of M&M.

<sup>(3)</sup> There were no accumulated impairment losses as of December 31, 2022.

In connection with the Company's annual goodwill impairment assessment, the Company did not record an impairment loss to goodwill during the nine months ended September 30, 2022, as the estimated fair value for each of the Company's reporting units exceeded the carrying amount of the underlying assets by a substantial margin ([Note 2](#)). No events or changes in circumstances occurred during the three months ended December 31, 2022 that indicated the carrying amount of the assets may not be fully recoverable. Accordingly, no additional impairment analysis was performed during that period.

**Intangible Assets, Net**

Finite-lived intangible assets are as follows:

	Licenses	Customer-Related Intangible Assets	Developed Technology (In \$ millions)	Covenants Not to Compete and Other	Total
<b>Gross Asset Value</b>					
As of December 31, 2020	44	724	45	56	869
Acquisitions (Note 4)	—	307	—	—	307 <sup>(1)</sup>
Exchange rate changes	1	(35)	—	(1)	(35)
As of December 31, 2021	45	996	45	55	1,141
Acquisitions (Note 4)	—	1,509	550	—	2,059 <sup>(2)</sup>
Disposals	—	(2)	—	—	(2)
Accumulated impairment losses (Note 4)	—	(4)	—	—	(4)
Exchange rate changes	(3)	(44)	6	—	(41)
As of December 31, 2022	42	2,455	601	55	3,153
<b>Accumulated Amortization</b>					
As of December 31, 2020	(38)	(555)	(40)	(39)	(672)
Amortization	(2)	(19)	(3)	(1)	(25)
Exchange rate changes	(1)	31	1	1	32
As of December 31, 2021	(41)	(543)	(42)	(39)	(665)
Amortization	(1)	(51)	(9)	(1)	(62)
Disposals	—	2	—	—	2
Accumulated impairment losses (Note 4)	—	2	—	—	2
Exchange rate changes	3	23	1	—	27
As of December 31, 2022	(39)	(567)	(50)	(40)	(696)
Net book value	3	1,888	551	15	2,457

<sup>(1)</sup> Primarily related to \$300 million of intangible assets acquired from Santoprene with a weighted average amortization period of 14 years.

<sup>(2)</sup> Primarily related to \$1.5 billion of customer-related intangible assets and \$550 million of developed technology acquired from M&M with weighted average amortization periods of 20 years and 13 years, respectively, and 18 years in total.

Indefinite-lived intangible assets are as follows:

	Trademarks and Trade Names (In \$ millions)
As of December 31, 2020	122
Acquisitions (Note 4)	142 <sup>(1)</sup>
Exchange rate changes	(5)
As of December 31, 2021	259
Acquisitions (Note 4)	1,400 <sup>(2)</sup>
Exchange rate changes	(11)
As of December 31, 2022	1,648

<sup>(1)</sup> Related to indefinite-lived intangible assets acquired from Santoprene.

<sup>(2)</sup> Related to indefinite-lived intangible assets acquired from M&M.

In connection with the Company's annual indefinite-lived intangible assets impairment assessment, the Company did not record an impairment loss during the nine months ended September 30, 2022, as the estimated fair value for each of the Company's indefinite-lived intangible assets exceeded the carrying value of the underlying asset by a substantial margin (Note 2). No events or changes in circumstances occurred during the three months ended December 31, 2022 that indicated the carrying amount of the assets may not be fully recoverable. Accordingly, no additional impairment analysis was performed during that period.

During the year ended December 31, 2022, the Company did not renew or extend any intangible assets.

Estimated amortization expense for the succeeding five fiscal years is as follows:

	(In \$ millions)
2023	161
2024	160
2025	160
2026	160
2027	160

## 10. Current Other Liabilities

	As of December 31,	
	2022	2021
	(In \$ millions)	
Benefit obligations (Note 12)	25	26
Customer rebates	101	96
Derivatives (Note 17)	63	5
Interest (Note 11)	265	30
Legal (Note 19)	21	33
Operating leases (Note 16)	83	37
Restructuring (Note 24)	6	7
Salaries and benefits	151	135
Sales and use tax/foreign withholding tax payable	108	27
Investment in affiliates (Note 7)	79	—
Other <sup>(1)</sup>	299	77
Total	<u>1,201</u>	<u>473</u>

<sup>(1)</sup> Includes \$166 million of liabilities related to the M&M Acquisition payable to DuPont as of December 31, 2022.

**11. Debt**

	As of December 31,	
	2022	2021
(In \$ millions)		
<b>Short-Term Borrowings and Current Installments of Long-Term Debt - Third Party and Affiliates</b>		
Current installments of long-term debt	506	527
Short-term borrowings, including amounts due to affiliates <sup>(1)</sup>	500	64
Revolving credit facility <sup>(2)</sup>	300	200
<b>Total</b>	<b>1,306</b>	<b>791</b>

<sup>(1)</sup> The weighted average interest rate was 5.8% and 0.2% as of December 31, 2022 and 2021, respectively.

<sup>(2)</sup> The weighted average interest rate was 5.8% and 1.4% as of December 31, 2022 and 2021, respectively.

	As of December 31,	
	2022	2021
(In \$ millions)		
<b>Long-Term Debt</b>		
Senior unsecured notes due 2022, interest rate of 4.625%	—	500
Senior unsecured notes due 2023, interest rate of 1.125%	480	509
Senior unsecured notes due 2024, interest rate of 3.500%	499	499
Senior unsecured notes due 2024, interest rate of 5.900%	2,000	—
Senior unsecured notes due 2025, interest rate of 1.250%	320	339
Senior unsecured notes due 2025, interest rate of 6.050%	1,750	—
Senior unsecured term loan due 2025, interest rate of 5.934%	750	—
Senior unsecured notes due 2026, interest rate of 1.400%	400	400
Senior unsecured notes due 2026, interest rate of 4.777%	1,067	—
Senior unsecured notes due 2027, interest rate of 2.125%	531	564
Senior unsecured notes due 2027, interest rate of 6.165%	2,000	—
Senior unsecured term loan due 2027, interest rate of 5.934%	1,000	—
Senior unsecured notes due 2028, interest rate of 0.625%	533	566
Senior unsecured notes due 2029, interest rate of 5.337%	533	—
Senior unsecured notes due 2029, interest rate of 6.330%	750	—
Senior unsecured notes due 2032, interest rate of 6.379%	1,000	—
Pollution control and industrial revenue bonds due at various dates through 2030, interest rates ranging from 4.05% to 5.00%	164	166
Bank loans due at various dates through 2026 <sup>(1)</sup>	4	6
Obligations under finance leases due at various dates through 2054	172	173
<b>Subtotal</b>	<b>13,953</b>	<b>3,722</b>
Unamortized debt issuance costs <sup>(2)</sup>	(74)	(19)
<b>Current installments of long-term debt</b>	<b>(506)</b>	<b>(527)</b>
<b>Total</b>	<b>13,373</b>	<b>3,176</b>

<sup>(1)</sup> The weighted average interest rate was 1.3% and 1.3% as of December 31, 2022 and 2021, respectively.

<sup>(2)</sup> Related to the Company's long-term debt, excluding obligations under finance leases.

### Senior Credit Facilities

In connection with the M&M Acquisition, on February 17, 2022, the Company entered into a bridge facility commitment letter with Bank of America, N.A. ("Bank of America") pursuant to which Bank of America committed to provide, subject to the terms and conditions set forth therein, a 364-day \$11.0 billion senior unsecured bridge term loan facility (the "Bridge Facility"). Subsequently, commitments in respect of the Bridge Facility were syndicated to additional financial institutions as contemplated thereby.

On March 18, 2022, Celanese, Celanese U.S. and certain subsidiaries entered into a term loan credit agreement (the "March 2022 Term Loan Credit Agreement"), pursuant to which lenders provided a tranche of delayed-draw term loans due 364 days from issuance in an amount equal to \$500 million and a tranche of delayed-draw term loans due 5 years from issuance in an amount equal to \$1.0 billion. On September 16, 2022, Celanese, Celanese U.S. and certain subsidiaries entered into an additional term loan credit agreement (the "September 2022 Term Loan Credit Agreement" and, together with the March 2022 Term Loan Credit Agreement, the "Term Loan Credit Agreements"), pursuant to which lenders have provided delayed-draw term loans due 3 years from issuance in an amount equal to \$750 million (the term loans represented by the Term Loan Credit Agreements collectively, the "Term Loan Facility"). The Term Loan Facility was fully drawn during the three months ended December 31, 2022.

Amounts outstanding under the 364-day tranche of the Term Loan Facility will accrue interest at a rate equal to Secured Overnight Financing Rate with an interest period of one or three months ("Term SOFR") plus a margin of 1.00% to 2.00% per annum, or the base rate plus a margin of 0.00% to 1.00%, in each case, based on the Company's senior unsecured debt rating. Amounts outstanding under the 5-year tranche of the Term Loan Facility and 3-year tranche of the Term Loan Facility will accrue interest at a rate equal to Term SOFR plus a margin of 1.125% to 2.125% per annum, or the base rate plus a margin of 0.125% to 1.125%, in each case, based on the Company's senior unsecured debt rating.

The entry into the Term Loan Credit Agreements and offerings of USD- and euro-denominated notes (as described below) reduced availability under the Bridge Facility to zero and the Company terminated the Bridge Facility.

Also on March 18, 2022, Celanese, Celanese U.S. and certain subsidiaries entered into a new revolving credit facility (the "New Revolving Credit Agreement" and, together with the Term Loan Credit Agreements, the "Credit Agreements") consisting of a \$1.75 billion senior unsecured revolving credit facility (with a letter of credit sublimit), maturing in 2027. The proceeds of a \$365 million borrowing under the new senior unsecured revolving credit facility were used to repay and terminate the Company's existing revolving credit facility. The Credit Agreements are guaranteed by Celanese, Celanese U.S. and domestic subsidiaries together representing substantially all of the Company's U.S. assets and business operations ("the Subsidiary Guarantors"). The Subsidiary Guarantors are listed in [Exhibit 22.1](#) to this Annual Report.

The Credit Agreements contain certain covenants, including the maintenance of certain financial ratios (subject to adjustment following the M&M Acquisition and certain other qualifying acquisitions, as set forth in the Credit Agreements), events of default and change of control provisions.

During the year ended December 31, 2022, the Company paid \$66 million in fees related to the Bridge Facility commitment, amortizing these fees to interest expense in the year ended December 31, 2022.

The Company's debt balances and amounts available for borrowing under its senior unsecured revolving credit facility are as follows:

	<u>As of</u> <u>December 31, 2022</u> <u>(In \$ millions)</u>
<b>Revolving Credit Facility</b>	
Borrowings outstanding <sup>(1)</sup>	300
Available for borrowing <sup>(2)</sup>	1,450

<sup>(1)</sup> The Company borrowed \$765 million and repaid \$465 million under its new senior unsecured revolving credit facility during the year ended December 31, 2022. The Company borrowed \$165 million and repaid \$365 million under its previous unsecured revolving credit facility during the year ended December 31, 2022.

<sup>(2)</sup> The margin for borrowings under the senior unsecured revolving credit facility was 1.00% to 2.00% above certain interbank rates at current Company credit ratings.

### Senior Notes

The Company has outstanding senior unsecured notes, issued in public offerings registered under the Securities Act of 1933 ("Securities Act"), as amended (collectively, the "Senior Notes"). The Senior Notes were issued by Celanese U.S. and are guaranteed on a senior unsecured basis by Celanese and the Subsidiary Guarantors. Celanese U.S. may redeem some or all of each of the Senior Notes, prior to their respective maturity dates, at a redemption price of 100% of the principal amount, plus a "make-whole" premium as specified in the applicable indenture, plus accrued and unpaid interest, if any, to the redemption date.

On July 14, 2022, Celanese U.S. completed an offering of \$7.5 billion aggregate principal amount of notes of various maturities in a public offering registered under the Securities Act (the "Acquisition USD Notes"). On July 19, 2022, Celanese U.S. completed an offering of €1.5 billion in aggregate principal amount of euro-denominated senior unsecured notes due in 2026 and 2029 in a public offering registered under the Securities Act (collectively, the "Acquisition Euro Notes" and together with the Acquisition USD Notes, the "Acquisition Notes"). Certain of the Acquisition Notes were issued at a discount to par, which is amortized to Interest expense in the consolidated statement of operations over the terms of the applicable Acquisition Notes. Fees and expenses of the offering of the Acquisition Notes, inclusive of underwriting discounts, were \$65 million.

In August 2021, Celanese U.S. completed an offering of \$400 million in principal amount of 1.400% senior unsecured notes due August 5, 2026 (the "1.400% Notes") in a public offering registered under the Securities Act. The 1.400% Notes were issued at a discount to par at a price of 99.899%, which is being amortized to Interest expense in the consolidated statement of operations over the term of the 1.400% Notes. Net proceeds from the sale of the 1.400% Notes were used to repay \$396 million of outstanding borrowings under the senior unsecured revolving credit facility and for general corporate purposes.

In September 2021, Celanese U.S. completed an offering of €500 million in principal amount of 0.625% senior unsecured notes due September 10, 2028 (the "0.625% Notes") in a public offering registered under the Securities Act. The 0.625% Notes were issued at a discount to par at a price of 99.898%, which is being amortized to Interest expense in the consolidated statements of operations over the term of the 0.625% Notes.

In September 2021, Celanese U.S. completed a cash tender offer for €300 million in principal amount of 1.125% senior unsecured notes due September 26, 2023 (the "1.125% Notes") at a purchase price of €1,027.35 per €1,000 of principal amount plus accrued interest, for a total principal and premium payment of \$363 million plus accrued interest of \$4 million. A portion of the proceeds from the issuance of the 0.625% Notes were used to fund the tender offer for €300 million of the 1.125% Notes. As a result of the tender offer, the carrying value of the 1.125% Notes was reduced by \$353 million. The Company recognized financing costs of \$9 million, which are included in Refinancing expense in the consolidated statement of operations for the year ended December 31, 2021.

Principal payments scheduled to be made on the Company's debt, including short-term borrowings, are as follows:

	(In \$ millions)
2023	1,306
2024	2,544
2025	2,908
2026	1,566
2027	3,550
Thereafter	2,879
Total	<u>14,753</u>

### ***Accounts Receivable Purchasing Facility***

In June 2021, the Company entered into an amendment to the amended and restated receivables purchase agreement (the "Amended Receivables Purchase Agreement") under its U.S. accounts receivable purchasing facility among certain of the Company's subsidiaries, its wholly-owned, "bankruptcy remote" special purpose subsidiary ("SPE") and certain global financial institutions ("Purchasers"). The Amended Receivables Purchase Agreement extends the term of the accounts receivable purchasing facility such that the SPE may sell certain receivables until June 18, 2024. Under the Amended Receivables Purchase Agreement, transfers of U.S. accounts receivable from the SPE are treated as sales and are accounted for as a reduction in accounts receivable because the agreement transfers effective control over and risk related to the U.S. accounts receivable to the SPE. The Company and related subsidiaries have no continuing involvement in the transferred U.S. accounts receivable, other than collection and administrative responsibilities and, once sold, the U.S. accounts receivable are no longer available to satisfy creditors of the Company or the related subsidiaries. These sales are transacted at 100% of the face value of the relevant U.S. accounts receivable, resulting in derecognition of the U.S. accounts receivables from the Company's consolidated balance sheet. The Company de-recognized \$1.1 billion and \$1.1 billion of accounts receivable under this agreement for the years ended December 31, 2022 and 2021, respectively, and collected \$1.1 billion and \$1.1 billion of accounts receivable sold under this agreement during the same periods. Unsold U.S. accounts receivable of \$99 million were pledged by the SPE as collateral to the Purchasers as of December 31, 2022.

### ***Factoring and Discounting Agreements***

The Company has factoring agreements in Europe and Singapore with financial institutions to sell 100% and 90% of certain accounts receivable, respectively, on a non-recourse basis. These transactions are treated as sales and are accounted for as reductions in accounts receivable because the agreements transfer effective control over and risk related to the receivables to the buyer. The Company has no continuing involvement in the transferred receivables, other than collection and administrative responsibilities and, once sold, the accounts receivable are no longer available to satisfy creditors in the event of bankruptcy. The Company de-recognized \$320 million and \$230 million of accounts receivable under these factoring agreements for the years ended December 31, 2022 and 2021, respectively, and collected \$325 million and \$185 million of accounts receivable sold under these factoring agreements during the same periods.

In March 2021, the Company entered into an agreement in Singapore with a financial institution to discount, on a non-recourse basis, documentary credits or other documents recorded as accounts receivable. These transactions are treated as a sale and are accounted for as a reduction in accounts receivable because the agreement transfers effective control over and risk related to the receivables to the buyer. The Company has no continuing involvement in the transferred receivables and, once sold, the accounts receivable are no longer available to satisfy creditors in the event of bankruptcy. The Company de-recognized \$50 million and \$70 million of accounts receivable under this agreement for the years ended December 31, 2022 and 2021, respectively.

### ***Covenants***

The Company's material financing arrangements contain customary covenants, including the maintenance of certain financial ratios (subject to adjustment following certain qualifying acquisitions, as set forth in the Credit Agreements), events of default and change of control provisions. Failure to comply with these covenants, or the occurrence of any other event of default, could result in acceleration of the borrowings and other financial obligations. The Company is in compliance with all of the covenants related to its debt agreements as of December 31, 2022. On February 21, 2023, the Company amended the Credit Agreements for certain covenants included in the respective credit agreements.

## 12. Benefit Obligations

### *Pension Obligations*

The Company sponsors defined benefit pension plans in North America, Europe and Asia. Independent trusts or insurance companies administer the majority of these plans. Pension obligations are established for benefits payable in the form of retirement, disability and surviving dependent pensions. The commitments result from participation in defined contribution and defined benefit plans, primarily in the U.S. Benefits are dependent on years of service and the employee's compensation. Supplemental retirement benefits provided to certain employees are nonqualified for U.S. tax purposes. Separate nonqualified trusts have been established for certain U.S. nonqualified plan obligations. Pension costs under the Company's retirement plans are actuarially determined.

### *Other Postretirement Obligations*

Certain retired employees receive postretirement health care and life insurance benefits under plans sponsored by the Company, which has the right to modify or terminate these plans at any time. The cost for coverage is shared between the Company and the retiree. The cost of providing retiree health care and life insurance benefits is actuarially determined and accrued over the service period of the active employee group. The Company's policy is to fund benefits as claims and premiums are paid. The U.S. postretirement health care plan was closed to new participants effective January 1, 2006.

### *Defined Contribution Plans*

The Company sponsors various defined contribution plans in North America, Europe and Asia covering certain employees. Employees may contribute to these plans and the Company will match these contributions in varying amounts. The Company's matching contribution to the defined contribution plans are based on specified percentages of employee contributions.

The amount of costs recognized for the Company's defined contribution plans are as follows:

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
Defined contribution plans	62	47	39

Summarized information on the Company's pension and postretirement benefit plans is as follows:

	Pension Benefits As of December 31,		Postretirement Benefits As of December 31,	
	2022	2021	2022	2021
(In \$ millions)				
<b>Change in Projected Benefit Obligation</b>				
Projected benefit obligation as of beginning of period	3,488	3,847	51	61
Service cost	12	13	1	1
Interest cost	67	54	1	1
Net actuarial (gain) loss <sup>(1)</sup>	(662)	(119)	(10)	(7)
Acquisitions	198 <sup>(2)</sup>	7 <sup>(3)</sup>	—	—
Settlements	—	(38)	—	—
Benefits paid	(220)	(226)	(3)	(4)
Exchange rate changes	(25)	(50)	(2)	(1)
Projected benefit obligation as of end of period	<u>2,858</u>	<u>3,488</u>	<u>38</u>	<u>51</u>
<b>Change in Plan Assets</b>				
Fair value of plan assets as of beginning of period	3,183	3,388	—	—
Actual return on plan assets	(588)	36	—	—
Employer contributions	45	47	3	4
Acquisitions	211 <sup>(2)</sup>	—	—	—
Settlements	—	(38)	—	—
Benefits paid <sup>(4)</sup>	(220)	(226)	(3)	(4)
Exchange rate changes	(6)	(24)	—	—
Fair value of plan assets as of end of period	<u>2,625</u>	<u>3,183</u>	<u>—</u>	<u>—</u>
Funded status as of end of period	<u>(233)</u>	<u>(305)</u>	<u>(38)</u>	<u>(51)</u>
<b>Amounts Recognized in the Consolidated Balance Sheets Consist of:</b>				
Noncurrent Other assets	160	221	—	—
Current Other liabilities	(21)	(22)	(3)	(4)
Benefit obligations	(372)	(504)	(35)	(47)
Net amount recognized	<u>(233)</u>	<u>(305)</u>	<u>(38)</u>	<u>(51)</u>
<b>Amounts Recognized in Accumulated Other Comprehensive Income Consist of:</b>				
Net actuarial (gain) loss <sup>(5)</sup>	13	20	—	—
Prior service (benefit) cost	—	—	(1)	(1)
Net amount recognized	<u>13</u>	<u>20</u>	<u>(1)</u>	<u>(1)</u>

<sup>(1)</sup> Primarily relates to changes in discount rates.

<sup>(2)</sup> Represents plan obligations and assets related to the M&M acquisition.

<sup>(3)</sup> Represents plan obligations related to the Santoprene acquisition.

<sup>(4)</sup> Includes benefit payments to nonqualified pension plans of \$20 million and \$21 million as of December 31, 2022 and 2021, respectively.

<sup>(5)</sup> Relates to the pension plans of the Company's equity method investments.

The percentage of U.S. and international projected benefit obligation at the end of the period is as follows:

	Pension Benefits As of December 31,		Postretirement Benefits As of December 31,	
	2022	2021	2022	2021
	(In percentages)			
U.S. plans	73	78	50	50
International plans	27	22	50	50
Total	100	100	100	100

The percentage of U.S. and international fair value of plan assets at the end of the period is as follows:

	Pension Benefits As of December 31,	
	2022	2021
	(In percentages)	
U.S. plans	77	85
International plans	23	15
Total	100	100

Pension plans with projected benefit obligations in excess of plan assets are as follows:

	As of December 31,	
	2022	2021
	(In \$ millions)	
Projected benefit obligation	669	803
Fair value of plan assets	277	277

Pension plans with accumulated benefit obligations in excess of plan assets are as follows:

	As of December 31,	
	2022	2021
	(In \$ millions)	
Accumulated benefit obligation	649	781
Fair value of plan assets	270	277

Other postretirement plans with accumulated postretirement benefit obligations in excess of plan assets are as follows:

	As of December 31,	
	2022	2021
	(In \$ millions)	
Accumulated postretirement benefit obligation	38	52

The accumulated benefit obligation for all defined benefit pension plans is as follows:

	As of December 31,	
	2022	2021
	(In \$ millions)	
Accumulated benefit obligation	2,837	3,461

The components of net periodic benefit cost are as follows:

	Pension Benefits Year Ended December 31,			Postretirement Benefits Year Ended December 31,		
	2022	2021	2020	2022	2021	2020
	(In \$ millions)					
Service cost	12	13	12	1	1	1
Interest cost	67	54	85	1	1	1
Expected return on plan assets	(166)	(205)	(199)	—	—	—
Recognized actuarial (gain) loss	91	47	97	(10)	(6)	(1)
Curtailment (gain) loss	—	—	—	—	—	(1)
Settlement (gain) loss	—	3	—	—	—	—
Special termination benefit	—	—	1	—	—	—
Total	4	(88)	(4)	(8)	(4)	—

The Company maintains nonqualified pension plans funded with nonqualified trusts for certain U.S. employees as follows:

	As of December 31,	
	2022	2021
	(In \$ millions)	
<b>Nonqualified Trust Assets</b>		
Marketable securities	5	10
Noncurrent Other assets, consisting of insurance contracts	22	28
<b>Nonqualified Pension Obligations</b>		
Current Other liabilities	18	19
Benefit obligations	152	204

(Income) expense relating to the nonqualified pension plans included in net periodic benefit cost, excluding returns on the assets held by the nonqualified trusts, is as follows:

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
Total	(34)	3	23

### Valuation

The principal weighted average assumptions used to determine benefit obligation are as follows:

	Pension Benefits As of December 31,		Postretirement Benefits As of December 31,	
	2022	2021	2022	2021
	(In percentages)			
<b>Discount Rate Obligations</b>				
U.S. plans	5.5	2.8	5.4	2.7
International plans	3.4	1.4	4.7	2.4
Combined	4.9	2.5	5.1	2.5
<b>Rate of Compensation Increase</b>				
U.S. plans	N/A	N/A		
International plans	2.7	2.5		
Combined	2.7	2.5		

The principal weighted average assumptions used to determine net periodic benefit cost are as follows:

	Pension Benefits Year Ended December 31,			Postretirement Benefits Year Ended December 31,		
	2022	2021	2020	2022	2021	2020
	(In percentages)					
<b>Discount Rate Obligations</b>						
U.S. plans	2.8	2.4	3.2	2.7	2.2	3.1
International plans	1.4	1.0	1.4	2.4	1.9	2.7
Combined	2.5	2.1	2.8	2.5	2.1	2.9
<b>Discount Rate Service Cost</b>						
U.S. plans	N/A	N/A	1.9	3.5	N/A	3.8
International plans	1.5	1.1	1.8	2.1	1.9	2.7
Combined	1.5	1.1	1.8	2.1	1.9	2.7
<b>Discount Rate Interest Cost</b>						
U.S. plans	2.2	1.7	2.8	2.0	1.5	2.6
International plans	1.2	0.7	1.1	2.1	1.5	2.5
Combined	2.0	1.4	2.4	2.1	1.5	2.6
<b>Expected Return on Plan Assets</b>						
U.S. plans	5.5	6.5	6.7			
International plans	4.9	4.8	5.1			
Combined	5.4	6.3	6.5			
<b>Rate of Compensation Increase</b>						
U.S. plans	N/A	N/A	N/A			
International plans	2.5	2.5	2.6			
Combined	2.5	2.5	2.6			
<b>Interest Crediting Rate</b>						
U.S. plans	1.9	1.4	2.1			
International plans	1.0	1.0	N/A			
Combined	1.9	1.4	2.1			

The Company's health care cost trend assumptions for U.S. postretirement medical plan's net periodic benefit cost are as follows:

	As of December 31,		
	2022	2021	2020
	(In percentages, except year)		
Health care cost trend rate assumed for next year	7.5	7.3	7.5
Health care cost trend ultimate rate	5.0	5.0	5.0
Health care cost trend ultimate rate year	2032	2031	2031

**Plan Assets**

The weighted average target asset allocations for the Company's pension plans in 2022 are as follows:

	U.S. Plans	International Plans
	(In percentages)	
Bonds - domestic to plans	85	30
Equities - domestic to plans	8	24
Equities - international to plans	7	10
Other	—	36
<b>Total</b>	<b>100</b>	<b>100</b>

On average, the actual return on the U.S. qualified defined pension plans' assets over the long-term (20 years) has exceeded the expected long-term rate of asset return assumption. The U.S. qualified defined benefit plans' actual return on assets for the year ended December 31, 2022 was (19.5)% versus an expected long-term rate of asset return assumption of 5.5%. The expected long-term rate of asset return assumption used to determine 2023 net periodic benefit cost is 5.5% for the U.S. qualified defined benefit plans.

The Company's defined benefit plan assets are measured at fair value on a recurring basis ([Note 2](#)) as follows:

*Cash and Cash Equivalents:* Foreign and domestic currencies as well as short-term securities are valued at cost plus accrued interest, which approximates fair value.

*Equity securities, treasuries and corporate debt:* Valued at the closing price reported on the active market in which the individual securities are traded. Automated quotes are provided by multiple pricing services and validated by the plan custodian. These securities are traded on exchanges as well as in the over the counter market.

*Registered Investment Companies:* Composed of various mutual funds and other investment companies whose diversified portfolio is comprised of foreign and domestic equities, fixed income securities, and short-term investments. Investments are valued at the net asset value of units held by the plan at year-end.

*Pooled-type investments:* Composed of various funds whose diversified portfolio is comprised of foreign and domestic equities, fixed income securities, and short-term investments. Investments are valued at the net asset value of units held by the plan at year-end.

*Derivatives:* Derivative financial instruments are valued in the market using discounted cash flow techniques. These techniques incorporate Level 1 and Level 2 fair value measurement inputs such as interest rates and foreign currency exchange rates. These market inputs are utilized in the discounted cash flow calculation considering the instrument's term, notional amount, discount rate and credit risk. Significant inputs to the derivative valuation for interest rate swaps, foreign currency forwards and swaps, and options are observable in the active markets and are classified as Level 2 in the fair value measurement hierarchy.

*Mortgage backed securities:* Fair value is estimated based on valuations obtained from third-party pricing services for identical or comparable assets. Mortgage Backed Securities are traded in the over the counter broker/dealer market.

*Insurance contracts:* Valued at contributions made, plus earnings, less participant withdrawals and administrative expenses, which approximates fair value.

*Short-term investment funds:* Composed of various funds whose portfolio is comprised of foreign and domestic currencies as well as short-term securities. Investments are valued at the net asset value of units held by the plan at year-end.

*Other:* Composed of real estate investment trust common stock valued at closing price as reported on the active market in which the individual securities are traded.

	Fair Value Measurement					
	Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)		Total	
	As of December 31,					
	2022	2021	2022	2021	2022	2021
	(In \$ millions)					
<b>Assets</b>						
Cash and cash equivalents	7	5	—	—	7	5
<b>Derivatives</b>						
Swaps	—	—	4	6	4	6
<b>Equity securities</b>						
U.S. companies	26	—	—	—	26	—
International companies	135	95	—	—	135	95
<b>Fixed income</b>						
Corporate debt	—	—	662	895	662	895
Treasuries, other debt	162	118	968	1,338	1,130	1,456
Mortgage backed securities	—	—	12	16	12	16
Insurance contracts	—	—	98	57	98	57
Other	4	4	21	6	25	10
Total investments, at fair value <sup>(1)</sup>	334	222	1,765	2,318	2,099	2,540
<b>Liabilities</b>						
<b>Derivatives</b>						
Swaps	—	—	4	6	4	6
Total liabilities	—	—	4	6	4	6
Total net assets <sup>(2)</sup>	334	222	1,761	2,312	2,095	2,534

<sup>(1)</sup> Certain investments that are measured at fair value using the NAV per share practical expedient have not been classified in the fair value hierarchy. Total investments, at fair value, for the year ended December 31, 2022 excludes investments in pooled-type investments, registered investment companies and short-term investment funds with fair values of \$441 million, \$41 million and \$41 million, respectively. Total investments, at fair value, for the year ended December 31, 2021 excludes investments in pooled-type investments, registered investment companies and short-term investment funds with fair values of \$538 million, \$69 million and \$37 million, respectively.

<sup>(2)</sup> Total net assets excludes non-financial plan receivables and payables of \$17 million and \$10 million, respectively, as of December 31, 2022 and \$13 million and \$8 million, respectively, as of December 31, 2021. Non-financial items include due to/from broker, interest receivables and accrued expenses.

Benefit obligation funding is as follows:

	<b>Total Expected 2023</b>
	<b>(In \$ millions)</b>
Cash contributions to defined benefit pension plans	27
Benefit payments to nonqualified pension plans	18
Benefit payments to other postretirement benefit plans	4

The Company's estimates of its U.S. defined benefit pension plan contributions reflect the provisions of the Pension Protection Act of 2006.

Pension and postretirement benefits expected to be paid are as follows:

	<b>Pension Benefit Payments<sup>(1)</sup></b>	<b>Company Portion of Postretirement Benefit Cost<sup>(2)</sup></b>
	<b>(In \$ millions)</b>	
2023	233	4
2024	221	3
2025	218	3
2026	215	3
2027	209	3
2028-2032	975	13

<sup>(1)</sup> Payments are expected to be made primarily from plan assets.

<sup>(2)</sup> Payments are expected to be made primarily from Company assets.

### 13. Environmental

The Company is subject to environmental laws and regulations worldwide that impose limitations on the discharge of pollutants into the air and water, establish standards for the treatment, storage and disposal of solid and hazardous wastes, and impose record keeping and notification requirements. Failure to timely comply with these laws and regulations may expose the Company to penalties. The Company believes that it is in substantial compliance with all applicable environmental laws and regulations and engages in an ongoing process of updating its controls to mitigate compliance risks. The Company is also subject to retained environmental obligations specified in various contractual agreements arising from the divestiture of certain businesses by the Company or one of its predecessor companies.

The components of environmental remediation liabilities are as follows:

	<b>As of December 31,</b>	
	<b>2022</b>	<b>2021</b>
	<b>(In \$ millions)</b>	
Demerger obligations ( <a href="#">Note 19</a> )	20	24
Divestiture obligations ( <a href="#">Note 19</a> )	14	14
Active sites	21	8
U.S. Superfund sites	10	12
Other environmental remediation liabilities	2	2
Total	67	60

**Remediation**

Due to its industrial history and through retained contractual and legal obligations, the Company has the obligation to remediate specific areas on its own sites as well as on divested, demerger, orphan or U.S. Superfund sites (as defined below). In addition, as part of the demerger agreement between the Company and Hoechst AG ("Hoechst"), a specified portion of the responsibility for environmental liabilities from a number of Hoechst divestitures was transferred to the Company (Note 19). Certain of these sites, at which the Company maintains continuing involvement, were and continue to be designated as discontinued operations when closed. The Company provides for such obligations when the event of loss is probable and reasonably estimable. The Company believes that environmental remediation costs will not have a material adverse effect on the financial position of the Company, but may have a material adverse effect on the results of operations or cash flows in any given period.

The Company did not record any insurance recoveries during 2022 or have any receivables for insurance recoveries related to these matters as of December 31, 2022.

**German InfraServ Entities**

The Company's InfraServ Entities (Note 7) are liable for any residual contamination and other pollution because they own the real estate on which the individual facilities operate. In addition, Hoechst, and its legal successors, as the responsible party under German public law, is liable to third parties for all environmental damage that occurred while it was still the owner of the plants and real estate (Note 19). The contribution agreements entered into in 1997 between Hoechst and the respective operating companies, as part of the divestiture of these companies, provide that the operating companies will indemnify Hoechst, and its legal successors, against environmental liabilities resulting from the transferred businesses. Additionally, the InfraServ Entities have agreed to indemnify Hoechst, and its legal successors, against any environmental liability arising out of or in connection with environmental pollution of any site.

The InfraServ partnership agreements provide that, as between the partners, each partner is responsible for any contamination caused predominantly by such partner. Any liability, which cannot be attributed to an InfraServ partner and for which no third party is responsible, is required to be borne by the InfraServ partnership. Also, under lease agreements entered into by an InfraServ partner as landlord, the tenants agreed to pay certain remediation costs on a pro rata basis.

If an InfraServ partner defaults on its respective indemnification obligations to eliminate residual contamination, the owners of the remaining participation in the InfraServ companies have agreed to fund such liabilities, subject to a number of limitations. To the extent that any liabilities are not satisfied by either the InfraServ Entities or their owners, these liabilities are to be borne by the Company in accordance with the demerger agreement. However, Hoechst, and its legal successors, will reimburse the Company for two-thirds of any such costs. Likewise, in certain circumstances the Company could be responsible for the elimination of residual contamination on several sites that were not transferred to InfraServ companies, in which case Hoechst, and its legal successors, must also reimburse the Company for two-thirds of any costs so incurred.

The Company's ownership interest and environmental liability participation percentages for such liabilities, which cannot be attributed to an InfraServ partner are as follows:

	As of December 31, 2022		
	Ownership (In percentages)	Liability	Reserves <sup>(1)</sup> (In \$ millions)
InfraServ GmbH & Co. Gendorf KG	30	10	9
InfraServ GmbH & Co. Hoechst KG	31	40	64
Yncoris GmbH & Co. KG	22	22	1

<sup>(1)</sup> Gross reserves maintained by the respective entity.

### ***U.S. Superfund Sites***

In the U.S., the Company may be subject to substantial claims brought by U.S. federal or state regulatory agencies or private individuals pursuant to statutory authority or common law. In particular, the Company has a potential liability under the U.S. Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, and related state laws (collectively referred to as "Superfund") for investigation and cleanup costs at certain sites. At most of these sites, numerous companies, including the Company, or one of its predecessor companies, have been notified that the U.S. Environmental Protection Agency ("EPA"), state governing bodies or private individuals consider such companies to be potentially responsible parties ("PRP") under Superfund or related laws. The proceedings relating to these sites are in various stages. The cleanup process has not been completed at most sites, and the status of the insurance coverage for some of these proceedings is uncertain. Consequently, the Company cannot accurately determine its ultimate liability for investigation or cleanup costs at these sites.

As events progress at each site for which it has been named a PRP, the Company accrues any probable and reasonably estimable liabilities. In establishing these liabilities, the Company considers the contaminants of concern, the potential impact thereof, the relationship of the contaminants of concern to its current and historic operations, its shipment of waste to a site, its percentage of total waste shipped to the site, the types of wastes involved, the conclusions of any studies, the magnitude of any remedial actions that may be necessary and the number and viability of other PRPs. Often the Company joins with other PRPs to sign joint defense agreements that settle, among PRPs, each party's percentage allocation of costs at the site. Although the ultimate liability may differ from the estimate, the Company routinely reviews the liabilities and revises the estimate, as appropriate, based on the most current information available.

One such site is the Diamond Alkali Superfund Site, which is comprised of a number of sub-sites, including the Lower Passaic River Study Area ("LPRSA"), which is the lower 17-mile stretch of the Passaic River ("Lower Passaic River Site"), and the Newark Bay Area. The Company and 70 other companies are parties to a May 2007 Administrative Order on Consent with the EPA to perform a Remedial Investigation/Feasibility Study ("RI/FS") at the Lower Passaic River Site in order to identify the levels of contaminants and potential cleanup actions, including the potential migration of contaminants between the Lower Passaic River Site and the Newark Bay Area.

In March 2016, the EPA issued its final Record of Decision concerning the remediation of the lower 8.3 miles of the Lower Passaic River Site ("Lower 8.3 Miles"). Pursuant to the EPA's Record of Decision, the Lower 8.3 Miles must be dredged bank to bank and an engineered cap must be installed at an EPA estimated cost of approximately \$1.4 billion. In September 2021, the EPA issued a Record of Decision selecting an interim remedial plan for the upper 9 miles of the Lower Passaic River ("Upper 9 Miles"). Pursuant to the EPA's Record of Decision, targeted dredging will be conducted in the Upper 9 Miles to address surface sediments with elevated contamination followed by the installation of an engineered cap at an EPA estimated cost of \$441 million.

The Company owned and/or operated facilities in the vicinity of the Lower 8.3 Miles, but has found no evidence that it contributed any of the contaminants of concern to the Passaic River. In June 2018, Occidental Chemical Corporation ("OCC"), the successor to the Diamond Alkali Company, sued a subsidiary of the Company and 119 other parties alleging claims for joint and several damages, contribution and declaratory relief under Section 107 and 113 of Superfund for costs to clean up the LPRSA portion of the Diamond Alkali Superfund Site, *Occidental Chemical Corporation v. 21st Century Fox America, Inc., et al.*, No. 2:18-CV-11273-JLL-JAD (U.S. District Court New Jersey), alleging that each of the defendants owned or operated a facility that contributed contamination to the LPRSA. With respect to the Company, the OCC lawsuit is limited to the former Celanese facility that Essex County, New Jersey has agreed to indemnify the Company for and does not change the Company's estimated liability for LPRSA cleanup costs.

Separately, the United States lodged a Consent Decree in U.S. District Court for the District of New Jersey on December 16, 2022 that will resolve the Company's liability (and that of more than 80 other settling defendants) to the EPA for costs to clean up both the Lower 8.3 Miles and Upper 9 Miles of the Lower Passaic River Site in exchange for a collective payment of \$150 million. The Consent Decree also will provide the Company protection from contribution claims by others for costs incurred to clean up both the Lower 8.3 Miles and Upper 9 Miles of the Lower Passaic River Site. The Company's proposed payment toward the \$150 million collective settlement payment is not material to the Company's results of operations, cash flows or financial position. The Consent Decree is still subject to public comment and court approval. In the interim, the Company continues to vigorously defend these matters and continues to believe that its ultimate allocable share of the cleanup costs with respect to the Lower Passaic River Site, previously estimated at less than 1%, will not be material.

**Other Environmental Matters**

In April 2022, a methanol leak on a pipeline to our Bishop, Texas facility was discovered. The release has been contained, the leak has been repaired and the pipeline has resumed operation. The Company promptly disclosed the incident to state and federal authorities, including the Texas Commission on Environmental Quality and the EPA, and remediation activities are now completed. While the Company has not received a notice of violation nor been assessed any fines or penalties to date, the Company recorded a reserve in Current Other liabilities based on anticipated clean-up costs and possible penalties to state or federal authorities. The Company does not believe that resolution of this matter will have a material impact on our financial condition or results of operations.

**14. Shareholders' Equity****Common Stock**

The Company's Board of Directors follows a policy of declaring, subject to legally available funds, a quarterly cash dividend on each share of the Company's common stock, par value \$0.0001 per share ("Common Stock"), unless the Company's Board of Directors, in its sole discretion, determines otherwise. The amount available to the Company to pay cash dividends is not currently restricted by its existing senior credit facility and its indentures governing its senior unsecured notes. Any decision to declare and pay dividends in the future will be made at the discretion of the Company's Board of Directors and will depend on, among other things, the results of operations, cash requirements, financial condition, contractual restrictions and other factors that the Company's Board of Directors may deem relevant.

On February 8, 2023, the Company declared a quarterly cash dividend of \$0.70 per share on its Common Stock amounting to approximately \$76 million. The cash dividend will be paid on March 7, 2023 to holders of record as of February 21, 2023.

**Treasury Stock**

The Company's Board of Directors authorizes repurchases of Common Stock from time to time. These authorizations give management discretion in determining the timing and conditions under which shares may be repurchased. This repurchase program does not have an expiration date.

The share repurchase activity pursuant to this authorization is as follows:

	Year Ended December 31,			Total From February 2008 Through December 31, 2022
	2022	2021	2020	
Shares repurchased	—	6,556,378	5,889,073	69,324,429
Average purchase price per share	\$ —	\$ 152.53	\$ 110.41	\$ 83.71
Amount spent on repurchased shares (in millions)	\$ —	\$ 1,000	\$ 650	\$ 5,803
Aggregate Board of Directors repurchase authorizations during the period (in millions)	\$ —	\$ 1,000	\$ 500	\$ 6,866

The purchase of treasury stock reduces the number of shares outstanding. The repurchased shares may be used by the Company for compensation programs utilizing the Company's stock and other corporate purposes. The Company accounts for treasury stock using the cost method and includes treasury stock as a component of shareholders' equity.

**Other Comprehensive Income (Loss), Net**

	Year Ended December 31,								
	2022			2021			2020		
	Gross Amount	Income Tax (Provision) Benefit	Net Amount	Gross Amount	Income Tax (Provision) Benefit	Net Amount	Gross Amount	Income Tax (Provision) Benefit	Net Amount
	(In \$ millions)								
Foreign currency translation	(240)	23	(217)	20	(31)	(11)	(4)	(4)	(8)
Gain (loss) on cash flow hedges	26	(5)	21	34	(21)	13	(26)	8	(18)
Pension and postretirement benefits	7	—	7	(3)	—	(3)	(2)	—	(2)
Total	<u>(207)</u>	<u>18</u>	<u>(189)</u>	<u>51</u>	<u>(52)</u>	<u>(1)</u>	<u>(32)</u>	<u>4</u>	<u>(28)</u>

Adjustments to Accumulated other comprehensive income (loss), net, are as follows:

	Foreign Currency Translation Gain (Loss)	Gain (Loss) on Cash Flow Hedges (Note 17)	Pension and Postretirement Benefits Gain (Loss) (Note 12)	Accumulated Other Comprehensive Income (Loss), Net
	(In \$ millions)			
As of December 31, 2019	(252)	(38)	(10)	(300)
Other comprehensive income (loss) before reclassifications	(4)	(28)	(2)	(34)
Amounts reclassified from accumulated other comprehensive income (loss)	—	2	—	2
Income tax (provision) benefit	(4)	8	—	4
As of December 31, 2020	(260)	(56)	(12)	(328)
Other comprehensive income (loss) before reclassifications	20	34	(3)	51
Income tax (provision) benefit	(31)	(21)	—	(52)
As of December 31, 2021	(271)	(43)	(15)	(329)
Other comprehensive income (loss) before reclassifications	(240)	43	7	(190)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(17)	—	(17)
Income tax (provision) benefit	23	(5)	—	18
As of December 31, 2022	<u>(488)</u>	<u>(22)</u>	<u>(8)</u>	<u>(518)</u>

**15. Income Taxes**

In December 2017, the Tax Cuts and Jobs Act (the "TCJA") was enacted and was effective January 1, 2018. The U.S. Treasury has issued various final and proposed regulatory packages supplementing the TCJA provisions since 2018. In December 2021, the U.S. Treasury issued final foreign tax credit regulations clarifying certain items in the TCJA and prior guidance related to disallowance of foreign income taxes related to income exempt from U.S. taxation, treatment of debt between foreign affiliates for expense apportionment purpose, allocation and apportionment of foreign income taxes and the definition of creditable foreign income taxes. The regulations were published in the federal register on January 4, 2022 and became effective in the three months ended March 31, 2022. In November 2022, the U.S. Treasury released proposed foreign tax credit regulations addressing the eligibility of foreign taxes for credit by clarifying the cost recovery requirements, attribution requirements for withholding taxes on royalties and attribution definitions regarding allocation and apportionment of foreign taxes. The Company does not expect the final or the proposed regulations to have a material impact to current or future income tax expense.

In August 2022, the Inflation Reduction Act (the "IRA") was enacted and included a 1% excise tax on share repurchases in excess of \$1 million, and a corporate minimum tax of 15% on adjusted book earnings. The corporate minimum tax paid is creditable in future years to the extent that regular tax liability exceeds the minimum tax in any given year. The Company does not expect these provisions will have a material impact to future income tax expense. The IRA also provides various beneficial credits for energy efficient related manufacturing, transportation and fuels, hydrogen/carbon recapture and renewable energy, which the Company is evaluating in regard to planned projects.

The Company will continue to monitor the expected impacts of any new guidance on the Company's filing positions and will record the impacts as discrete income tax expense adjustments in the period the guidance is finalized or becomes effective.

### **Income Tax Provision**

Earnings (loss) from continuing operations before tax by jurisdiction are as follows:

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
U.S.	(292)	202	1,530
International	1,713	2,046	721
Total	1,421	2,248	2,251

The income tax provision (benefit) consists of the following:

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
<b>Current</b>			
U.S.	54	—	13
International	306	323	126
Total	360	323	139
<b>Deferred</b>			
U.S.	(261)	(16)	308
International	(588)	23	(200)
Total	(849)	7	108
Total	(489)	330	247

A reconciliation of the significant differences between the U.S. federal statutory tax rate of 21% and the effective income tax rate on income from continuing operations is as follows:

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions, except percentages)		
Income tax provision computed at U.S. federal statutory tax rate	298	472	473
Change in valuation allowance	(15)	(50)	(1)
Equity income and dividends	(47)	(29)	(54)
(Income) expense not resulting in tax impact, net	2	(53)	(46)
U.S. tax effect of foreign earnings and dividends	162	332	65
Foreign tax credits	(120)	(328)	(51)
Other foreign tax rate differentials	(43)	(66)	7
Legislative changes	—	(8)	1
State income taxes, net of federal benefit	(2)	6	4
Recognition of basis differences in investments in affiliates	6	—	(14)
Asset transfers between wholly owned foreign affiliates	(816)	—	(170)
Other, net	86	54	33
Income tax provision (benefit)	(489)	330	247
Effective income tax rate	(34) %	15 %	11 %

In December 2022, as part of its integration efforts for the M&M Acquisition (see [Note 4](#)) and to simplify future cash flows for purposes of acquisition debt repayment, the Company reorganized its foreign legal entity holding structure and relocated certain of its intangible assets to align with the acquired M&M foreign operations. The transfer of these assets between wholly owned foreign affiliates, generated a net deferred tax benefit of approximately \$800 million.

Included in the Other, net line in the effective income tax rate reconciliation above are charges of approximately \$20 million related to transaction costs for the M&M Acquisition for the year ended December 31, 2022, and \$63 million, \$65 million and \$40 million related to changes in uncertain tax positions for the years ended December 31, 2022, 2021 and 2020, respectively, and impacts of amended tax return filings.

In October 2020, the Company completed the sale of its 45% joint venture equity interest in Polyplastics (see [Note 7](#)). The tax gain on this disposal was less than the related gain for financial reporting purposes due to basis differences. In November 2020, the Company relocated certain tangible and intangible assets in response to various geopolitical risks in certain regions in which it operates. The transfer of these assets between wholly owned foreign affiliates in this reorganization generated a deferred tax benefit of approximately \$170 million.

**Deferred Income Taxes**

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the consolidated deferred tax assets and liabilities are as follows:

	As of December 31,	
	2022	2021
(In \$ millions)		
<b>Deferred Tax Assets</b>		
Pension and postretirement obligations	61	96
Accrued expenses	80	31
Inventory	(11)	7
Net operating loss carryforwards	528	526
Tax credit carryforwards	359	207
Other	400	226
Subtotal	1,417	1,093
Valuation allowance <sup>(1)</sup>	(781)	(642)
Total	636	451
<b>Deferred Tax Liabilities</b>		
Depreciation and amortization	743	312
Investments in affiliates	171	382
Other	156	64
Total	1,070	758
Net deferred tax assets (liabilities)	(434)	(307)

<sup>(1)</sup> Includes deferred tax asset valuation allowances for the Company's deferred tax assets in the U.S., Spain, Luxembourg, the United Kingdom, Mexico, Hong Kong, France, China, Singapore, Canada and Germany. These valuation allowances relate primarily to net operating loss carryforward benefits, foreign tax credit carryforwards and other net deferred tax assets, all of which may not be realizable.

As a result of the TCJA, U.S. federal and state income taxes have been recorded on undistributed foreign earnings accumulated from 1986 through 2017. The Company's previously taxed income for its foreign subsidiaries significantly exceeds its offshore cash balances. The Company has not recorded a deferred tax liability for foreign withholding or other foreign local tax that would be due when cash is actually repatriated to the U.S. because those foreign earnings are considered permanently reinvested in the business or may be remitted substantially free of any additional local taxes. The determination of the amount of the unrecognized deferred tax liability related to the undistributed earnings is not practicable.

**Tax Carryforwards**

- Net Operating Loss and Capital Loss Carryforwards**

As of December 31, 2022, the Company had available U.S. federal net operating loss carryforwards of \$22 million that are subject to limitation. These net operating loss carryforwards begin to expire in 2025. As of December 31, 2022, the Company also had available state net operating loss carryforwards, net of federal tax impact, of \$32 million, \$24 million of which are offset by a valuation allowance due to uncertain recoverability. The Company also has foreign net operating loss carryforwards available as of December 31, 2022 of \$3.0 billion primarily for Malta, Luxembourg, Spain, the United Kingdom, Singapore, Switzerland, Hong Kong and China with various expiration dates. Net operating loss carryforwards of \$34 million in China are scheduled to expire beginning in 2023 through 2027. Net operating losses in most other foreign jurisdictions do not have an expiration date. The Company acquired capital loss carryforwards of \$173 million as part of the M&M Acquisition ([Note 4](#)) that are subject to annual limitation due to the ownership change. The Company fully offset these capital loss carryforwards with a valuation allowance due to uncertain recoverability.

• **Tax Credit Carryforwards**

The Company had available \$337 million of foreign tax credit carryforwards, which are offset by a valuation allowance of \$298 million due to uncertain recoverability and \$18 million of alternative minimum tax credit carryforwards in the U.S. The foreign tax credit carryforwards are subject to a ten-year carryforward period and begin to expire in 2027. The alternative minimum tax credits are subject to annual limitation due to prior ownership changes but have an unlimited carryforward period and can be used to offset federal tax liability in future years.

The Company evaluates its deferred tax assets on a quarterly basis to determine whether a valuation allowance is necessary. Realization of deferred tax assets ultimately depends on the existence of sufficient taxable income of the appropriate character in the applicable carryback or carryforward periods. Changes in the Company's estimates of future taxable income and prudent and feasible tax planning strategies will affect the estimate of the realization of the tax benefits of these foreign tax credit carryforwards. As such, the Company is currently evaluating tax planning strategies to enable use of the foreign tax credit carryforwards that may decrease the Company's effective tax rate in future periods as the valuation allowance is reversed.

**Uncertain Tax Positions**

Activity related to uncertain tax positions is as follows:

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
As of the beginning of the year	218	165	134
Increases in tax positions for the current year	8	33	18
Increases in tax positions for prior years	102	28	26
Decreases in tax positions for prior years	(45)	(11)	(13)
Increases (decreases) due to settlements	(8)	3	—
As of the end of the year	<u>275</u>	<u>218</u>	<u>165</u>
Total uncertain tax positions that if recognized would impact the effective tax rate	274	224	182
Total amount of interest expense (benefit) and penalties recognized in the consolidated statements of operations <sup>(1)</sup>	10	2	6
Total amount of interest expense and penalties recognized in the consolidated balance sheets	59	52	54

<sup>(1)</sup> This amount reflects interest on uncertain tax positions and release of tax positions due to changes in assessment, statute lapses or audit closures that were reflected in the consolidated statements of operations.

The increase in uncertain tax positions for the year ended December 31, 2022 was primarily due to increases in foreign tax positions related to ongoing tax examinations.

The Company's tax returns have been under joint audit for the years 2013 through 2015 by the United States, Netherlands and Germany (the "Authorities"). In September 2021, the Company received a draft joint audit report proposing adjustments to transfer pricing and the reallocation of income between the related jurisdictions. The Authorities also proposed to apply these adjustments to open tax years through 2019. The Company and the Authorities were unable to reach an agreement jointly and therefore the audits continued on a separate jurisdictional basis. In the last quarter of 2022, the Company concluded settlement discussions with the Dutch tax authorities. Based on these discussions, the Company recorded total tax reserves of \$34 million related to the joint audit for years prior to 2022. The Company is engaged in continuing discussions with the other Authorities and is currently evaluating all additional potential remedies regarding the ongoing examinations.

As of December 31, 2022, the Company believes that an adequate provision for income taxes has been made for all open tax years related to the examinations by the Authorities. However, the outcome of tax audits cannot be predicted with certainty. If any issues raised by the Authorities are resolved in a manner inconsistent with the Company's expectations or the Company is unsuccessful in defending its position, the Company could be required to adjust its provision for income taxes in the period such resolution occurs. If required, any such adjustments could be material to the statements of operations and cash flows in the period(s) recorded.

In addition, the Company's income tax returns in Mexico are under audit for the years 2017 and 2018, and in Canada for the years 2016 through 2018. On January 14, 2022, the Mexico tax authorities issued preliminary findings for disallowance of operating expenses on several of the applicable tax returns. The Company has analyzed the preliminary findings, engaged in preliminary discussions with the Mexico tax authorities and has recorded the appropriate tax reserves as of December 31, 2022. The Company will continue discussions with the Mexico authorities in 2023. Related to Canada, the Company is discussing preliminary findings with the Canadian authorities and does not expect a material impact to income tax expense.

## 16. Leases

The components of lease expense are as follows:

	Year Ended December 31,		Statement of Operations Classification
	2022	2021	
	(In \$ millions)		
<b>Lease Cost</b>			
Operating lease cost	66	40	Cost of sales / Selling, general and administrative expenses
Short-term lease cost	19	18	Cost of sales / Selling, general and administrative expenses
Variable lease cost	15	12	Cost of sales / Selling, general and administrative expenses
<b>Finance lease cost</b>			
Amortization of leased assets	19	19	Cost of sales
Interest on lease liabilities	11	13	Interest expense
Sublease income	2	—	Other income (expense), net
Total net lease cost	132	102	

Supplemental consolidated balance sheet information related to leases is as follows:

	As of December 31,		Balance Sheet Classification
	2022	2021	
	(In \$ millions)		
<b>Leases</b>			
<b>Assets</b>			
Operating lease assets	413	236	Operating lease ROU assets
Finance lease assets	176	131	Property, plant and equipment, net
Total leased assets	589	367	
<b>Liabilities</b>			
<b>Current</b>			
Operating	83	37	Current Other liabilities
Finance	25	25	Short-term borrowings and current installments of long-term debt
<b>Noncurrent</b>			
Operating	364	200	Operating lease liabilities
Finance	147	148	Long-term debt
Total lease liabilities	619	410	

	As of December 31,	
	2022	2021
<b>Weighted-Average Remaining Lease Term (years)</b>		
Operating leases	9.0	12.8
Finance leases	8.3	8.9
<b>Weighted-Average Discount Rate</b>		
Operating leases	3.0 %	2.0 %
Finance leases	6.4 %	6.9 %

Supplemental consolidated cash flow information related to leases is as follows:

	Year Ended December 31,	
	2022	2021
	(In \$ millions)	
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	52	37
Operating cash flows from finance leases	11	13
Financing cash flows from finance leases	25	29
ROU assets obtained in exchange for finance lease liabilities ( <a href="#">Note 20</a> )	28	—
ROU assets obtained in exchange for operating lease liabilities	93	52

Maturities of lease liabilities are as follows:

	As of December 31, 2022	
	Operating Leases	Finance Leases
	(In \$ millions)	
2023	97	34
2024	87	31
2025	74	27
2026	60	26
2027	30	22
Later years	162	91
Total lease payments	510	231
Less amounts representing interest	(63)	(59)
Total lease obligations	447	172

## 17. Derivative Financial Instruments

### Derivatives Designated As Hedges

#### *Net Investment Hedges*

The total notional amount of foreign currency denominated debt designated as a net investment hedge of net investments in foreign operations are as follows:

	As of December 31,	
	2022	2021
	(In € millions)	
Total	5,639	1,653

Concurrently with the offering of the Acquisition USD Notes ([Note 11](#)), the Company entered into cross-currency swaps to effectively convert \$2.0 billion and \$500 million of the Acquisition USD Notes into a euro-denominated borrowing at prevailing euro interest rates, maturing on July 15, 2027 and July 15, 2032, respectively. The swaps and €1.5 billion of the Acquisition Euro Notes qualify and have been designated as net investment hedges of the Company's foreign currency exchange rate exposure on the net investments of certain of its euro-denominated subsidiaries.

**Derivatives Not Designated As Hedges**

***Foreign Currency Forwards and Swaps***

Each of the contracts included in the table below will have approximately offsetting effects from actual underlying payables, receivables, intercompany loans or other assets or liabilities subject to foreign exchange remeasurement. The total U.S. dollar equivalents of net foreign exchange exposure related to (short) long foreign exchange forward contracts outstanding by currency are as follows:

Currency	<b>2023 Maturity</b> (In \$ millions)
Brazilian real	(37)
British pound sterling	8
Canadian dollar	43
Chinese yuan	232
Danish krona	(4)
Euro	79
Hungarian forint	14
Indonesian rupiah	(6)
Japanese yen	(38)
Korean won	75
Mexican peso	93
Singapore dollar	(56)
Swedish krona	(7)
Swiss franc	6
Total	<u>402</u>

Gross notional values of the foreign currency forwards and swaps are as follows:

	<b>As of December 31,</b>	
	<b>2022</b>	<b>2021</b>
	(In \$ millions)	
Total	1,314	663

Hedging activity for foreign currency forwards, commodity swaps and interest rate swaps is as follows:

	<b>Year Ended December 31,</b>			<b>Statement of Operations Classification</b>
	<b>2022</b>	<b>2021</b>	<b>2020</b>	
	(In \$ millions)			
Hedging activities	17	—	(5)	Cost of sales; Interest expense

Information regarding changes in the fair value of the Company's derivative and non-derivative instruments is as follows:

	Gain (Loss) Recognized in Other Comprehensive Income (Loss)			Gain (Loss) Recognized in Earnings (Loss)			Statement of Operations Classification
	Year Ended December 31,			Year Ended December 31,			
	2022	2021	2020	2022	2021	2020	
	(In \$ millions)						
<b>Designated as Cash Flow Hedges</b>							
Commodity swaps	39	25	13	23	3	(4)	Cost of sales
Interest rate swaps	—	10	(41)	(7)	(3)	—	Interest expense
Foreign currency forwards	2	(1)	(1)	1	—	(1)	Cost of sales
Total	<u>41</u>	<u>34</u>	<u>(29)</u>	<u>17</u>	<u>—</u>	<u>(5)</u>	
<b>Designated as Net Investment Hedges</b>							
Foreign currency denominated debt (Note 11)	(22)	107	(81)	—	—	—	N/A
Cross-currency swaps (Note 11)	(92)	27	(26)	—	—	—	N/A
Total	<u>(114)</u>	<u>134</u>	<u>(107)</u>	<u>—</u>	<u>—</u>	<u>—</u>	
<b>Not Designated as Hedges</b>							
Foreign currency forwards and swaps	—	—	—	(2)	(13)	(8)	Foreign exchange gain (loss), net; Other income (expense), net
Total	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2)</u>	<u>(13)</u>	<u>(8)</u>	

See [Note 18](#) for additional information regarding the fair value of the Company's derivative instruments.

Certain of the Company's commodity swaps, interest rate swaps, cross-currency swaps and foreign currency forwards and swaps permit the Company to net settle all contracts with the counterparty through a single payment in an agreed upon currency in the event of default or early termination of the contract, similar to a master netting arrangement.

Information regarding the gross amounts of the Company's derivative instruments and the amounts offset in the consolidated balance sheets is as follows:

	As of December 31,	
	2022	2021
	(In \$ millions)	
<b>Derivative Assets</b>		
Gross amount recognized	169	40
Gross amount offset in the consolidated balance sheets	—	—
Net amount presented in the consolidated balance sheets	169	40
Gross amount not offset in the consolidated balance sheets	16	2
Net amount	<u>153</u>	<u>38</u>

	As of December 31,	
	2022	2021
	(In \$ millions)	
<b>Derivative Liabilities</b>		
Gross amount recognized	189	5
Gross amount offset in the consolidated balance sheets	—	—
Net amount presented in the consolidated balance sheets	189	5
Gross amount not offset in the consolidated balance sheets	16	2
Net amount	173	3

### 18. Fair Value Measurements

The Company's financial assets and liabilities are measured at fair value on a recurring basis ([Note 2](#)) as follows:

*Derivatives.* Derivative financial instruments include interest rate swaps, commodity swaps, cross-currency swaps and foreign currency forwards and swaps and are valued in the market using discounted cash flow techniques. These techniques incorporate Level 1 and Level 2 fair value measurement inputs such as interest rates and foreign currency exchange rates. These market inputs are utilized in the discounted cash flow calculation considering the instrument's term, notional amount, discount rate and credit risk. Significant inputs to the derivative valuation for interest rate swaps, commodity swaps, cross-currency swaps and foreign currency forwards and swaps are observable in the active markets and are classified as Level 2 in the fair value measurement hierarchy.

	Fair Value Measurement						Balance Sheet Classification
	Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)		Total		
	As of December 31,						
	2022	2021	2022	2021	2022	2021	
(In \$ millions)							
<b>Derivatives Designated as Cash Flow Hedges</b>							
Commodity swaps	—	—	9	8	9	8	Current Other assets
Commodity swaps	—	—	39	23	39	23	Noncurrent Other assets
<b>Derivatives Designated as Net Investment Hedges</b>							
Cross-currency swaps	—	—	99	2	99	2	Current Other assets
Cross-currency swaps	—	—	13	5	13	5	Noncurrent Other assets
<b>Derivatives Not Designated as Hedges</b>							
Foreign currency forwards and swaps	—	—	9	2	9	2	Current Other assets
Total assets	—	—	169	40	169	40	
<b>Derivatives Designated as Cash Flow Hedges</b>							
Commodity swaps	—	—	(2)	—	(2)	—	Current Other liabilities
<b>Derivatives Designated as Net Investment Hedges</b>							
Cross-currency swaps	—	—	(58)	(2)	(58)	(2)	Current Other liabilities
Cross-currency swaps	—	—	(126)	—	(126)	—	Noncurrent Other liabilities
<b>Derivatives Not Designated as Hedges</b>							
Foreign currency forwards and swaps	—	—	(3)	(3)	(3)	(3)	Current Other liabilities
Total liabilities	—	—	(189)	(5)	(189)	(5)	

Carrying values and fair values of financial instruments that are not carried at fair value are as follows:

	Fair Value Measurement							
	Carrying Amount		Significant Other Observable Inputs (Level 2)		Unobservable Inputs (Level 3)		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	As of December 31,							
	(In \$ millions)							
Equity investments without readily determinable fair values	170	170	—	—	—	—	—	—
Insurance contracts in nonqualified trusts	22	28	23	28	—	—	23	28
Long-term debt, including current installments of long-term debt	13,953	3,722	13,247	3,639	172	173	13,419	3,812

In general, the equity investments included in the table above are not publicly traded and their fair values are not readily determinable. The Company believes the carrying values approximate fair value. Insurance contracts in nonqualified trusts consist of long-term fixed income securities, which are valued using independent vendor pricing models with observable inputs in the active market and therefore represent a Level 2 fair value measurement. The fair value of long-term debt is based on valuations from third-party banks and market quotations and is classified as Level 2 in the fair value measurement hierarchy. The fair value of obligations under finance leases, which are included in long-term debt, is based on lease payments and discount rates, which are not observable in the market and therefore represents a Level 3 fair value measurement.

As of December 31, 2022 and 2021, the fair values of cash and cash equivalents, receivables, marketable securities, trade payables, short-term borrowings and the current installments of long-term debt approximate carrying values due to the short-term nature of these instruments. These items have been excluded from the table with the exception of the current installments of long-term debt.

## 19. Commitments and Contingencies

### Commitments

#### Guarantees

#### Equity Affiliates

The Company has directly guaranteed various debt obligations under agreements with third parties related to certain equity affiliates. At December 31, 2022, the Company had directly guaranteed \$142 million and €27 million of such obligations. These amounts represent the maximum potential amount of future (undiscounted) payments that the Company could be required to make under the guarantees. The Company would be required to perform on these guarantees in the event of default by the guaranteed party.

Maximum future payments under these obligations are \$142 million and €27 million for bank borrowings and the guarantee will remain in force until all guaranteed obligations are paid and the underlying debt agreements entered into by certain equity affiliates are terminated.

#### Environmental and Other Liabilities

The Company has agreed to guarantee or indemnify third parties for environmental and other liabilities pursuant to a variety of agreements, including asset and business divestiture agreements, leases, settlement agreements and various agreements with affiliated companies. Although many of these obligations contain monetary and/or time limitations, others do not provide such limitations.

The Company has accrued for all probable and reasonably estimable losses associated with all known matters or claims. These known obligations include the following:

- ***Demerger Obligations***

In connection with the Hoechst demerger, the Company agreed to indemnify Hoechst, and its legal successors, for various liabilities under the demerger agreement, including for environmental liabilities associated with contamination arising either from environmental damage in general ("Category A") or under 19 divestiture agreements entered into by Hoechst prior to the demerger ("Category B") ([Note 13](#)).

The Company's obligation to indemnify Hoechst, and its legal successors, is capped under Category B at €250 million. If and to the extent the environmental damage should exceed €750 million in aggregate, the Company's obligation to indemnify Hoechst and its legal successors applies, but is then limited to 33.33% of the remediation cost without further limitations. Cumulative payments under the divestiture agreements as of December 31, 2022 are \$107 million. Though the Company is significantly under its obligation cap under Category B, most of the divestiture agreements have become time barred and/or any notified environmental damage claims have been partially settled.

The Company has also undertaken in the demerger agreement to indemnify Hoechst and its legal successors for (i) 33.33% of any and all Category A liabilities that result from Hoechst being held as the responsible party pursuant to public law or current or future environmental law or by third parties pursuant to private or public law related to contamination and (ii) liabilities that Hoechst is required to discharge, including tax liabilities, which are associated with businesses that were included in the demerger but were not demerged due to legal restrictions on the transfers of such items. These indemnities do not provide for any monetary or time limitations. The Company has not been requested by Hoechst to make any payments in connection with this indemnification. Accordingly, the Company has not made any payments to Hoechst and its legal successors.

Based on the Company's evaluation of currently available information, including the lack of requests for indemnification, the Company cannot estimate the remaining demerger obligations, if any, in excess of amounts accrued.

- ***Divestiture Obligations***

The Company and its predecessor companies agreed to indemnify third-party purchasers of former businesses and assets for various pre-closing conditions, as well as for breaches of representations, warranties and covenants. Such liabilities also include environmental liability, product liability, antitrust and other liabilities. These indemnifications and guarantees represent standard contractual terms associated with typical divestiture agreements and, other than environmental liabilities, the Company does not believe that they expose the Company to significant risk ([Note 13](#)).

The Company has divested numerous businesses, investments and facilities through agreements containing indemnifications or guarantees to the purchasers. Many of the obligations contain monetary and/or time limitations, which extend through 2037. The aggregate amount of outstanding indemnifications and guarantees provided for under these agreements is \$125 million as of December 31, 2022. Other agreements do not provide for any monetary or time limitations.

Based on the Company's evaluation of currently available information, including the number of requests for indemnification or other payment received by the Company, the Company cannot estimate the remaining divestiture obligations, if any, in excess of amounts accrued.

- ***Purchase Obligations***

In the normal course of business, the Company enters into various purchase commitments for goods and services. The Company maintains a number of "take-or-pay" contracts for purchases of raw materials, utilities and other services. Certain of the contracts contain a contract termination buy-out provision that allows for the Company to exit the contracts for amounts less than the remaining take-or-pay obligations. Additionally, the Company has other outstanding commitments representing maintenance and service agreements, energy and utility agreements, consulting contracts and software agreements. As of December 31, 2022, the Company had unconditional purchase obligations of \$4.3 billion, of which \$721 million will be paid in 2023, \$656 million in 2024, \$538 million in 2025, \$411 million in 2026, \$333 million in 2027 and the balance thereafter through 2042.

**Contingencies**

The Company is involved in legal and regulatory proceedings, lawsuits, claims and investigations incidental to the normal conduct of business, relating to such matters as product liability, land disputes, insurance coverage disputes, contracts, employment, antitrust or competition compliance, intellectual property, personal injury and other actions in tort, workers' compensation, chemical exposure, asbestos exposure, taxes, trade compliance, acquisitions and divestitures, claims of current and legacy shareholders, past waste disposal practices and release of chemicals into the environment. The Company is actively defending those matters where the Company is named as a defendant and, based on the current facts, does not believe the outcomes from these matters would be material to the Company's results of operations, cash flows or financial position.

**European Commission Investigation**

In May 2017, the Company learned that the European Commission had opened a competition law investigation involving certain subsidiaries of the Company with respect to certain past ethylene purchases. Based on information learned from the European Commission regarding its investigation, Celanese recorded a reserve of \$89 million in 2019, which was included within the Company's Other Activities segment. In July 2020, Celanese reached a final settlement with the European Commission in respect of this matter of \$92 million, which was included in Current Other liabilities as of December 31, 2020. The Company paid this settlement in full in January 2021.

**20. Supplemental Cash Flow Information**

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
Interest paid, net of amounts capitalized	122	105	120
Taxes paid, net of refunds	273	215	167
<b>Noncash Investing and Financing Activities</b>			
Accrued treasury stock repurchases	(17)	—	—
Finance lease obligations ( <a href="#">Note 16</a> )	28	—	78
Accrued capital expenditures	40	23	(16)

**21. Segment Information****Business Segments**

The Company operates through business segments according to the nature and economic characteristics of its products and customer relationships, as well as the manner in which the information is used internally by the Company's key decision maker, who is the Company's Chief Executive Officer.

Effective December 31, 2022, the Company reorganized its operating and reportable segments to align with recent structural and management reporting changes. The change reflects the resegmentation of the former Acetate Tow operating and reportable segment into the Acetyl Chain operating and reportable segment. This reorganization reflects the culmination of a shift in operating strategy and organizational hierarchy, with a focus on integration, collaboration and maximization of value creation through its global optionality and integrated chain model of the underlying businesses. The historical segment information has been recast to conform with the reorganized segments.

The Company's business segments are as follows:

- ***Engineered Materials***

The Company's Engineered Materials segment includes the engineered materials business, food ingredients business and certain strategic affiliates. The engineered materials business develops, produces and supplies a broad portfolio of high performance specialty polymers for automotive and medical applications, as well as industrial products and consumer electronics. Together with its strategic affiliates, the Company's engineered materials business is a leading participant in the global specialty polymers industry. The primary products of Engineered Materials are used in a broad range of end-use products including fuel system components, automotive safety systems, medical applications, electronics, appliances, industrial products, battery separators, conveyor belts, filtration equipment, coatings, and electrical applications and products. It is also a leading global supplier of acesulfame potassium for the food and beverage industry and is a leading producer of food protection ingredients, such as potassium sorbate and sorbic acid.

- ***Acetyl Chain***

The Company's Acetyl Chain segment includes the integrated chain of intermediate chemistry, emulsion polymers, ethylene vinyl acetate ("EVA") polymers, redispersible powders ("RDP"), and acetate tow businesses. The Company's intermediate chemistry business produces and supplies acetyl products, including acetic acid, vinyl acetate monomer, acetic anhydride and acetate esters. These products are generally used as starting materials for colorants, paints, adhesives, coatings and pharmaceuticals. It also produces organic solvents and intermediates for pharmaceutical, agricultural and chemical products. The Company's emulsion polymers business is a leading global producer of vinyl acetate-based emulsions and develops products and application technologies to improve performance, create value and drive innovation in applications such as paints and coatings, adhesives, construction, glass fiber, textiles and paper. The Company's EVA polymers business is a leading North American manufacturer of a full range of specialty EVA resins and compounds, as well as select grades of low-density polyethylene. The Company's EVA polymers products are used in many applications, including flexible packaging films, lamination film products, hot melt adhesives, automotive parts and carpeting. The Company's RDP business is a leading producer of products that have applications in a number of building and construction applications including flooring, plasters, insulation, tiling and waterproofing. The Company's acetate tow business serves consumer-driven applications and is a leading global producer and supplier of acetate tow and acetate flake, primarily used in filter products applications.

- ***Other Activities***

Other Activities primarily consists of corporate center costs, including administrative activities such as finance, information technology and human resource functions, interest income and expense associated with financing activities and results of the Company's captive insurance companies. Other Activities also includes the components of net periodic benefit cost (interest cost, expected return on assets and net actuarial gains and losses) for the Company's defined benefit pension plans and other postretirement plans not allocated to the Company's business segments.

The business segment management reporting and controlling systems are based on the same accounting policies as those described in the summary of significant accounting policies ([Note 2](#)).

Sales transactions between business segments are generally recorded at values that approximate third-party selling prices.

	Engineered Materials	Acetyl Chain	Other Activities	Eliminations	Consolidated
(In \$ millions)					
<b>Year Ended December 31, 2022</b>					
Net sales	4,024	5,743 <sup>(1)</sup>	—	(94)	9,673
Other (charges) gains, net ( <a href="#">Note 24</a> )	(7)	—	(1)	—	(8)
Operating profit (loss)	429	1,447	(498)	—	1,378
Equity in net earnings (loss) of affiliates	202	7	11	—	220
Depreciation and amortization	226	213	23	—	462
Capital expenditures	178	352	53	—	583 <sup>(2)</sup>
<b>As of December 31, 2022</b>					
Goodwill and intangible assets, net	10,826	421	—	—	11,247
Total assets	20,611	5,471	190	—	26,272
<b>Year Ended December 31, 2021</b>					
Net sales	2,718	5,894 <sup>(1)</sup>	—	(75)	8,537
Other (charges) gains, net ( <a href="#">Note 24</a> )	6	1	(4)	—	3
Operating profit (loss)	411	1,875	(340)	—	1,946
Equity in net earnings (loss) of affiliates	126	7	13	—	146
Depreciation and amortization	144	210	17	—	371
Capital expenditures	154	311	25	—	490 <sup>(2)</sup>
<b>As of December 31, 2021</b>					
Goodwill and intangible assets, net	1,714	433	—	—	2,147
Total assets	5,363	5,526	1,086	—	11,975
<b>Year Ended December 31, 2020</b>					
Net sales	2,081	3,634 <sup>(1)</sup>	—	(60)	5,655
Other (charges) gains, net ( <a href="#">Note 24</a> )	(36)	6	(9)	—	(39)
Operating profit (loss)	235	681	(252)	—	664
Equity in net earnings (loss) of affiliates	115	5	14	—	134
Gain (loss) on sale of investments in affiliates ( <a href="#">Note 7</a> )	1,408	—	—	—	1,408
Depreciation and amortization	134	199	17	—	350
Capital expenditures	106	208	34	—	348 <sup>(2)</sup>

<sup>(1)</sup> Includes intersegment sales of \$94 million, \$75 million and \$60 million for the years ended December 31, 2022, 2021 and 2020, respectively.

<sup>(2)</sup> Includes an increase in accrued capital expenditures of \$40 million, an increase in accrued capital expenditures of \$23 million and a decrease in accrued capital expenditures of \$16 million for the years ended December 31, 2022, 2021 and 2020, respectively.

### Geographical Area Information

The Net sales to external customers based on geographic location are as follows:

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
Belgium	251	268	274
Canada	120	98	68
China	1,525	1,621	888
Germany	2,934	2,675	1,837
Japan	87	15	10
Mexico	359	330	200
Netherlands	105	—	—
Singapore	1,209	1,202	627
South Korea	68	8	8
Switzerland	165	140	81
U.S.	2,562	2,004	1,490
Other	288	176	172
Total	9,673	8,537	5,655

Property, plant and equipment, net based on the geographic location of the Company's facilities is as follows:

	As of December 31,	
	2022	2021
	(In \$ millions)	
Belgium	113	65
Canada	128	96
China	688	413
Germany	937	812
Japan	52	—
Mexico	52	58
Netherlands	52	43
Singapore	99	72
South Korea	79	4
Switzerland	73	18
U.S.	3,032	2,377
Other	279	235
Total	5,584	4,193

## 22. Revenue Recognition

### Disaggregated Revenue

In general, the Company's business segmentation is aligned according to the nature and economic characteristics of its products and customer relationships and provides meaningful disaggregation of each business segment's results of operations.

The Company manages its Engineered Materials business segment through its project management pipeline, which is comprised of a broad range of projects which are solutions-based and are tailored to each customers' unique needs. Projects are identified and selected based on success rate and may involve a number of different polymers per project for use in multiple end-use applications. Therefore, the Company is agnostic toward products and end-use markets for the Engineered Materials business segment.

The Company manages its Acetyl Chain business segment by leveraging its ability to sell chemicals externally to end-use markets or downstream to its acetate tow, intermediate chemistry, emulsion polymers, redispersible powders and ethylene vinyl acetate polymers businesses. Decisions to sell externally and geographically or downstream and along the Acetyl Chain are based on market demand, trade flows and maximizing the value of its chemicals. Therefore, the Company's strategic focus is on executing within this integrated chain model and less on driving product-specific revenue.

Further disaggregation of Net sales by business segment and geographic destination is as follows:

	Year Ended December 31,		
	2022	2021	2020
(In \$ millions)			
<b>Engineered Materials</b>			
North America	1,197	774	577
Europe and Africa	1,538	1,155	906
Asia-Pacific	1,180	703	534
South America	109	86	64
Total	<u>4,024</u>	<u>2,718</u>	<u>2,081</u>
<b>Acetyl Chain</b>			
North America	1,713	1,533	1,106
Europe and Africa	1,961	1,914	1,292
Asia-Pacific	1,811	2,214	1,093
South America	164	158	83
Total <sup>(1)</sup>	<u>5,649</u>	<u>5,819</u>	<u>3,574</u>

<sup>(1)</sup> Excludes intersegment sales of \$94 million, \$75 million and \$60 million for the years ended December 31, 2022, 2021 and 2020, respectively.

### 23. Earnings (Loss) Per Share

	Year Ended December 31,		
	2022	2021	2020
(In \$ millions, except share data)			
<b>Amounts attributable to Celanese Corporation</b>			
Earnings (loss) from continuing operations	1,902	1,912	1,997
Earnings (loss) from discontinued operations	(8)	(22)	(12)
Net earnings (loss)	<u>1,894</u>	<u>1,890</u>	<u>1,985</u>
Weighted average shares - basic	108,380,082	111,224,017	117,817,445
Incremental shares attributable to equity awards <sup>(1)</sup>	855,294	860,395	663,931
Weighted average shares - diluted	<u>109,235,376</u>	<u>112,084,412</u>	<u>118,481,376</u>

<sup>(1)</sup> Excludes 154,172, 555 and 4,313 equity award shares for the years ended December 31, 2022, 2021 and 2020, respectively, as their effect would have been antidilutive.

**24. Other (Charges) Gains, Net**

	Year Ended December 31,		
	2022	2021	2020
	(In \$ millions)		
Restructuring	(6)	(5)	(20)
Asset impairments	(14)	(2)	(31)
Plant/office closures	12	10	7
Commercial disputes	—	—	6
European Commission investigation	—	—	(2)
Other	—	—	1
Total	<u>(8)</u>	<u>3</u>	<u>(39)</u>

**25. Subsequent Events**

On February 23, 2023, the Company announced the signing of a term sheet to form a food ingredients joint venture with Mitsui & Co., Ltd.

**DESCRIPTION OF THE REGISTRANT'S SECURITIES  
REGISTERED PURSUANT TO SECTION 12 OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Celanese Corporation (the "Company") and its subsidiaries have seven classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): (1) the Company's common stock; (2) the 1.125% Senior Notes due 2023 of Celanese US Holdings LLC (the "Issuer") guaranteed by the Company and the other Guarantors (as defined below); (3) the 1.250% Senior Notes due 2025 of the Issuer guaranteed by the Company and the other Guarantors; (4) the 4.777% Senior Notes due 2026 of the Issuer guaranteed by the Company and the other Guarantors; (5) the 2.125% Senior Notes due 2027 of the Issuer guaranteed by the Company and the other Guarantors; (6) the 0.625% Senior Notes due 2028 of the Issuer guaranteed by the Company and the other Guarantors; and (7) 5.337% Senior Notes due 2029 of the Issuer guaranteed by the Company and the other Guarantors.

**DESCRIPTION OF THE COMPANY'S COMMON STOCK**

The following is a summary of select provisions of the Company's capital stock, as well as other certain provisions of the Company's Second Amended and Restated Certificate of Incorporation, as amended (the "Charter"), and Seventh Amended and Restated By-laws, as amended (the "By-laws"). The descriptions set forth below are qualified in their entirety by reference to the relevant provisions of the Charter and By-laws, copies of which are filed as exhibits to this Annual Report on Form 10-K and are incorporated by reference herein.

**Authorized Capitalization**

The Company's authorized capital stock consisted of (i) 400,000,000 shares of common stock ("Common Stock"), par value \$0.0001 per share and (ii) 100,000,000 shares of preferred stock, par value \$0.01 per share.

**Common Stock**

*Voting Rights.* Holders of Common Stock are entitled to one vote per share on all matters with respect to which the holders of Common Stock are entitled to vote. The holders of Common Stock do not have cumulative voting rights in the election of directors.

*Dividend Rights.* Holders of Common Stock are entitled to receive dividends if, as and when dividends are declared from time to time by the Company's board of directors out of funds legally available for that purpose, after payment of dividends required to be paid on outstanding preferred stock, as described below, if any. The Company's senior credit facilities and indentures impose restrictions on its ability to declare dividends with respect to the Company's Common Stock. Any decision to declare and pay dividends in the future will be made at the discretion of the board of directors and will depend on, among other things, results of operations, cash requirements, financial condition, contractual restrictions and factors that the board of directors may deem relevant.

*Liquidation Rights.* Upon liquidation, dissolution or winding up, the holders of Common Stock will be entitled to receive ratably the assets available for distribution to the stockholders after payment of liabilities and accrued but unpaid dividends and liquidation preferences on any outstanding preferred stock.

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*Other Matters.* The Common Stock has no preemptive rights and, if fully paid, is not subject to further calls or assessment by the Company. There are no redemption or sinking fund provisions applicable to the Common Stock. All shares of the Company's outstanding Common Stock are fully paid and non-assessable, and the shares of the Company's Common Stock offered.

### ***Preferred Stock***

The Company's Charter authorizes the board of directors to establish one or more series of preferred stock and to determine, with respect to any series of preferred stock, the terms and rights of that series, including:

- the designation of the series;
- the number of shares of the series, which the board of directors may, except where otherwise provided in the preferred stock designation, increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares then outstanding);
- whether dividends, if any, will be cumulative or non-cumulative and the dividend rate of the series;
- the dates at which dividends, if any, will be payable;
- the redemption rights and price or prices, if any, for shares of the series;
- the terms and amounts of any sinking fund provided for the purchase or redemption of shares of the series;
- the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of the Company;
- whether the shares of the series will be convertible into shares of any other class or series, or any other security, of the Company or any other corporation, and, if so, the specification of the other class or series or other security, the conversion price or prices or rate or rates, any rate adjustments, the date or dates as of which the shares will be convertible and all other terms and conditions upon which the conversion may be made;
- restrictions on the issuance of shares of the same series or of any other class or series; and
- the voting rights, if any, of the holders of the series.

### **Anti-Takeover Effects of Certain Provisions of Our Charter and By-laws**

Certain provisions of the Company's Charter and By-laws, which are summarized in the following paragraphs, may have an anti-takeover effect and may delay, defer or prevent a tender offer or takeover attempt that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by stockholders.

### ***Conflicts of Interest***

As permitted by Delaware law, the Company's Charter renounces any interest or expectancy that we have in, or right to be offered an opportunity to participate in, business opportunities specified in the Charter. The Company's Charter provides that none of any director who is not employed by us (including any non-employee director who serves as one of our officers in both his director and officer capacities) or his or her affiliates will have any duty to refrain from (i) engaging in a corporate opportunity in the same or similar lines of business in which we or our affiliates now engage or propose to engage or (ii) otherwise competing with us. In addition, in the event that any non-employee director acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for himself or his affiliates and for us or our affiliates, such non-employee director will have no duty to communicate or offer such transaction or business opportunity to us and may take any such opportunity for themselves or offer it to another person or entity. The Company's Charter does not renounce our interest in any business opportunity expressly offered to a non-employee director solely in his or her capacity as a director or

officer of the Company. No business opportunity offered to any non-employee director will be deemed to be a potential corporate opportunity for us unless we would be permitted to undertake the opportunity under the Company's Charter, we have sufficient financial resources to undertake the opportunity and the opportunity would be in line with our business.

#### ***Removal of Directors***

The Company's Charter and By-laws provide that directors may be removed with or without cause and only upon the affirmative vote of holders of at least 80% of the voting power of all the then outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single class. In addition, the Company's Charter also provides that any newly created directorships and any vacancies on the board of directors will be filled only by the affirmative vote of the majority of remaining directors.

#### ***No Cumulative Voting***

The Delaware General Corporation Law ("DGCL") provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless the charter provides otherwise. The Company's Charter does not expressly provide for cumulative voting.

#### ***Calling of Special Meetings of Stockholders; Stockholder Action by Written Consent***

The Company's Charter provides that a special meeting of stockholders may be called at any time only by the chairman of the board of directors, the board or a committee of the board of directors which has been granted such authority by the board.

The DGCL permits stockholder action by written consent unless otherwise provided by a company's charter. The Company's Charter precludes stockholder action by written consent.

#### ***Advance Notice Requirements for Stockholder Proposals and Director Nominations***

The Company's By-laws provide that stockholders seeking to nominate candidates for election as directors or to bring business before an annual meeting of stockholders must provide timely notice of their proposal in writing to the corporate secretary.

Generally, to be timely, a stockholder's notice must be received at the Company's principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date on which the proxy materials for the previous year's annual meeting were first mailed. The Company's By-laws also specify requirements as to the form and content of a stockholder's notice and other notice delivery requirements. These provisions may impede stockholders' ability to bring matters before an annual meeting of stockholders or make nominations for directors at an annual meeting of stockholders.

#### ***Proxy Access***

The Company's By-laws provide that a stockholder, or a group of up to 20 stockholders, that has continuously owned at least three percent of the outstanding common stock for three years, may nominate and include in the Company's annual meeting proxy materials a number of director nominees not to exceed the greater of two or 20% of the number of the Company's directors then serving on the Board of Directors (rounded down to the nearest whole number), provided that the stockholder(s) and the nominee(s) satisfy the requirements specified in the By-laws. Such nominations are subject to additional eligibility, procedural and disclosure requirements set forth in the By-laws, including the requirement that

the Company must receive notice of such nominations not less than 90 days nor more than 120 days prior to the anniversary date of the immediately preceding annual meeting of stockholders.

### ***Supermajority Provisions***

Under the DGCL, the affirmative vote of a majority of the outstanding shares entitled to vote is required to amend a corporation's certificate of incorporation, and the affirmative vote of the majority of the shares entitled to vote, present in person or represented by proxy at any meeting at which a quorum is present, is required to amend a corporation's by-laws, unless the certificate of incorporation or by-laws (in the case of amendments to the by-laws) requires a greater percentage. The Company's Charter provides that the following provisions in the Charter and By-laws may be amended only by a vote of at least 80% of the voting power of all of the outstanding shares of our stock entitled to vote in the election of directors, voting together as a single class:

- the removal of directors;
- the filling of vacancies on the board of directors and newly created directorships;
- the advance notice requirements for stockholder proposals and director nominations;
- the ability to call a special meeting of stockholders being vested solely in the chairman of the board of directors, the board of directors, or a committee of the board of directors (if duly authorized to call special meetings);
- the provisions regarding stockholder action by written consent; and
- the amendment provision requiring that the above provisions be amended only with an 80% supermajority vote.

In addition, the Company's Charter grants the board of directors the authority to amend and repeal the By-laws without a stockholder vote in any manner not inconsistent with the laws of the State of Delaware or the Company's Charter.

### ***Exclusive Forum***

The Company's By-laws provides that a state court located within the State of Delaware (or if no state court located in Delaware has jurisdiction, then the federal court for the District of Delaware) will be the sole and exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a claim of breach of fiduciary duty owed by any of our directors or officers to us or our stockholders, any action asserting a claim against us or any of our directors or officers arising pursuant to any provision of the DGCL or our Certificate of Incorporation or By-laws (as either may be amended from time to time) or any action asserting a claim against us or any of our directors or officers governed by the internal affairs doctrine, unless the Company consents in writing to another jurisdiction.

### ***Limitations on Liability and Indemnification of Officers and Directors***

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties. The Company's Charter includes a provision that eliminates the personal liability of directors for monetary damages for actions taken as a director, except for liability:

- for breach of duty of loyalty;
- for acts or omissions not in good faith or involving intentional misconduct or knowing violation of law;
- under Section 174 of the DGCL (unlawful dividends or stock repurchases and redemptions); or
- for transactions from which the director derived improper personal benefit.

The Company's Charter and By-laws provide that the Company must indemnify its directors and officers to the fullest extent authorized by the DGCL. The Company is also required to advance certain expenses (including attorneys' fees and disbursements and court costs) incurred by officers and directors in defending a covered proceeding and expressly authorize to carry directors' and officers' insurance providing indemnification for directors, officers and certain employees for some liabilities. We believe that these indemnification provisions and insurance are useful to attract and retain qualified directors and executive officers.

The limitation of liability and indemnification provisions in the Company's Charter and By-laws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit the Company and its stockholders. In addition, your investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

There is currently no pending material litigation or proceeding involving any of the Company's directors, officers or employees for which indemnification is sought.

#### ***Delaware Anti-takeover Statute***

Section 203 of the DGCL applies to the Company. Under certain circumstances, Section 203 limits the ability of an interested stockholder to effect various business combinations with the Company for a three-year period following the time that such stockholder becomes an interested stockholder. For purposes of Section 203, a "business combination" is broadly defined to include mergers, asset sales and other transactions resulting in a financial benefit to the interested stockholder. An "interested stockholder" is a person who, together with affiliates and associates, owns, or within the immediately preceding three years did own, 15% or more of the Company's voting stock.

An interested stockholder may not engage in a business combination transaction with the Company within the three-year period following the time that such stockholder became an interested stockholder unless:

- before such time, the board approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction in which the stockholder became an interested stockholder, the interested stockholder owned at least 85% of the Company's voting stock (excluding shares owned by officers, directors or certain employee stock purchase plans); or
- at or subsequent to such time the business combination is approved by the board and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least  $66\frac{2}{3}\%$  of the outstanding voting stock which is not owned by the interested stockholder.

#### **Transfer Agent and Registrar**

Computershare Trust Company, N.A. is the transfer agent and registrar for the Company's Common Stock.

#### **Listing**

The Company's Common Stock is listed on the NYSE under the symbol "CE."

## Authorized but Unissued Capital Stock

The DGCL does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of the NYSE, which would apply so long as the Company's Common Stock is listed on the NYSE, require stockholder approval of certain issuances equal to or exceeding 20% of the then-outstanding voting power or then outstanding number of shares of Common Stock. These additional shares may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions.

One of the effects of the existence of unissued and unreserved common stock may be to enable the Company's board of directors to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of the Company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of management and possibly deprive the stockholders of opportunities to sell their shares of common stock at prices higher than prevailing market prices.

### **DESCRIPTION OF THE COMPANY'S 1.125% SENIOR NOTES DUE 2023, 1.250% SENIOR NOTES DUE 2025, 4.777% SENIOR NOTES DUE 2026, 2.125% SENIOR NOTES DUE 2027, 0.625% SENIOR NOTES DUE 2028, AND 5.337% SENIOR NOTES DUE 2029**

The following summary of our 1.125% Senior Notes due 2023 (the "2023 Notes"), our 1.250% Senior Notes due 2025 (the "2025 Notes"), our 4.777% Senior Notes due 2026 (the "2026 Notes"), our 2.125% Senior Notes due 2027 (the "2027 Notes"), our 0.625% Notes due 2028 (the "2028 Notes"), and our 5.337% Senior Notes due 2029 (the "2029 Notes" and, together with the 2023 Notes, the 2025 Notes, the 2026 Notes, the 2027 Notes, and the 2028 Notes, the "Notes") is based on, subject to, and qualified in its entirety by the Indenture dated as of May 6, 2011 (the "Base Indenture"), by and among the Issuer, the Guarantors (as defined below) and Wells Fargo Bank, National Association, as trustee (the "WF Trustee"), as supplemented in respect of the 2023 Notes by the sixth supplemental indenture thereto, dated as of September 26, 2016, by and among the Issuer, the Guarantors, the WF Trustee, and Deutsche Bank Trust Company Americas, as paying agent (the "DB Paying Agent") and as registrar and transfer agent (the "DB Transfer Agent"), as supplemented in respect of the 2025 Notes by the seventh supplemental indenture thereto dated as of December 11, 2017, by and among the Issuer, the Guarantors, the WF Trustee, the DB Paying Agent, and the DB Transfer Agent, as supplemented in respect of the 2027 Notes by the eighth supplemental indenture thereto dated as of November 5, 2018, by and among the Issuer, the Guarantors, the WF Trustee, the DB Paying Agent, and the DB Transfer Agent, as supplemented in respect of the 2028 Notes by the eleventh supplemental indenture thereto dated as of September 10, 2021 among the Issuer, the Guarantors, the WF Trustee, the DB Paying Agent, and the DB Transfer Agent and as supplemented in respect of the 2026 Notes and the 2029 Notes, by the thirteenth supplemental indenture thereto dated as of July 19, 2022, by and among the Issuer, the Guarantors, Computershare Trust Company, N.A. as successor to Wells Fargo Bank, National Association, as base trustee, U.S. Bank Trust Company, National Association, as series trustee (the "USB Trustee", and together with the WF Trustee, the "Trustee") and as registrar and transfer agent (the "USB Transfer Agent" and together with the DB Transfer Agent, the "Transfer Agent"), and Elavon Financial Services DAC, UK Branch, as paying agent (the "EFS Paying Agent" and together with the DB Paying Agent, the "Paying Agent") (the Base Indenture, as supplemented, the "Indenture"), which are incorporated by reference as exhibits to the Annual Report on Form 10-K of which this Exhibit 4.11 is a part. The following description of the particular terms of the Notes is a summary, does not purport to be complete, and is qualified in its entirety by reference to all provisions of the Indenture and the Notes. We encourage you to read the Indenture for additional information. References to the "Company," "we," "us," "our" and

similar words refer to Celanese Corporation and not to any of its subsidiaries. The 2023 Notes, the 2025 Notes, the 2026 Notes, the 2027 Notes, the 2028 Notes and the 2029 Notes are traded on The New York Stock Exchange under the trading symbols "CE /23," "CE /25," "CE /26A," "CE /27," "CE /28," and "CE /29A," respectively.

### **Principal, Maturity and Interest**

As of January 31, 2023, the Issuer had outstanding €450,000,000 aggregate principal amount of the 2023 Notes, €300,000,000 aggregate principal amount of the 2025 Notes, €500,000,000 aggregate principal amount of the 2027 Notes, €500,000,000 aggregate principal amount of the 2028 Notes, €1,00,000,000 aggregate principal amount of the 2026 Notes and €500,000,000 aggregate principal amount of the 2029 Notes.

The 2023 Notes will mature on September 26, 2023, the 2025 Notes will mature on February 11, 2025, the 2026 Notes will mature on July 19, 2026, the 2027 Notes will mature on March 1, 2027, the 2028 Notes will mature on September 10, 2028, and the 2029 Notes will mature on January 19, 2029.

The Indenture governing the notes provides for the issuance of additional notes of the same class and series, subject to compliance with the covenants contained in the Indenture. The Notes were issued in denominations of €100,000 and integral multiples of €1,000 in excess thereof.

Interest on the 2023 Notes accrues at the rate of 1.125% per annum and is payable annually in arrears on September 26; interest on the 2025 Notes accrues at the rate of 1.250% per annum and is payable annually in arrears on February 11; interest on the 2026 Notes accrues at the rate of 4.777% per annum and is payable in arrears on July 19; interest on the 2027 Notes accrues at the rate of 2.125% per annum and is payable annually in arrears on March 1; interest on the 2028 Notes accrues at the rate of 0.625% per annum and is payable in arrears on September 10; and interest on the 2029 Notes accrues at the rate of 5.337% per annum and is payable in arrears on January 19.

The Issuer will make each interest payment to the holders of record of the Notes on the immediately preceding September 11, January 27, July 5, February 15, August 27, or January 5, as applicable. The rights of holders of beneficial interests of Notes to receive the payments of interest on such Notes are subject to the applicable procedures of Euroclear and Clearstream.

Interest on the Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the Notes (or September 26, 2016, December 11, 2017, November 5, 2018 or September 10, 2021, or July 19, 2022 for the 2026 Notes and the 2029 Notes, as applicable, if no interest has been paid on the Notes), to but excluding the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Markets Association.

#### *Interest Rate Adjustment*

(a) With respect to the 2026 Notes and the 2029 Notes, interest rate payable on each of the notes will be subject to adjustments from time to time if either Moody's or S&P, or, in either case, any Substitute Rating Agency downgrades (or subsequently upgrades) the rating assigned to each of the 2026 Notes and the 2029 Notes, in the manner described below:

(b) If the rating from Moody's (or any Substitute Rating Agency therefor) of each of the 2026 Notes and the 2029 Notes is decreased to a rating set forth in the immediately following table, the interest rate on the notes will increase such that it will equal the interest rate payable on each of the 2026 Notes and the 2029 Notes on the date of their initial issuance, plus the percentage set forth opposite the ratings from the table below, plus any applicable percentage from the immediately following clause (c) of this paragraph.

<b>Moody's Rating*</b>	<b>Percentage</b>
Ba1	0.250 %
Ba2	0.500 %
Ba3	0.750 %
B1 or below	1.000 %

\* Including the equivalent ratings, in either case of any Substitute Rating Agency or under any successor rating categories of Moody's.

(c) In addition, if the rating from S&P (or any Substitute Rating Agency therefor) for each of the 2026 Notes and the 2029 Notes is decreased to a rating set forth in the immediately following table, the interest rate on the notes will increase such that it will equal the interest rate payable on the each of the 2026 and 2029 Notes on the date of their initial issuance, plus the percentage set forth opposite the ratings from the table below, plus any applicable percentage from the immediately preceding clause (b) of this paragraph.

<b>S&amp;P Rating*</b>	<b>Percentage</b>
BB+	0.250 %
BB	0.500 %
BB-	0.750 %
B+ or below	1.000 %

\* Including the equivalent ratings, in either case of any Substitute Rating Agency or under any successor rating categories of S&P.

(d) Notwithstanding the foregoing, if at any time the interest rate on each of the 2026 Notes and 2029 Notes has been adjusted upward and either Moody's or S&P (or, in either case, a Substitute Rating Agency therefor), as the case may be, subsequently increases its rating of such notes to any of the threshold ratings set forth above, the interest rate on each of the 2026 Notes and 2029 Notes will be decreased such that the interest rate on such notes equals the interest rate payable on each of the 2026 Notes and 2029 Notes on the date of their initial issuance, plus the percentages set forth opposite the ratings from the tables in paragraph (b) and (c) above in effect immediately following the increase in rating. If Moody's (or any Substitute Rating Agency therefor) subsequently increases its rating of each of the 2026 Notes and 2029 Notes to Baa3 or higher (or its respective equivalent, in either case of any Substitute Rating Agency or under any successor rating categories of Moody's) and S&P (or any Substitute Rating Agency therefor) increases its rating to BBB- or higher (or its respective equivalent, in either case of any Substitute Rating Agency or under any successor rating categories of S&P), the interest rate on each of the 2026 Notes and 2029 Notes will be decreased to the interest rate payable on each of such notes on the date of their initial issuance.

(e) The interest rates on each of the 2026 Notes and 2029 Notes will permanently cease to be subject to any adjustment described above (notwithstanding any subsequent downgrade in the ratings by either or both Moody's or S&P) if each of the 2026 Notes and 2029 Notes become rated Baa2 and BBB (or the equivalent of either such rating, in the case of a Substitute Rating Agency) or higher by Moody's and S&P (or, in either case, a Substitute Rating Agency therefor), respectively (or one of these ratings if the Notes are only rated by one Rating Agency). In such case, the interest rate on the notes will be the interest rate payable on each of the 2026 Notes and 2029 Notes on the date of their initial issuance.

(f) Each adjustment required by any decrease or increase in a rating set forth above (or an equivalent rating, in either case of any Substitute Rating Agency or under any successor rating categories of Moody's or S&P, as the case may be), whether occasioned by the action of Moody's or S&P (or, in either case, a Substitute Rating Agency therefor), shall be made independent of any and all other adjustments; provided, however, in no event shall (1) the interest rate on each of the 2026 and 2029 Notes be reduced to below the interest rate payable on each of such notes on the date of their initial issuance, or (2) the total increase in the interest rate on each of the 2026 and 2029 Notes exceed 2.000% above the interest rate payable on each of such notes on the date of their initial issuance.

(g) Except as provided in this paragraph and the immediately following paragraph, no adjustments in the interest rate of each of the 2026 Notes and 2029 Notes shall be made solely as a result of a Rating Agency ceasing to provide a rating of such notes. If at any time fewer than two rating agencies provide a rating of each of the notes for any reason beyond the Issuer's control, the Issuer will use its commercially reasonable efforts to obtain a rating of such notes from a Substitute Rating Agency, to the extent one exists, and if a Substitute Rating Agency exists, for purposes of determining any increase or decrease in the interest rate on the notes pursuant to the tables above:

(i) such Substitute Rating Agency will be substituted for the last Rating Agency to provide a rating of each of the 2026 Notes and the 2029 Notes, but has since ceased to provide such rating;

(ii) the relative rating scale used by such Substitute Rating Agency to assign ratings to senior unsecured debt will be determined in good faith by an independent investment banking institution of national standing appointed by the Issuer and, for purposes of determining the applicable ratings included in the applicable tables in this paragraph (b) and (c) above with respect to such Substitute Rating Agency, such ratings will be deemed to be the equivalent ratings used by Moody's or S&P, as applicable, in such table; and

(iii) the interest rate on each of the 2026 Notes and the 2029 Notes will increase or decrease, as the case may be, such that the interest rate equals the interest rate payable on the Notes of such series on the date of their initial issuance, plus the appropriate percentage, if any, set forth opposite the rating from such Substitute Rating Agency in the applicable table above (taking into account the provisions of clause (i) above) (plus any applicable percentage resulting from a decreased rating by the other rating agency).

(h) For so long as only one Rating Agency provides a rating of each of the 2026 Notes and the 2029 Notes, any subsequent increase or decrease in the interest rate of such notes necessitated by a reduction or increase in the rating by the Rating Agency providing the rating shall be twice the percentage set forth in the applicable table above. For so long as none of Moody's, S&P or a Substitute Rating Agency provides a rating of the Notes of either the 2026 Notes or 2029 Notes, the interest rate on the notes of such series will increase to, or remain at, as the case may be, 2.000% above the interest rate payable on the notes of such series on the date of their initial issuance. If Moody's or S&P either ceases to rate either the 2026

Notes or 2029 Notes for reasons within the Issuer's control or ceases to make a rating of the notes of such series publicly available for reasons within the Issuer's control, the Issuer will not be entitled to obtain a rating from a Substitute Rating Agency and the increase or decrease in the interest rate of the notes of such series shall be determined in the manner described above as if either only one or no Rating Agency provides a rating of the notes of such series.

(i) Any interest rate increase or decrease described above will take effect from the first day of the interest period, commencing after the date on which a rating change occurs that requires an adjustment in the interest rate. As such, interest will not accrue at such increased or decreased rate until the next interest payment date following the date on which the rating change occurs. If Moody's, or S&P (or, in either case, a Substitute Rating Agency therefor) changes its rating of either the 2026 Notes or 2029 Notes more than once during any particular interest period, the last change by such agency will control for purposes of any interest rate increase or decrease with respect to the notes of such series described above relating to such rating agency's action.

(j) If the interest rate payable on the 2026 Notes and 2029 Notes increased as described under this paragraph, the term "interest," as used with respect to each of the 2026 Notes and the 2029 Notes, will be deemed to include any such additional interest unless the context otherwise requires.

The interest rate and the amount of interest payable on the 2026 Notes and the 2029 Notes will be determined and calculated by the Issuer.

#### **Paying Agent and Payments on the Notes**

Principal of, premium, if any, and interest on the Notes is payable at the office of the Paying Agent or, at the option of the Issuer, payment of interest may be made by check mailed to the holders of the Notes at their respective addresses set forth in the register of holders; *provided* that all payments of principal, premium, if any, and interest with respect to the Notes represented by one or more global notes deposited with, or on behalf of, a common depositary, and registered in the name of the nominee of the common depositary for the accounts of Clearstream and Euroclear are made through the facilities of the common depositary. The Issuer may change the paying agent without prior notice to the holders and the Issuer or any of its Subsidiaries may act as paying agent. The Issuer has undertaken to maintain a paying agent in a member state of the European Union that, to the extent permitted by law, will not be obliged to withhold or deduct tax pursuant to the European Union Directive 2003/48/EC regarding the taxation of savings income in relation to the Notes.

#### **Registrar and Transfer Agent for the Notes**

Deutsche Bank Trust Company Americas is the registrar and transfer agent for the 2023 Notes, the 2025 Notes, the 2027 Notes and the 2028 Notes. U.S. Bank Trust Company, National Association is the registrar and transfer agent for the 2026 Notes and the 2029 Notes. The Issuer may change the registrar and the transfer agent without prior notice to the holders, and the Issuer or any of its Subsidiaries may act as the registrar or the transfer agent.

#### **Transfer and Exchange**

A holder may transfer or exchange Notes in accordance with the Indenture. The Transfer Agent may require a holder to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. Holders will be required to pay all taxes due on transfer. The Issuer is not required to transfer or

exchange any Note selected for redemption or repurchase. Also, the Issuer is not required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed or repurchased.

Transfers of book-entry interests in the Notes between participants in Euroclear or participants in Clearstream will be effected by Euroclear and Clearstream pursuant to customary procedures and subject to the applicable rules and procedures established by Euroclear or Clearstream and their respective participants.

### **Guarantees**

The Notes are guaranteed by the Company and by each direct and indirect Subsidiary that guarantees the Issuer's obligations under the Credit Agreement (the "Subsidiary Guarantors"), subject to the provisions regarding the release and discharge of Guarantees described herein. The Guarantors jointly and severally guarantee the Issuer's obligations under the Indenture and the Notes on a senior unsecured, full and unconditional basis. The obligations of each Guarantor (other than a company that is a direct or indirect parent of the Issuer) under its Guarantee are limited as necessary to prevent the Guarantee from constituting a fraudulent conveyance or fraudulent transfer under applicable law. By virtue of this limitation, a Guarantor's obligation under its Guarantee could be significantly less than amounts payable with respect to the Notes, or a Guarantor may have effectively no obligation under its Guarantee. In an effort to alleviate the effect of this limitation, each Guarantor that makes a payment or distribution under a Guarantee is entitled to a contribution from each other Guarantor (if any) in an amount pro rata, based on the net assets of each Guarantor.

Each Guarantor may consolidate with or merge into or sell its assets to the Issuer or another Guarantor without limitation, or with, into or to any other Person upon the terms and conditions set forth in the Indenture. See "-Certain Covenants-Merger, Consolidation or Sale of Assets."

A Guarantor (other than a company that is a direct or indirect parent of the Issuer except in the case of clause (a)(i)(B) or (E) below) shall be automatically and unconditionally released and discharged from all of its obligations under its Guarantee of the Notes if (a) (i) (A) all of its assets or Capital Stock is sold or transferred, (B) the Guarantor merges with or into, or consolidates with or amalgamates with, or transfers all or substantially all of its assets to, another Person in compliance with the covenant described under "-Certain Covenants-Merger, Consolidation or Sale of Assets," (C) such Guarantor ceases to be a Subsidiary of the Issuer in connection with any (direct or indirect) sale of Capital Stock or other transaction; or (D) the notes are subject to legal defeasance or the Indenture is satisfied and discharged as provided below under the captions "-Legal Defeasance and Covenant Defeasance" and "-Satisfaction and Discharge;" and (ii) such Guarantor is released from its guarantee of the Credit Agreement or (b) such Guarantor ceases to, or substantially contemporaneously with the release of such Guarantor's obligation under its Guarantee hereunder will cease to, or at such time does not, guarantee the Issuer's obligations under the Credit Agreement; provided that such Guarantor has delivered to the Trustee a certificate of a Responsible Officer (in the case of the 2026 Notes and the 2029 Notes, an Officers' Certificate) and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to such transaction have been complied with.

### **Issuance in Euro**

All payments of interest and principal, including payments made upon any redemption of the Notes, are payable in euros. If the euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if the euro is no longer being used by the then member states of the

European Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the Notes will be made in dollars until the euro is again available to us or so used. The amount payable on any date in euros will be converted into dollars on the basis of the most recently available market exchange rate for euro. Any payment in respect of the Notes so made in dollars will not constitute an event of default under the Notes or the Indenture. Neither the Trustee nor the Paying Agent shall have any responsibility for any calculation or conversion in connection with the foregoing.

## **Ranking**

### *Senior Debt*

The Notes are general unsecured obligations of the Issuer that rank senior in right of payment to all existing and future Indebtedness that is expressly subordinated in right of payment to the Notes. The Notes rank equally in right of payment with all existing and future liabilities of the Issuer that are not so subordinated and will be effectively subordinated to (a) all of the Issuer's Secured Debt, if any, to the extent of the value of the assets securing such Indebtedness and (b) liabilities of our Subsidiaries that do not guarantee the Notes. In the event of bankruptcy, liquidation, reorganization or other winding up of the Issuer or the Guarantors or upon a default in payment with respect to, or the acceleration of, any senior secured Indebtedness, the assets of the Issuer and the Guarantors that secure such senior secured Indebtedness will be available to pay obligations on the Notes and the Guarantees only after all Indebtedness under such senior secured Indebtedness has been repaid in full from such assets. We advise you that there may not be sufficient assets remaining to pay amounts due on any or all the Notes and the Guarantees then outstanding.

### *Liabilities of Subsidiaries versus Notes*

Some of the Subsidiaries of the Issuer do not guarantee the Notes, and, as described above under "-Guarantees," Guarantees of Subsidiaries may be released under certain circumstances. In addition, future Subsidiaries of the Issuer may not be required to guarantee the Notes. Claims of creditors of any Subsidiaries that are not Guarantors, including trade creditors and creditors holding indebtedness or guarantees issued by such Subsidiaries, and claims of preferred stockholders of such Subsidiaries generally have priority with respect to the assets and earnings of such Subsidiaries over the claims of creditors of the Issuer, including holders of the Notes. Accordingly, the Notes and each Guarantee are effectively subordinated to creditors (including trade creditors) and preferred stockholders, if any, of such Subsidiaries that are not Guarantors.

The Indenture does not impose any limitation on the incurrence of unsecured Indebtedness and preferred stock by the Issuer and certain of its Subsidiaries.

## **Redemption**

### *Optional Redemption*

Each series of Notes may be redeemed, in whole or in part, at the option of the Issuer upon not less than 30 days' prior notice, except with respect to the 2028 Notes, 10 days' prior notice, nor more than 60 days' prior notice sent to each holder's registered address, at a redemption price equal to, in the case of the 2023 Notes, 100% of the principal amount of the Notes redeemed *plus* the Applicable Premium as of, and accrued and unpaid interest to the applicable redemption date (subject to the right of holders of record on

the relevant record date to receive interest due on the relevant interest payment date), and in the case of the 2025 Notes, 2026 Notes, 2027 Notes, 2028 Notes, and the 2029 Notes, the greater of:

- 100% of the principal amount of the Notes redeemed; and
- the sum of the present values of the remaining scheduled payments of principal and interest (at the rate in effect on the date of calculation of the redemption price) on the Notes to be redeemed that would be due if such Notes matured on November 11, 2024, with respect to the 2025 Notes, June 19, 2026, with respect to the 2026 Notes, December 1, 2026, with respect to the 2027 Notes, June 10, 2028, with respect to the 2028 Notes, or November 19, 2028, with respect to the 2029 Notes (exclusive of interest accrued to the date of redemption), discounted to the date of redemption on an annual basis (ACTUAL/ACTUAL (ICMA)) at the Bund Rate plus 20 basis points (in the case of the 2025 Notes and the 2028 Notes), 30 basis points (in the case of the 2027 Notes) or 50 basis points (in the case of the 2026 Notes and the 2029 Notes).

In addition, commencing June 26, 2023, with respect to the 2023 Notes (three months prior to the maturity of the 2023 Notes), November 11, 2024, with respect to the 2025 Notes (three months prior to the maturity of the 2025 Notes), June 19, 2026 (one month prior to the maturity date of the 2026 Notes), December 1, 2026 with respect to the 2027 Notes (three months prior to the maturity of the 2027 Notes), June 10, 2028 (three months prior to the maturity of the 2028 Notes), and November 19, 2028 (two months prior the maturity date of the 2029 Notes), the Issuer may redeem the applicable series of Notes, in whole or in part, at any time and from time to time, upon not less than 30 days' prior notice, except with respect to the 2026 Notes, 2028 Notes and 2029 Notes, 10 days' prior notice, nor more than 60 days' prior notice sent to each holder's registered address, at a redemption price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest to the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

The Issuer may also acquire Notes by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws, so long as such acquisition does not otherwise violate the terms of the Indenture.

#### *Mandatory Redemption*

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the 2023 Notes, the 2025 Notes, the 2027 Notes and the 2028 Notes.

#### *Redemption for Tax Reasons*

If, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated under the laws) of the United States, or any change in, or amendments to, an official position regarding the application or interpretation of such laws, regulations or rulings (including by virtue of a holding, judgment or order by a court of competent jurisdiction or a change in published administrative practice) which change or amendment is announced and becomes effective after the date of the prospectus supplement relating to a series of Notes, the Issuer becomes or will become obligated to pay Additional Amounts on such series of Notes as described under the heading "- Payment of Additional Amounts" with respect to such Notes (and such obligation cannot be avoided by taking reasonable measures available to the Issuer), then the Issuer may, at any time at its option, redeem, in whole, but not in part, the Notes of such series on not less than 15 nor more than 60 days prior notice to the holders of such Notes, at a redemption price equal to 100% of their principal amount, together with accrued and unpaid interest (if any) on the Notes being redeemed to, but excluding, the redemption date (subject to the rights of holders

of record on the relevant record date to receive interest due on the relevant interest date and Additional Amounts, if any, in respect thereof) and all Additional Amounts, if any, then due and which will become due on the redemption date as a result of the redemption or otherwise; provided, however, that the notice of redemption shall not be given earlier than 90 days before the earliest date on which the Issuer would be obligated to pay such Additional Amounts if a payment in respect of such Notes were then due and unless at the time such notice is given such obligation to pay Additional Amounts remains in effect (or will be in effect at the time of such redemption). Prior to any such notice of redemption, the Issuer will deliver to the Trustee (a) an Officer's Certificate stating that it is entitled to effect such redemption and that the obligation to pay Additional Amounts cannot be avoided by taking reasonable measures available to it and (b) a written opinion of independent counsel selected by the Issuer to the effect that the Issuer has been or will become obligated to pay Additional Amounts.

The Trustee and paying agent will accept and will be entitled to conclusively rely upon the Officer's Certificate and opinion of counsel as sufficient evidence of the satisfaction of the conditions precedent described above for the Issuer to exercise its right to redeem such Notes, which determination will be conclusive and binding on the holders.

### **Payment of Additional Amounts**

All payments by the Issuer or any Guarantor on the Notes or any Guarantee will be made free and clear of and without withholding or deduction for or on account of any present or future tax, assessment or other governmental charges and any penalties, interest or additions to tax with respect thereto (each a "tax") imposed by the United States, unless the withholding or deduction of such taxes is required by law or the official interpretation or administration thereof.

If any taxes imposed by the United States are required to be withheld or deducted in respect of any payment made under or with respect to any series of Notes or any Guarantee, the Issuer or applicable Guarantor will, subject to the exceptions and limitations set forth below, pay additional amounts ("Additional Amounts") as are necessary in order that the net amounts received in respect of such payments by each beneficial owner who is not a United States person after such withholding or deduction by any applicable withholding agent (including any withholding or deduction in respect of such Additional Amounts) will equal the amounts which would have been received in respect of such payments on any such Note or Guarantee in the absence of such withholding or deduction; provided, however, that the foregoing obligation to pay additional amounts shall not apply:

(a) to any tax to the extent such tax is imposed by reason of the holder (or the beneficial owner for whose benefit such holder holds such Note), or a fiduciary, settlor, beneficiary, member or stockholder of the holder if the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:

(i) being or having been engaged in a trade or business in the United States or having or having had a permanent establishment in the United States;

(ii) having or having had any other connection with the United States (other than a connection arising solely as a result of the ownership of such Notes, the receipt of any payment or the enforcement of any rights under such Notes or Guarantee), including being or having been a citizen or resident of the United States;

(iii) being or having been a personal holding company, a passive foreign investment company or a controlled foreign corporation for United States federal income tax purposes or a corporation that has accumulated earnings to avoid United States federal income tax;

(iv) being or having been a "10-percent shareholder" of the Company as defined in section 871(h)(3) of the United States Internal Revenue Code of 1986, as amended (the "Code"); or

(v) being or having been a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business, as described in section 881(c)(3)(A) of the Code or any successor provisions;

(b) to any holder that is not the sole beneficial owner of such Notes or that is a fiduciary, partnership or limited liability company, but only to the extent that a beneficial owner with respect to the holder, a beneficiary or settlor with respect to the fiduciary, or a beneficial owner or member of the partnership or limited liability company would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

(c) to any tax to the extent such tax would not have been imposed but for the failure of the holder or the beneficial owner to comply with certification, identification or other information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of such Notes, if compliance is required by statute, by regulation of the United States or any taxing authority therein or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from, or reduction of, such tax, but only to the extent that the holder or beneficial owner is legally eligible to provide such certification or other evidence;

(d) to any tax that is imposed otherwise than by withholding or deduction in respect of a payment on such Notes or Guarantee;

(e) to any estate, inheritance, gift, sales, transfer, wealth or similar tax;

(f) to any withholding or deduction that is imposed on a payment to a holder or beneficial owner and that is required to be made pursuant to any law implementing or complying with, or introduced in order to conform to, any European Union Directive on the taxation of savings;

(g) to any tax required to be withheld by any paying agent from any payment of principal of or interest on such Note, if such payment can be made without such withholding by at least one other paying agent;

(h) to any tax to the extent such tax would not have been imposed or levied but for the presentation by the holder or beneficial owner of such Note, where presentation is required, for payment on a date more than 30 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(i) to any tax to the extent such tax is imposed or withheld solely by reason of the beneficial owner being a bank (1) purchasing such Notes in the ordinary course of its lending business or (2) that is neither (A) buying such Notes for investment purposes only nor (B) buying such Notes for resale to a third-party that either is not a bank or holding such Notes for investment purposes only;

(j) to any tax imposed under sections 1471 through 1474 of the Code as of the issue date (or any amended or successor provision that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to current section 1471(b) of the Code (or any amended or successor version described above) or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement (or related laws or official administrative practices) implementing the foregoing; or

(k) in the case of any combination of clauses (a) through (j).

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable to the Notes. Except as specifically provided under this heading "- Payment of Additional Amounts," the Issuer (or any Guarantor, if applicable) will not be required to make any payment for any tax imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

The Issuer or applicable Guarantor will use reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any taxes so deducted or withheld, or other evidence reasonably satisfactory to the Trustee, and will provide such copies or other evidence to the Trustee.

The foregoing obligations will survive any termination, defeasance or discharge of the Indenture and will apply *mutatis mutandis* to any successor to the Issuer or any Guarantor.

### **Repurchase at the Option of Holders**

#### *Change of Control Offer*

If a Change of Control Event occurs with respect to a series of Notes, each holder of such Notes will have the right to require the Issuer to repurchase all or any part (equal to €100,000 or an integral multiple of €1,000 in excess thereof) of that holder's Notes of such series pursuant to a Change of Control Offer on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer will offer a Change of Control Payment in cash equal to 101% of the aggregate principal amount of the Notes repurchased plus accrued and unpaid interest on the Notes repurchased, to the date of purchase. Within 30 days following any Change of Control Event, the Issuer will send a notice to each holder of the relevant series of Notes describing the transaction or transactions that constitute the Change of Control and offering to repurchase such Notes on the Change of Control Payment Date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is sent, pursuant to the procedures required by the Indenture and described in such notice. The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of such Notes as a result of a Change of Control Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(a) accept for payment all Notes of such series or portions of Notes of such series properly tendered pursuant to the Change of Control Offer;

(b) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes of such series or portions of Notes of such series properly tendered; and

(c) deliver or cause to be delivered to the Trustee the Notes of such series properly accepted together with an officers' certificate stating the aggregate principal amount of Notes of such series or portions of Notes of such series being purchased by the Issuer.

The Paying Agent will promptly distribute to each holder of such Notes properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each new Note will be in a principal amount of €1,000, or €100,000 in the case of the 2028 Notes, or an integral multiple of €1,000 in excess thereof.

The provisions described above that require the Issuer to make a Change of Control Offer following a Change of Control Event will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control Event, the Indenture contains no provisions that permit the holders of the Notes to require that the Issuer repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes of the relevant series properly tendered and not withdrawn under the Change of Control Offer or (2) notice of redemption has been given pursuant to the Indenture as described above under the caption "-Optional Redemption," unless and until there is a default in the payment of the applicable redemption price. Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control Event or conditional upon the occurrence of a Change of Control Event, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made and such Change of Control Offer is otherwise made in compliance with the provisions of this covenant.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Issuer and its Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require the Issuer to repurchase its Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Issuer and its Subsidiaries taken as a whole to another Person or group may be uncertain.

#### **Selection and Notice**

If less than all of the Notes of a series are to be redeemed at any time, the Transfer Agent will select the relevant Notes for redemption or purchase on a *pro rata* basis or by lot in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof based on a method that most nearly approximates *pro rata* or by lot selection as is practicable in accordance with Clearstream and Euroclear guidelines, unless otherwise required by law or applicable stock exchange or depositary requirements.

The Transfer Agent will promptly notify the Issuer in writing of the Notes selected for redemption or purchase and, in the case of any series of Notes selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. No Notes having principal of less than minimum

denominations of €100,000 and integral multiples of €1,000 in excess thereof shall be redeemed in part; except that if all of the Notes of a series held by a holder are to be redeemed or purchased, the entire outstanding amount of the Notes of such series held by the holder shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of the Indenture that apply to the Notes of a series called for redemption or purchase also apply to portions of the Notes of such series called for redemption or purchase.

Notices of redemption will be sent at least 30 days, except with respect to the 2028 Notes, the 2026 Notes and the 2029 Notes, 10 days, but not more than 60 days before the redemption date to each holder of Notes to be redeemed at its registered address, except that redemption notices may be sent more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of Notes or a satisfaction and discharge of the Indenture with respect to a series of Notes. Notices of redemption may not be conditional, except in the case of the 2026 Notes, the 2028 Notes, and the 2029 Notes as described below.

With respect to the 2026 Notes, 2028 Notes, and the 2029 Notes, Notice of any redemption of the notes in connection with a transaction or an event may, at our discretion, be given prior to the completion or the occurrence thereof. Any redemption or notice may, at our discretion, be subject to one or more conditions precedent, including, but not limited to, completion or occurrence of a related transaction or event (such as an equity or equity-linked offering, an incurrence of indebtedness or an acquisition or other strategic transaction involving a change of control in us or another entity). At our discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date as so delayed. We will provide written notice to the trustee prior to the close of business two Business Days prior to the redemption date if any such redemption has been rescinded or delayed, and upon receipt the trustee will provide such notice to each holder of the notes to be redeemed in the same manner in which the notice of redemption was given.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the holder of Notes upon cancellation of the original Note. However, no Notes of less than minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof will be redeemed in part. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption if funds sufficient to pay the redemption price have been deposited with a paying agent.

#### **Certain Covenants**

##### *Liens*

The Issuer will not, and will not permit any Subsidiary to, create, incur, issue, assume or guarantee any Indebtedness secured by a Lien (other than Permitted Liens) upon any Principal Property or Capital Stock of any Subsidiary that directly owns any Principal Property without in any such case making or causing to be made effective provision whereby the Notes (together with, if the Issuer shall so determine, any other Indebtedness of the Company or such Subsidiary then existing or thereafter created which is not subordinate to the Notes) shall be secured equally and ratably with (or prior to) such Indebtedness, so long as such Indebtedness shall be so secured, unless after giving effect thereto, the aggregate amount (without duplication) of all such Indebtedness plus all Attributable Debt of the Issuer and its Subsidiaries

in respect of any Sale and Leaseback Transaction would not exceed 15% of Consolidated Net Tangible Assets.

*Sale / Lease-Back Transactions*

The Issuer will not, and will not permit any of its Subsidiaries to, enter into any Sale and Lease-Back Transaction with respect to any Principal Property unless,

(a) the Issuer or such Subsidiary would be entitled to create, incur, issue, assume or guarantee Indebtedness secured by a Lien pursuant to the provisions described under "Certain Covenants-Liens" on the Principal Property to be leased in an amount equal to the Attributable Debt with respect to such Sale and Leaseback Transaction without equally and ratably securing the Notes;

(b) the Issuer or such Subsidiary shall apply, within 180 days of the effective date of any such arrangement, an amount not less than the greater of (i) the net proceeds of the sale of such Principal Property or (ii) the fair market value (as determined by the Board of Directors) of such Principal Property to either the prepayment or retirement (other than any mandatory prepayment or retirement) of Indebtedness incurred or assumed by the Issuer or such Subsidiary (other than Indebtedness owned by Issuer or any of its Subsidiaries) which by its terms matures at or is extendible or renewable at the option of the obligor to a date more than twelve months after the date of the creation of such Indebtedness, or to the acquisition, construction or improvement of a manufacturing plant or manufacturing facility; or

(c) the Attributable Debt of the Issuer or such Subsidiary in respect of such Sale and Lease-Back Transaction and all other Sale and Lease-Back Transactions entered into after the Issue Date (other than any such Sale and Lease-Back Transaction as would be permitted as described in clauses (a) and (b) of this covenant, plus the aggregate principal amount of Indebtedness secured by Liens then outstanding (not including any such Indebtedness secured by Permitted Liens) which do not equally and ratably secure the Notes (or secure the Notes on a basis that is prior to other Indebtedness secured thereby) would not exceed 15% of Consolidated Net Tangible Assets.

*Merger, Consolidation or Sale of Assets*

***Consolidation, Merger or Sale of Assets of the Issuer***

The Issuer may not, directly or indirectly: (a) consolidate or merge with or into or wind up into another Person (whether or not the Issuer is the surviving Person); or (b) sell, assign, transfer, convey or otherwise dispose of all or substantially all of its properties or assets, in one or more related transactions, to another Person; unless:

(i) either: (1) the Issuer is the surviving Person; or (2) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation, limited liability company or limited partnership organized or existing under the laws of the jurisdiction of organization of the Issuer or the United States, any state of the United States, the District of Columbia (or any territory thereof, except in the case of the 2026 Notes and the 2029 Notes) (the Issuer or such Person, as the case may be, hereinafter referred to as the "Successor Company");

(ii) the Successor Company (if other than the Issuer) expressly assumes all the obligations of the Issuer under the Indenture and all debt securities issued thereunder pursuant to agreements reasonably satisfactory to the Trustee;

(iii) immediately after such transaction no Default or Event of Default exists;

(iv) each Guarantor, unless it is the other party to the transactions described above, in which case clause (ii) shall apply, shall have confirmed in writing that its Guarantee shall apply to such Person's obligations under the Notes and the Indenture; and

(v) the Issuer shall have delivered to the Trustee a certificate from a Responsible Officer and an opinion of counsel, each stating that such consolidation, merger or transfer and such amendment or supplement (if any) comply with the Indenture.

The Successor Company will succeed to, and be substituted for, the Issuer under the Indenture and the Notes. Notwithstanding the foregoing clauses (iii) and (iv), (x) any Subsidiary may consolidate with, merge into or transfer all or part of its properties and assets to the Issuer or to another Subsidiary and (y) the Issuer may merge with an Affiliate incorporated solely for the purpose of reincorporating the Issuer in a (or another) state of the United States, so long as the amount of Indebtedness of the Issuer and its Subsidiaries is not increased thereby.

***Consolidation, Merger or Sale of Assets by a Guarantor***

Subject to the provisions described under "-Guarantees-Release," no Guarantor shall consolidate or merge with or into or wind up into (whether or not such Guarantor is the surviving Person), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions to, any Person, unless:

(a) such Guarantor is the surviving Person or the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation, limited liability company or limited partnership organized or existing under the laws of the United States, any state thereof, the District of Columbia (or any territory thereof, except in the case of the 2026 Notes and the 2029 Notes) (such Guarantor or such Person, as the case may be, being herein called the "Successor Guarantor");

(b) the Successor Guarantor (if other than such Guarantor) expressly assumes all the obligations of such Guarantor under the Indenture pursuant to supplemental indentures or other documents or instruments in form reasonably satisfactory to the Trustee;

(c) immediately after such transaction no Default or Event of Default exists; and

(d) the Issuer shall have delivered to the Trustee a certificate from a Responsible Officer and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such amendment or supplement (if any) comply with the Indenture.

The Successor Guarantor will succeed to, and be substituted for, such Guarantor under the Indenture. Notwithstanding the foregoing, (i) a Guarantor may merge with an Affiliate incorporated solely for the purpose of reincorporating such Guarantor in another state of the United States, the District of Columbia (or any territory thereof, except in the case of the 2026 Notes and the 2029 Notes), so long as the amount of Indebtedness of the Guarantor is not increased thereby, (ii) any Guarantor may merge into or transfer all or part of its properties and assets to the Issuer or another Guarantor and (iii) a transfer of assets or Capital Stock of any Guarantor shall be permitted (including all or substantially all the assets of any Guarantor). Notwithstanding anything to the contrary herein, except as expressly permitted under the

Indenture no Guarantor shall be permitted to consolidate with, merge into or transfer all or part of its properties and assets to the Company.

*Additional Guarantees*

The Issuer will cause each Subsidiary that guarantees any Indebtedness of the Issuer or any of the Guarantors under the Credit Agreement, in each case, substantially at the same time, to execute and deliver to the Trustee a Guarantee pursuant to which such Subsidiary will unconditionally Guarantee, on a joint and several basis, the full and prompt payment of the principal of, premium, interest and additional amounts, if any, on the Notes and all other obligations under the Indenture on the same terms and conditions as those set forth in the Indenture.

*Reports*

Whether or not required by the Commission, so long as any Notes are outstanding, the Issuer will electronically file with the Commission by the respective dates specified in the Commission's rules and regulations (each a "Required Filing Date"), unless, in any such case, such filings are not then permitted by the Commission:

(a) all quarterly and annual financial information that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Issuer were required to file such Forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report on the annual financial statements by the Issuer's certified independent accountants; and

(b) all current reports that would be required to be filed with the Commission on Form 8-K if the Issuer were required to file such reports;

If such filings with Commission are not then permitted by the Commission, or such filings are not generally available on the Internet free of charge, the Issuer will, within 15 days of each Required Filing Date, transmit by mail to holders of the Notes, as their names and addresses appear in the note register, without cost to such holders of the Notes, and file with the Trustee copies of the information or reports that the Issuer would be required to file with the Commission pursuant to the first paragraph if such filing were then permitted.

So long as the Parent Guarantor complies with the requirements of Rules 3-10 and 13-01 of Regulation S-X promulgated by the Commission (or any successor provision), the reports, information and other documents required to be filed and furnished to holders of the Notes pursuant to this covenant may, at the option of the Issuer, be filed by and be those of the Company rather than the Issuer.

The availability of the foregoing reports on the Commission's EDGAR service (or successor thereto) shall be deemed to satisfy the Issuer's delivery obligations to the Trustee and holders.

Delivery of such reports, information and documents to the Trustee is for informational purposes only, and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuer's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

## Events of Default and Remedies

Under the Indenture, an "Event of Default" with respect to Notes of a particular series is defined as any of the following:

- (a) the Issuer defaults in payment when due and payable, upon redemption, acceleration or otherwise, of principal of, or premium, if any, on such Notes;
- (b) the Issuer defaults in the payment when due of interest on or with respect to such Notes and such default continues for a period of 30 days;
- (c) the Issuer defaults in the performance of, or breaches any covenant, warranty or other agreement contained in the Indenture (other than a default in the performance or breach of a covenant, warranty or agreement which is specifically dealt with in clauses (a) or (b) above) and such default or breach continues for a period of 60 days after the notice specified below;
- (d) a default under any mortgage, indenture or instrument under which there is issued or by which there is secured or evidenced any Indebtedness for money borrowed by the Issuer or any Subsidiary (other than Indebtedness under a Qualified Securitization Financing), in the case of the 2023 Notes, or any Subsidiary Guarantor (other than Indebtedness under a Qualified Securitization Financing), in the case of the 2025 Notes, the 2026 Notes, the 2027 Notes, the 2028 Notes, and the 2029 Notes or the payment of which is guaranteed by the Issuer or any Subsidiary (other than Indebtedness under a Qualified Securitization Financing) (other than Indebtedness owed to the Issuer or a Subsidiary), in the case of the 2023 Notes, or any Subsidiary Guarantor (other than Indebtedness under a Qualified Securitization Financing) (other than Indebtedness owed to the Issuer or a Subsidiary), in the case of the 2025 Notes, the 2026 Notes, the 2027 Notes, the 2028 Notes, and the 2029 Notes, whether such Indebtedness or guarantee existed prior to the issuance of such Notes or was created after the issuance of such Notes, if (i) such default either (1) results from the failure to pay any such Indebtedness at its stated final maturity (after giving effect to any applicable grace periods) or (2) relates to an obligation other than the obligation to pay principal of any such Indebtedness at its stated final maturity and results in the holder or holders of such Indebtedness causing such Indebtedness to become due prior to its stated maturity and (ii) the principal amount of such Indebtedness, together with the principal amount of any other such Indebtedness in default for failure to pay principal at stated final maturity (after giving effect to any applicable grace periods), or the maturity of which has been so accelerated, aggregate \$100 million or more at any one time outstanding;
- (e) certain events of bankruptcy affecting the Issuer or any Significant Subsidiary, in the case of the 2023 Notes, or affecting the Issuer or any Guarantor that is a Significant Subsidiary, in the case of the 2025 Notes, 2026 Notes, 2027 Notes, 2028 Notes, and the 2029 Notes;
- (f) in the case of the 2023 Notes, the Issuer or any Significant Subsidiary fails to pay final judgments (other than any judgments covered by insurance policies issued by reputable and creditworthy insurance companies) aggregating in excess of \$100 million, which final judgments remain unpaid, undischarged and unstayed for a period of more than 60 days after such judgment becomes final, and an enforcement proceeding has been commenced by any creditor upon such judgment or decree which is not promptly stayed; or
- (g) any Guarantee of a Significant Subsidiary with respect to such series of Notes fails to be in full force and effect (except as contemplated by the terms thereof) or any Guarantor (other than the Company) denies or disaffirms its obligations under its Guarantee and such Default continues for 10 days.

A default under one series of Notes or other debt securities issued under the Indenture will not necessarily be a default under another series of Notes or other debt securities issued under the Indenture. The Trustee may withhold notice to the holders of a series of Notes of any Default or Event of Default (except in any payment on the Notes of such series) if the Trustee considers it in the interest of the holders of the Notes of that series to do so.

If an Event of Default (other than an Event of Default specified in clause (e) above with respect to the Issuer) for a series of Notes shall occur and be continuing, the Trustee or the holders of at least 25% in principal amount of outstanding Notes of such series may declare the principal of and accrued interest on such Notes to be due and payable by notice in writing to the Issuer and the Trustee specifying the respective Event of Default and that it is a "notice of acceleration," and the same shall become immediately due and payable. Notwithstanding the foregoing, if an Event of Default specified in clause (e) above with respect to the Issuer occurs and is continuing, then all unpaid principal of, and premium, if any, and accrued and unpaid interest on all of the outstanding Notes of such series shall ipso facto become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holder of the Notes.

The Indenture provides that, at any time after a declaration of acceleration with respect to a series of Notes as described in the preceding paragraph, the holders of a majority in principal amount of the outstanding Notes of such series may rescind and cancel such declaration and its consequences:

- (a) if the rescission would not conflict with any judgment or decree;
- (b) if all existing Events of Default have been cured or waived except nonpayment of principal or interest that has become due solely because of the acceleration;
- (c) to the extent the payment of such interest is lawful, interest on overdue installments of interest and overdue principal, which has become due otherwise than by such declaration of acceleration, has been paid;
- (d) if the Issuer has paid the Trustee its reasonable compensation and reimbursed the Trustee for its expenses, disbursements and advances; and
- (e) in the event of the cure or waiver of an Event of Default of the type described in clause (5) of the description above of Events of Default, the Trustee shall have received an Officers' Certificate and an opinion of counsel that such Event of Default has been cured or waived.

No such rescission shall affect any subsequent Default or impair any right consequent thereto.

The holders of a majority in principal amount of the Notes of a series may waive any existing Default or Event of Default under the Indenture with respect to such series, and its consequences, except a default in the payment of the principal of or interest on such Notes.

In the event of any Event of Default specified in clause (e) of the first paragraph above, such Event of Default and all consequences thereof (excluding, however, any resulting payment default) will be annulled, waived and rescinded, automatically and without any action by the Trustee or the holders of such Notes, if within 20 days after such Event of Default arose the Issuer delivers an Officers' Certificate to the Trustee stating that (x) the Indebtedness or guarantee that is the basis for such Event of Default has been discharged or (y) the holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default or (z) the default that is the basis for such Event of

Default has been cured, it being understood that in no event shall an acceleration of the principal amount of such Notes as described above be annulled, waived or rescinded upon the happening of any such events.

Holders of the Notes of any series may not enforce the Indenture or the Notes of that series except as provided in the Indenture and under the Trust Indenture Act of 1939, as amended. Subject to the provisions of the Indenture relating to the duties of the Trustee, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request, order or direction of any of the holders of the Notes of any series, unless such holders have offered to the Trustee indemnity reasonably satisfactory to it. Subject to all provisions of the Indenture and applicable law, the holders of a majority in aggregate principal amount of the then outstanding Notes of a series have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee relating to such series.

The Issuer is required to deliver to the Trustee annually a statement regarding compliance with the Indenture. Upon becoming aware of any Default or Event of Default, the Issuer is required to deliver to the Trustee a statement specifying such Default or Event of Default.

#### **No Personal Liability of Directors, Officers, Employees and Stockholders**

No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor or any direct or indirect parent entity, as such, will have any liability for any obligations of the Issuer or any Guarantor under the Notes, the Indenture, any Guarantee or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note has waived and released all such liability. The waiver and release were part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

#### **Legal Defeasance and Covenant Defeasance**

The Issuer may, at its option and at any time, elect to have all of its obligations discharged with respect to the outstanding Notes of a series (Legal Defeasance) except for:

- (a) the rights of holders of outstanding Notes of such series to receive payments in respect of the principal of, or interest or premium, if any, on such Notes when such payments are due from the trust referred to below;
- (b) the Issuer's obligations with respect to the Notes of such series concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;
- (c) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer's obligations in connection therewith; and
- (d) the Legal Defeasance provisions of the Indenture.

In addition, the Issuer may, at its option and at any time, elect to have the obligations of the Issuer with respect to a series of Notes released with respect to certain covenants that are described in the Indenture (Covenant Defeasance) and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the Notes of such series. In the event Covenant Defeasance occurs, certain events (not including nonpayment, bankruptcy, receivership, rehabilitation and insolvency

events of the Issuer but not its Subsidiaries) described under "-Events of Default and Remedies" will no longer constitute an Event of Default with respect to the Notes of such series.

In order to exercise either Legal Defeasance or Covenant Defeasance with respect to a series of Notes:

(a) the Issuer must irrevocably deposit with the Trustee, in trust, for the benefit of the holders of the Notes of the relevant series, cash in euros, Euro-Denominated Designated Government Obligations, or a combination of cash in euros and Euro-Denominated Designated Government Obligations, in amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, or interest and premium, if any, on the outstanding Notes of such series on the stated maturity or on the applicable redemption date, as the case may be, and the Issuer must specify whether such Notes are being defeased to maturity or to a particular redemption date;

(b) in the case of Legal Defeasance, the Issuer has delivered to the Trustee an opinion of counsel confirming that (i) the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling or (ii) since the Issue Date, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such opinion of counsel will confirm that, the holders of the respective outstanding Notes of such series will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(c) in the case of Covenant Defeasance, the Issuer has delivered to the Trustee an opinion of counsel confirming that the holders of the respective outstanding Notes of such series will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(d) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and the granting of Liens in connection therewith);

(e) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Indenture) to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound;

(f) the Issuer must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by the Issuer with the intent of preferring the holders of Notes of such series over the other creditors of the Issuer with the intent of defeating, hindering, delaying or defrauding creditors of the Issuer or others; and

(g) the Issuer must deliver to the Trustee an Officers' Certificate and an opinion of counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

#### **Amendment, Supplement and Waiver**

Except as provided below, with respect to a series of Notes the Indenture or the Notes of such series may be amended or supplemented with the consent of the holders of at least a majority in principal amount of

the Notes of each series at the time outstanding that is affected voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, such Notes), and with respect to any series of Notes any existing default or compliance with any provision of the Indenture or the Notes of such series may be waived with the consent of the holders of a majority in principal amount of each series of Notes at the time outstanding that is affected voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, such Notes).

Without the consent of each holder affected, an amendment or waiver of the Indenture may not (with respect to any Notes held by a non-consenting holder):

- (a) reduce the principal amount of Notes of any series whose holders must consent to an amendment, supplement or waiver;
- (b) reduce the principal of or change the fixed maturity of the Note of any series or alter the provisions with respect to the redemption of the Notes of any series (other than provisions relating to the covenant described above under the caption "-Repurchase at the Option of Holders-Change of Control Offer");
- (c) reduce the rate of or change the time for payment of interest on any Note of any series;
- (d) waive a Default or Event of Default in the payment of principal of, or interest or premium, if any, on the Notes of any series (except a rescission of acceleration of the Notes of a series by the holders of at least a majority in aggregate principal amount of the Notes of such series and a waiver of the payment default that resulted from such acceleration);
- (e) make any Note payable in money other than that stated in such Notes;
- (f) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium, if any, on the Notes issued thereunder;
- (g) waive a redemption payment with respect to any Note of any series (other than a payment required by the covenant described above under the caption "-Change in Control Offer");
- (h) modify the subsidiary Guarantees in any manner adverse to the holders of the Notes of any series; or
- (i) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any holder of Notes, with respect to any series of Notes the Issuer and the Trustee may amend or supplement the Indenture or the Notes of such series:

- (a) to cure any ambiguity, defect or inconsistency;
- (b) to provide for uncertificated Notes in addition to or in place of certificated Notes;
- (c) to provide for the assumption of the Issuer's obligations to holders of Notes of such series in the case of a merger or consolidation or sale of all or substantially all of the assets of the Issuer and its Subsidiaries;

(d) to make any change that would provide any additional rights or benefits to the holders of Notes of such series or that does not adversely affect the legal rights under the Indenture of any such holder;

(e) to comply with requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act;

(f) to add a Guarantee of such Notes; or

(g) to conform the text of any provision of the Indenture, the Notes or Guarantees with respect to such series of Notes to any provision of the description of the Notes set forth in the relevant prospectus supplement relating to such series of Notes to the extent such provision was intended to be a verbatim recitation of such provision, which intent shall be conclusively evidenced by an officers' certificate to that effect.

### **Satisfaction and Discharge**

The Indenture will be discharged and will cease to be of further effect with respect to a series of Notes when:

(a) either:

(i) all Notes of such series that have been authenticated, except lost, stolen or destroyed Notes of such series that have been replaced or paid and Notes of such series for whose payment money has been deposited in trust and thereafter repaid to the Issuer, have been delivered to the Trustee for cancellation; or

(ii) all outstanding Notes of such series that have not been delivered to the Trustee for cancellation have become due and payable by reason of the sending of a notice of redemption or otherwise or will become due and payable by reason of the sending of a notice of redemption or otherwise within one year and the Issuer has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the holders, cash in euros, Euro-Denominated Designated Government Obligations, or a combination of cash in euros and Euro-Denominated Designated Government Obligations, in amounts as will be sufficient (with respect to the 2026 Notes, the 2027 Notes, the 2028 Notes, and the 2029 Notes, in the opinion of a nationally recognized firm of independent accountants) without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes of such series not delivered to the Trustee for cancellation for principal, premium, if any, and accrued interest to the date of maturity or redemption;

(b) the Issuer has paid or caused to be paid all sums payable by them under the Indenture with respect to such series of Notes; and

(c) the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Notes of such series at maturity or the redemption date, as the case may be.

In addition, the Issuer must deliver an Officers' Certificate and an opinion of counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

### **Concerning the Trustee**

If the Trustee becomes a creditor of the Issuer, the Indenture limits its right to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue or resign.

The holders of a majority in principal amount of the then outstanding Notes of a series have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee with respect to such series of Notes, subject to certain exceptions. The Indenture provides that in case an Event of Default occurs and is continuing, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder has offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

### **Notices**

Notices to holders of the Notes will be sent by mail or email to the registered holders, or otherwise in accordance with the procedures of the applicable depositary.

### **Governing Law**

The Indenture, the Notes and the Guarantees will be governed by, and construed in accordance with, the laws of the State of New York.

### **Certain Definitions**

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"*Applicable Premium*" means with respect to any Note on the applicable Redemption Date, the greater of:

(a) 1.0% of the then outstanding principal amount of the Note; and

(b) the excess of:

(i) the present value at such redemption date of (1) 100% of the aggregate principal amount of such Note plus (2) all required interest payments due on the Notes through September 26, 2023 (excluding accrued but unpaid interest through the Redemption Date), computed by the Issuer using a discount rate equal to the Bund Rate as of such redemption date plus 25 basis points; over

- (ii) the then outstanding principal amount of such Note.

Prior to the applicable redemption date, the Issuer shall calculate the Applicable Premium and shall deliver such calculation to the Trustee. The Trustee will have no responsibility for the calculation of the Applicable Premium.

"*Attributable Debt*" in respect of a Sale and Lease-Back Transaction means, as of any particular time, the present value (discounted at the rate of interest implicit in the terms of the lease involved in such Sale and Lease-Back Transaction, as determined in good faith by the Issuer) of the obligation of the lessee thereunder for rental payments (excluding, however, any amounts required to be paid by such lessee, whether or not designated as rent or additional rent, on account of maintenance and repairs, insurance, taxes, assessments, water rates or similar charges or any amounts required to be paid by such lessee thereunder contingent upon the amount of sales, maintenance and repairs, insurance, taxes, assessments, water rates or similar charges) during the remaining term of such lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended).

"*Board of Directors*" means:

- (a) with respect to a corporation, the board of directors of the corporation;
- (b) with respect to a partnership (including a société en commandite par actions), the Board of Directors of the general partner or manager of the partnership; and
- (c) with respect to any other Person, the board or committee of such Person serving a similar function.

Unless otherwise specified, "Board of Directors" refers to the Board of Directors of the Company.

"*Bund Rate*" means, with respect to any redemption date, the rate per annum equal to the annual equivalent yield to maturity of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date.

"*Business day*" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in New York or the place of payment, provided such day is also a London banking day and is a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) System, or any successor thereto, operates.

"*Capital Stock*" means:

- (a) in the case of a corporation, corporate stock;
- (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (c) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"*Change of Control*" means the occurrence of any of the following:

(a) the sale, lease or transfer, in one or a series of related transactions, of all or substantially all of the assets of the Issuer and its Subsidiaries, taken as a whole, to any Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) other than the Company or any Subsidiary of the Company; or

(b) the Issuer or any of its Subsidiaries becomes aware of (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) the acquisition by any Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act, but excluding any Subsidiary of the Company) in a single transaction or in a related series of transactions, by way of merger, consolidation or other business combination or purchase of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision) of 50% or more of the total voting power of the Voting Stock of the Issuer or any of its direct or indirect parent entity.

"*Change of Control Event*" means the occurrence of both a Change of Control and a Rating Decline.

"*Clearstream*" means Clearstream Banking, *société anonyme*.

"*Commission*" means the Securities and Exchange Commission.

"*Comparable German Bund Issue*" means that *German Bundesanleihe* security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate notes of comparable maturity to the remaining term of the Notes.

"*Comparable German Bund Price*" means, with respect to any redemption date, (a) the average of four Reference German Bund Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference German Bund Dealer Quotations, or (b) if the Quotation Agent obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations.

"*Consolidated Net Tangible Assets*" means, at any particular time, Consolidated Tangible Assets at such time after deducting therefrom all current liabilities, except for (i) notes and loans payable, and (ii) current maturities of the principal component of obligations in respect of capitalized leases, all as set forth on the most recent consolidated balance sheet of the Company and its consolidated Subsidiaries and computed in accordance with GAAP.

"*Consolidated Tangible Assets*" means, at any particular time, the aggregate amount of all assets (less applicable reserves and other properly deductible items) after deducting therefrom all goodwill, trade names, trademarks, patents, unamortized debt discount and expenses (to the extent included in said aggregate amount of assets) and other like intangibles, as set forth on the most recent consolidated balance sheet of the Company and its consolidated Subsidiaries and computed in accordance with GAAP.

"*Credit Agreement*" means (i) that certain Credit Agreement, dated as of March 18, 2022, by and among the Parent Guarantor, the Issuer, Celanese Europe B.V., certain subsidiaries of the Issuer from time to

time party thereto as borrowers, each lender from time to time party thereto, Bank of America, N.A., as administrative agent, a swing line lender and an L/C Issuer and the other swing line lenders and L/C issuers party thereto, and (ii) that certain Term Loan Credit Agreement, dated as of March 18, 2022, by and among the Parent Guarantor, the Issuer, each lender from time to time party thereto, Bank of America, N.A., as administrative agent, in each case, including any related notes, guarantees, instruments and agreements executed in connection therewith, and in each case as amended, restated, supplemented, modified, renewed, refunded, replaced or refinanced from time to time in one or more agreements or indentures (in each case with the same or new lenders or institutional investors), including any agreement or indenture extending the maturity thereof or otherwise restructuring all or any portion of the Indebtedness thereunder or increasing the amount loaned or issued thereunder or altering the maturity thereof.

"*Default*" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Euro-Denominated Designated Government Obligations*" means direct non-callable and nonredeemable obligations denominated in euros (in each case, with respect to the issuer thereof) of any member state of the European Union that is a member of the European Union provided that such member state has a long term government debt rating of "A1" or higher by Moody's or A+ or higher by Standard & Poor's or the equivalent rating category of another internationally recognized rating agency.

"*Euroclear*" means Euroclear Bank S.A./N.V., or its successor, as operator of the Euroclear System.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"*GAAP*" means generally accepted accounting principles in the United States set forth in the Financial Accounting Standards Board Accounting Standards Codification or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied. For purposes of this description of the Notes, the term "consolidated" with respect to any Person means such Person consolidated with its Subsidiaries.

"*Gradation*" means a gradation within a Rating Category or a change to another Rating Category, which shall include: (a) "+" and "-" in the case of S&P's current Rating Categories (e.g., a decline from BB+ to BB would constitute a decrease of one gradation), (b) 1, 2 and 3 in the case of Moody's current Rating Categories (e.g., a decline from Ba1 to Ba2 would constitute a decrease of one gradation), or (c) the equivalent in respect of successor Rating Categories of S&P or Moody's or Rating Categories used by Rating Agencies other than S&P and Moody's.

"*guarantee*" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness or other obligations.

"*Guarantee*" means any guarantee of the obligations of the Issuer under the Indenture and the Notes by a Guarantor in accordance with the provisions of the Indenture. When used as a verb, "Guarantee" shall have a corresponding meaning.

"*Guarantor*" means any Person that incurs a Guarantee of the Notes; *provided* that upon the release and discharge of such Person from its Guarantee in accordance with the Indenture, such Person shall cease to be a Guarantor.

"*Indebtedness*" means any indebtedness for borrowed money.

"*Investment Grade Rating*" means a rating equal to or higher than BBB- (or the equivalent) by S&P and Baa3 (or the equivalent) by Moody's, or the equivalent thereof under any new ratings system if the ratings system of any such agency shall be modified after the date of each supplemental indenture relating to the Notes or an equivalent rating by any other Rating Agency.

"*Investments*" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other obligations), advances or capital contributions (excluding accounts receivable, trade credit, advances to customers, commission, travel and similar advances to officers and employees, in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet (excluding the footnotes) of such Person in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property.

"*Issue Date*" means September 26, 2016, with respect to the 2023 Notes, December 11, 2017, with respect to the 2025 Notes, November 5, 2018, with respect to the 2027 Notes, September 10, 2021 with respect to the 2028 Notes and July 19, 2022 with respect to the 2026 Notes and the 2029 Notes.

"*Joint Venture*" means any Person that is not a Wholly-Owned Subsidiary of the Issuer or any Subsidiary of the Issuer in which the Issuer or such Subsidiary makes an Investment.

"*Lien*" means any mortgage, security interest, pledge or lien.

"*Moody's*" means Moody's Investors Service, Inc. and its successors.

"*Non-Recourse Indebtedness*" means, with respect to any Joint Venture, any Indebtedness of such Joint Venture or its Subsidiaries that is, by its terms, recourse only to (i) the assets of, and/or Capital Stock in, such Joint Venture and its Subsidiaries and/or (ii) the assets of any Subsidiary that owns Capital Stock in such Joint Venture and owns no material assets other than (x) Capital Stock and other Investments in such Joint Venture and (y) cash and cash equivalents, and that is neither guaranteed by the Issuer or any of its Subsidiaries (other than such Joint Venture and its Subsidiaries) or would become the obligation of the Issuer or any of its Subsidiaries (other than such Joint Venture and its Subsidiaries) upon a default thereunder, other than (i) recourse for fraud, misrepresentation, misapplication of cash, waste, environmental claims and liabilities, prohibited transfers, violations of single purpose entity covenants and other circumstances customarily excluded by institutional lenders from exculpation provisions and/or included in separate guaranty or indemnification agreements in non-recourse financings, and (ii) the existence of a guarantee that does not constitute a guarantee of payment of principal, interest or premium on Indebtedness.

"*Officer*" means the Chairman of the Board, the Chief Executive Officer, the President, any Executive Vice President, Senior Vice President or Vice President, the Treasurer, any Assistant Treasurer, the Secretary or any Assistant Secretary of the Issuer.

"*Officers' Certificate*" means a certificate signed on behalf of the Issuer by two Officers of the Issuer, one of whom is the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the Issuer, that meets the requirements set forth in the Indenture.

"*Permitted Liens*" means the following types of Liens:

- (a) Liens on such property, Capital Stock or Indebtedness existing as of the Issue Date;
- (b) Liens on such property or Capital Stock or Indebtedness of, any Person, which Liens are existing at the time such Person is merged into or consolidated with the Issuer or any Subsidiary;
- (c) Liens in favor of any governmental body to secure progress, advance or other payments pursuant to any contract or provision of any statute;
- (d) Liens on such property, Capital Stock or Indebtedness existing at the time of acquisition thereof (including acquisition through merger or consolidation);
- (e) Liens on such property, Capital Stock or Indebtedness to secure the payment of all or any part of the purchase price or improvement or construction cost thereof or to secure any Indebtedness incurred prior to, at the time of, or within 180 days after, the acquisition of such property Capital Stock or Indebtedness, the completion of any construction or the commencement of full operation, for the purpose of financing all or any part of the purchase price or construction cost thereof;
- (f) Liens on any property of, or Capital Stock in, any Joint Venture (or any Subsidiary of a Joint Venture), or on any property of any Subsidiary of the Issuer that owns Capital Stock in such Joint Venture and owns no material assets other than (i) Capital Stock and other Investments in such Joint Venture and (ii) cash and cash equivalents, in each case, securing Non-Recourse Indebtedness of such Joint Venture;
- (g) Liens incurred in connection with a Sale and Leaseback Transaction satisfying the provisions under "Certain Covenants-Limitations on Sale and Leaseback Transactions";
- (h) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Liens permitted by clauses (a) through (g); provided that such extension, renewal or replacement Lien shall be limited to all or a part of the same such property or shares of stock or Indebtedness that secured the Lien extended, renewed or replaced (plus improvements on such property); and
- (i) with respect to the 2028 Notes, Liens for current taxes not yet due and payable or taxes being contested in good faith by appropriate proceedings and for which adequate reserves have been established on the Company's consolidated financial statements in accordance with GAAP.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"*Principal Property*" means any single parcel of real estate, any single manufacturing plant or any single warehouse, in each case owned by the Issuer or any of its Subsidiaries which is located within the U.S., the net book value of which on the date as of which the determination is being made exceeds 1% of Consolidated Net Tangible Assets, other than any such single parcel of real estate, any single manufacturing plant or any single warehouse that, in the opinion of the Board of Directors, is not of material importance to the business conducted by the Issuer and its Subsidiaries as a whole.

"*Qualified Securitization Financing*" means any Securitization Financing of a Securitization Subsidiary that meets the following conditions: (a) the Board of Directors (and in the case of the 2026 Notes and the 2029 Notes, the Issuer) shall have determined in good faith that such Qualified Securitization Financing (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Issuer and the Securitization Subsidiary, (b) all sales of Securitization Assets and related assets to the Securitization Subsidiary are made at fair market value (as determined in good faith by the Issuer) and (c) the financing terms, covenants, termination events and other provisions thereof shall be market terms (as determined in good faith by the Issuer) and may include Standard Securitization Undertakings. Except with respect to the 2026 Notes and the 2029 Notes, the grant of a security interest in any Securitization Assets of the Issuer or any of its Subsidiaries (other than a Securitization Subsidiary) to secure Indebtedness under the Credit Agreement and any Refinancing Indebtedness with respect thereto shall not be deemed a Qualified Securitization Financing.

"*Quotation Agent*" means a Reference German Bund Dealer appointed by the Issuer.

"*Rating Agency*" means each of (a) S&P and Moody's or (b) if either S&P or Moody's or both of them are not making ratings of the Notes publicly available, a nationally recognized United States rating agency or agencies, as the case may be, selected by the Issuer, which will be substituted for S&P or Moody's or both, as the case may be.

"*Rating Category*" means (a) with respect to S&P, any of the following categories (any of which may include a "+" or "-"): AAA, AA, A, BBB, BB, B, CCC, CC, C, R, SD and D (or equivalent successor categories); (b) with respect to Moody's, any of the following categories (any of which may include a "1", "2" or "3"): Aaa, Aa, A, Baa, Ba, B, Caa, Ca, and C (or equivalent successor categories); and (c) the equivalent of any such categories of S&P or Moody's used by another Rating Agency, if applicable.

"*Rating Decline*" means that at any time within the earlier of (a) 90 days after the date of public notice of a Change of Control, or of the Issuers' or the Company's intention or the intention of any Person to effect a Change of Control, and (b) the occurrence of the Change of Control (which period shall in either event be extended so long as the rating of the Notes is under publicly announced consideration for possible downgrade by a Rating Agency which announcement is made prior to the date referred to in clause (b)), the rating of the Notes is decreased by either Rating Agency by one or more Gradations and the rating by both Rating Agencies on the Notes following such downgrade is not an Investment Grade Rating.

"*Reference German Bund Dealer*" means any dealer of *German Bundesanleihe* securities selected by the Issuer in good faith.

"*Reference German Bund Dealer Quotations*" means, with respect to each Reference German Bund Dealer and any redemption date, the average, as determined by the Issuer, of the bid and asked prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference German Bund Dealer at 3:30 p.m., Frankfurt, Germany time, on the third business day preceding such redemption date.

"*Responsible Officer*" with respect to the 2023 Notes, 2025 Notes, 2027 Notes and 2028 Notes of any Person means any executive officer or financial officer of such Person and any other officer or similar official thereof responsible for the administration of the obligations of such Person in respect of the Indenture.

"*Sale and Lease-Back Transaction*" means the leasing by the Issuer or any of its Subsidiaries of any Principal Property, whether owned on the Issue Date or acquired thereafter (except for temporary leases for a term, including any renewal term, of up to three years and except for leases between the Issuer and any of its Subsidiaries or between its Subsidiaries), which Principal Property has been or is to be sold or transferred by the Issuer or such Subsidiary to any party with the intention of taking back a lease of such Principal Property.

"*S&P*" means Standard & Poor's Financial Services LLC, a subsidiary of S&P Global, Inc. and any successor to its rating agency business.

"*Secured Debt*" means any Indebtedness secured by a Lien.

"*Securities Act*" means the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"*Securitization Assets*" means any accounts receivable, inventory, royalty or revenue streams from sales of inventory subject to a Qualified Securitization Financing.

"*Securitization Financing*" means any transaction or series of transactions that may be entered into by the Issuer or any of its Subsidiaries pursuant to which the Issuer or any of its Subsidiaries may sell, convey or otherwise transfer to (a) a Securitization Subsidiary (in the case of a transfer by the Issuer or any of its Subsidiaries) or (b) any other Person (in the case of a transfer by a Securitization Subsidiary), or may grant a security interest in, any Securitization Assets (whether now existing or arising in the future) of the Issuer or any of its Subsidiaries, and any assets related thereto including all collateral securing such Securitization Assets, all contracts and all guarantees or other obligations in respect of such Securitization Assets, proceeds of such Securitization Assets and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving Securitization Assets and any obligations in respect of any Swap Contract entered into by the Issuer or any such Subsidiary in connection with such Securitization Assets.

"*Securitization Repurchase Obligation*" means any obligation of a seller of Securitization Assets in a Qualified Securitization Financing to repurchase Securitization Assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"*Securitization Subsidiary*" means a Wholly Owned Subsidiary of the Issuer (or another Person formed for the purposes of engaging in a Qualified Securitization Financing in which the Issuer or any Subsidiary of the Issuer makes an Investment and to which the Company or any Subsidiary of the Issuer transfers Securitization Assets and related assets) which engages in no activities other than in connection with the financing of Securitization Assets of the Issuer or its Subsidiaries, all proceeds thereof and all rights (contractual and other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and (except with respect to the 2026 Notes and the 2029 Notes) which is designated by the Board of Directors or such other Person (as provided below) as a Securitization Subsidiary and (a) no portion of the Indebtedness or any other obligations (contingent or

otherwise) of which (i) is guaranteed by the Issuer or any other Subsidiary of the Issuer (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (ii) is recourse to or obligates the Company or any other Subsidiary of the Issuer in any way other than pursuant to Standard Securitization Undertakings or (iii) subjects any property or asset of the Issuer or any other Subsidiary of the Issuer, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings, (b) with which neither the Issuer nor any other Subsidiary of the Issuer has any material contract, agreement, arrangement or understanding (other than Standard Securitization Undertakings) other than on terms which the Issuer reasonably believes to be no less favorable to the Issuer or such Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of the Company and (c) to which neither the Issuer nor any other Subsidiary of the Issuer has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results. Except with respect to the 2026 Notes and the 2029 Notes, any such designation by the Board of Directors or such other Person shall be evidenced to the Trustee by filing with the Trustee a certified copy of the resolution of the Board of Directors or such other Person giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions.

"*Significant Subsidiary*" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof.

"*Standard Securitization Undertakings*" means representations, warranties, covenants, indemnities (and with respect to the 2026 and 2029 Notes, obligations), entered into by Company or any Subsidiary thereof which Company has determined in good faith to be customary in a Securitization Financing, including those relating to the servicing of the assets of a Securitization Subsidiary, it being understood that any Securitization Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking.

"*Subsidiary*" means, with respect to any specified Person:

(a) any corporation, association or other business entity, of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(b) any partnership, joint venture, limited liability company or similar entity of which (i) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise and (ii) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"*Substitute Rating Agency*" means, in the event either Moody's or S&P ceases to rate the Notes of any series or fails to make a rating of the Notes of such series publicly available for reasons outside the control of the Issuer, a "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) under the Exchange Act selected by the Issuer as a replacement agency for Moody's or S&P, as applicable.

"*Swap Contract*" means any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or

equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement.

"*United States Dollar Equivalent*" means with respect to any monetary amount in a currency other than United States dollars, at any time of determination thereof, the amount of United States dollars obtained by translating such other currency involved in such computation into United States dollars at the spot rate for the purchase of United States dollars with the applicable other currency as published in the Financial Times on the date that is two business days prior to such determination.

"*United States*" means the United States of America, the states of the United States, and the District of Columbia.

"*United States person*" means any individual who is a citizen or resident of the United States for United States federal income tax purposes, a corporation, partnership or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia, an estate the income of which is subject to United States federal income taxation regardless of its source, or a trust, if (a) a court within the United States is able to exercise primary jurisdiction over its administration and one or more United States persons have the authority to control all of its substantial decisions or (b) it has a valid election in place under applicable United States Treasury regulations to be treated as a domestic trust.

"*Voting Stock*" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"*Wholly Owned Subsidiary*" of any Person means a Subsidiary of such Person, 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares or nominee or other similar shares required pursuant to applicable law) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person or by such Person and one or more Wholly Owned Subsidiaries of such Person.

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Published Deal CUSIP Number: 15089XAL3  
Published Loan CUSIP Number: 15089XAM1

**3-YEAR TERM LOAN CREDIT AGREEMENT**

Dated as of September 16, 2022

among

**CELANESE CORPORATION,**  
as Holdings,

**CELANESE US HOLDINGS LLC,**  
as the Company,

**BANK OF AMERICA, N.A.,**  
as Administrative Agent,

and

The Other Lenders Party Hereto,

with

**BOFA SECURITIES, INC.,**  
**BANK OF CHINA, NEW YORK BRANCH**  
**INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED, NEW YORK BRANCH**  
**THE BANK OF NOVA SCOTIA**  
**TD SECURITIES (USA) LLC**  
and

**U.S. BANK NATIONAL ASSOCIATION**

as Joint Lead Arrangers and Joint Bookrunners

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## TABLE OF CONTENTS

<b>ARTICLE I. DEFINITIONS AND ACCOUNTING TERMS</b>	<b>1</b>	
1.01	Defined Terms	1
1.02	Other Interpretive Provisions	26
1.03	Accounting Terms	26
1.04	Rounding	27
1.05	Exchange Rates; Currency Equivalents	27
1.06	[Reserved]	27
1.07	[Reserved]	27
1.08	Times of Day	27
1.09	[Reserved]	27
<b>ARTICLE II. THE COMMITMENTS AND BORROWINGS</b>	<b>28</b>	
2.01	Loans	28
2.02	Borrowings, Conversions and Continuations of Loans	28
2.03	[Reserved]	29
2.04	[Reserved]	29
2.05	Prepayments	29
2.06	Termination or Reduction of Commitments	30
2.07	Repayment of Loans	31
2.08	Interest	31
2.09	Fees	32
2.10	Computation of Interest and Fees	32
2.11	Evidence of Debt	32
2.12	Payments Generally; Administrative Agent's Clawback	33
2.13	Sharing of Payments by Lenders	34
2.14	[Reserved]	35
2.15	[Reserved]	35
2.16	[Reserved]	35
2.17	[Reserved]	35
2.18	Defaulting Lenders	35
<b>ARTICLE III. TAXES, YIELD PROTECTION AND ILLEGALITY</b>	<b>36</b>	
3.01	Taxes	36
3.02	Illegality	39
3.03	Inability to Determine Rates	40
3.04	Increased Costs; Reserve Requirements	42
3.05	Compensation for Losses	43
3.06	Mitigation Obligations; Replacement of Lenders	44
3.07	Survival	44
<b>ARTICLE IV. CONDITIONS PRECEDENT</b>	<b>45</b>	
4.01	Conditions of Effectiveness	45
4.02	Conditions to Closing Date	46
<b>ARTICLE V. REPRESENTATIONS AND WARRANTIES</b>	<b>47</b>	
5.01	Existence, Qualification and Power	47
5.02	Authorization; No Contravention	48
5.03	Governmental Authorization; Other Consents	48
5.04	Binding Effect	48

---

5.05	Financial Statements; No Material Adverse Effect	48
5.06	Litigation	48
5.07	No Default	49
5.08	Ownership of Property	49
5.09	Environmental Matters	49
5.10	Taxes	49
5.11	ERISA Compliance	50
5.12	Subsidiary Guarantors	50
5.13	Margin Regulations; Investment Company Act	50
5.14	Disclosure	51
5.15	Compliance with Laws	51
5.16	OFAC; Patriot Act; Anti-Corruption Laws	51
5.17	Solvency	52
5.18	EEA Financial Institutions	52
<b>ARTICLE VI. AFFIRMATIVE COVENANTS</b>		<b>52</b>
6.01	Financial Statements	52
6.02	Certificates; Other Information	52
6.03	Notices	54
6.04	Payment of Taxes	54
6.05	Preservation of Existence, Etc	54
6.06	Maintenance of Properties	55
6.07	Maintenance of Insurance	55
6.08	Compliance with Laws	55
6.09	Books and Records	55
6.10	Inspection Rights	55
6.11	Use of Proceeds	55
6.12	[Reserved]	55
6.13	Additional Subsidiary Guarantors	56
6.14	OFAC, Patriot Act, Anti-Corruption Laws	56
<b>ARTICLE VII. NEGATIVE COVENANTS</b>		<b>56</b>
7.01	Liens	56
7.02	Indebtedness	58
7.03	Fundamental Changes	60
7.04	Change in Nature of Business	61
7.05	[Reserved]	61
7.06	Use of Proceeds	61
7.07	Financial Covenants	61
<b>ARTICLE VIII. EVENTS OF DEFAULT AND REMEDIES</b>		<b>61</b>
8.01	Events of Default	61
8.02	Remedies Upon Event of Default	63
8.03	Application of Funds	64
8.04	Certain Funds Provisions	64
<b>ARTICLE IX. ADMINISTRATIVE AGENT</b>		<b>65</b>
9.01	Appointment and Authority	65
9.02	Rights as a Lender	65
9.03	Exculpatory Provisions	65
9.04	Reliance by Agents	66

9.05	Delegation of Duties	67
9.06	Resignation of Administrative Agent	67
9.07	Non-Reliance on Administrative Agent and Other Lenders	68
9.08	No Other Duties, Etc	68
9.09	Administrative Agent May File Proofs of Claim	68
9.10	Guaranty Matters	69
9.11	Lender ERISA Representations	69
9.12	Recovery of Erroneous Payments	70
<b>ARTICLE X. MISCELLANEOUS</b>		<b>70</b>
10.01	Amendments, Etc	71
10.02	Notices; Effectiveness; Electronic Communication	72
10.03	No Waiver; Cumulative Remedies; Enforcement	74
10.04	Expenses; Indemnity; Damage Waiver	74
10.05	Payments Set Aside	76
10.06	Successors and Assigns	76
10.07	Treatment of Certain Information; Confidentiality	80
10.08	Right of Setoff	81
10.09	Interest Rate Limitation	81
10.10	Counterparts; Integration; Effectiveness	81
10.11	Survival of Representations and Warranties	82
10.12	Severability	82
10.13	Replacement of Lenders	82
10.14	Governing Law; Jurisdiction; Etc	83
10.15	Waiver of Jury Trial	84
10.16	No Advisory or Fiduciary Responsibility	85
10.17	Electronic Execution; Electronic Records; Counterparts	85
10.18	USA Patriot Act	86
10.19	[Reserved]	87
10.20	ENTIRE AGREEMENT	87
10.21	Acknowledgement and Consent to Bail-In of Affected Financial Institutions	87

## **SCHEDULES**

2.01	Commitments
5.12	Subsidiary Guarantors
7.01	Existing Liens
7.02	Existing Indebtedness
10.02	Administrative Agent's Office; Certain Addresses for Notices

## **EXHIBITS**

A	Form of Loan Notice
B	<i>[Reserved]</i>
C	Form Note
D	Form of Compliance Certificate
E-1	Form of Assignment and Assumption
E-2	Form of Administrative Questionnaire
F	<i>[Reserved]</i>
G-1	Form of Parent Guaranty
G-2	Form of Subsidiary Guaranty
H	Form of Solvency Certificate
I	<i>[Reserved]</i>
J	<i>[Reserved]</i>
K	<i>[Reserved]</i>
L-1	Form of U.S. Tax Compliance Certificate – Foreign Lenders (Not Partnerships)
L-2	Form of U.S. Tax Compliance Certificate – Non-U.S. Participants (Not Partnerships)
L-3	Form of U.S. Tax Compliance Certificate – Non-U.S. Participants (Partnerships)
L-4	Form of U.S. Tax Compliance Certificate – Foreign Lenders (Partnerships)
M	Form of Notice of Loan Prepayment

## CREDIT AGREEMENT

This **CREDIT AGREEMENT** (this "Agreement") is entered into as of September 16, 2022, among Celanese Corporation, a corporation incorporated under the laws of Delaware ("Holdings"), Celanese US Holdings LLC, a limited liability company incorporated under the laws of Delaware (the "Company"), each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender") and Bank of America, N.A., as Administrative Agent.

The Company has requested that the Lenders make Loans to the Company and the Lenders are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

### ARTICLE I. DEFINITIONS AND ACCOUNTING TERMS

1.01 **Defined Terms.** As used in this Agreement, the following terms shall have the meanings set forth below:

"Acquired Business" means the majority of the Mobility & Materials segment of DuPont de Nemours, Inc. to be acquired, directly or indirectly, by Holdings pursuant to the Transaction Agreement.

"Acquisition Representations" means, the representations and warranties made by or with respect to the Acquired Business in the Transaction Agreement as are material to the interests of the Lenders (in their capacities as such) but only to the extent that the accuracy of such representations and warranties is a condition to Holdings' or any of its affiliates' obligation to consummate the DuPont Acquisition or to the extent that Holdings has the right to terminate its (or any of its affiliates has the right to terminate its) obligations (or otherwise does not have an obligation to close), under the Transaction Agreement (without giving effect to notice or lapse of time or both) as a result of a breach of such representations and warranties in the Transaction Agreement.

"Administrative Agent" means Bank of America in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means the Administrative Agent's address and account as set forth on Schedule 10.02, or such other address or account as the Administrative Agent may from time to time notify to the Company and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in substantially the form of Exhibit E-2 or any other form approved by the Administrative Agent.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Agent Parties" has the meaning set forth in Section 10.02(c).

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"Aggregate Commitments" means the Commitments of all the Lenders.

"Agreement" has the meaning specified in the introductory paragraph hereto.

"Anti-Money Laundering Laws" means the Patriot Act, the Money Laundering Control Act of 1986, the Bank Secrecy Act, and the rules and regulations promulgated thereunder, and corresponding laws of the jurisdictions in which the Company or any of its Subsidiaries operates or in which the proceeds of the Loans will be used.

"Applicable Loan Percentage" means with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) of the aggregate Outstanding Amount of all Loans represented by the aggregate Outstanding Amount of such Lender's Loans at such time.

"Applicable Percentage" means, with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) of the Aggregate Commitments represented by such Lender's Commitment at such time. If the commitment of each Lender to make Loans has been terminated pursuant to Section 8.02 or if the Aggregate Commitments have expired, in each case prior to the funding of the Loans, then the Applicable Percentage of each Lender shall be determined based on the Applicable Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage of each Lender is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

"Applicable Rate" means, from time to time, the following percentages per annum, based upon the Debt Rating as set forth below:

**Applicable Rate for Commitments and Loans**

<u>Pricing Level</u>	<u>Debt Ratings S&amp;P / Moody's / Fitch</u>	<u>Ticking Fee</u>	<u>Term SOFR Loan Margin</u>	<u>Base Rate Margin</u>
1	A- / A3 / A- or better	0.090%	1.125%	0.125%
2	BBB+ / Baa1 / BBB+	0.100%	1.250%	0.250%
3	BBB / Baa2 / BBB	0.125%	1.375%	0.375%
4	BBB- / Baa3 / BBB-	0.175%	1.500%	0.500%
5	BB+ / Ba1 / BB+	0.225%	1.750%	0.750%
6	BB / Ba2 / BB or worse	0.350%	2.125%	1.125%

Initially, the Applicable Rate shall be determined based upon the Debt Rating specified in the certificate delivered pursuant to Section 4.01(a) (vii). Thereafter, each change in the Applicable Rate resulting from a publicly announced change in the Debt Rating shall be effective, in the case of an upgrade, during the period commencing on the date of delivery by the Company to the Administrative Agent of notice thereof pursuant to Section 6.03 and ending on the date immediately preceding the effective date of the next such change and, in the case of a downgrade, during the period commencing on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change. If the rating system of Moody's, S&P or Fitch shall change, or if either such rating agency shall cease to be in the business of rating corporate debt obligations, the Company and the Lenders shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of

ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Rate shall be determined by reference to the rating most recently in effect prior to such change or cessation.

"Arrangers" means collectively, BofA Securities, Inc., Bank of China, New York Branch, Industrial and Commercial Bank of China Limited, New York Branch, The Bank of Nova Scotia, TD Securities (USA) LLC, and U.S. Bank National Association, each in its capacity as joint lead arranger and joint bookrunner.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 10.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit E-1 or any other form (including electronic documentation generated by use of an electronic platform) approved by the Administrative Agent.

"Attributable Indebtedness" means, on any date, (a) in respect of any capital lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a capital lease.

"Audited Financial Statements" means the audited consolidated balance sheet of Holdings and its consolidated subsidiaries for the fiscal year ended December 31, 2021, and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year of Holdings and its consolidated subsidiaries, including the notes thereto.

"Availability Period" means the period from and including the Effective Date to the earliest of (a) the Commitment Termination Date, (b) the date of termination of the Aggregate Commitments in full pursuant to Section 2.06, and (c) the date that the Transaction Agreement is terminated by the Company in a signed writing in accordance with its terms.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bank of America" means Bank of America, N.A. and its successors.

"Base Rate" means for any day, for Loans denominated in Dollars a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate," and (c) the Term SOFR for an Interest Period of one month plus 1.00%; provided that Base Rate shall not be less than 0.00% per annum. The "prime rate" is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general

economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such prime rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change. If the Base Rate is being used as an alternate rate of interest pursuant to Section 3.03 hereof, then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

"Base Rate Loan" means a Loan that bears interest at the Base Rate.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"Borrower Materials" has the meaning specified in Section 6.02.

"Borrowing" means a borrowing consisting of simultaneous Loans of the same Type, and, in the case of Term SOFR Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

"Bridge Commitment Letter" means that certain Bridge Facility Commitment Letter, dated February 17, 2022, among Bank of America, N.A., BofA Securities, Inc. and Holdings.

"Bridge Facility" means the \$11,000,000,000 senior unsecured bridge credit facility contemplated by the Bridge Commitment Letter.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office is located.

"Capitalized Lease Obligations" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease or finance lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the foot-notes thereto) in accordance with GAAP; provided that (a) any lease that was treated as an operating lease under GAAP at the time it was entered into that later becomes a capital lease or finance lease as a result of a change in GAAP during the life of such lease, including any renewals, and (b) any lease that would have been considered an operating lease under the provisions of GAAP in effect as of December 31, 2018, in each case, shall be treated as an operating lease for all purposes under this Agreement.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives

thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change of Control" means an event or series of events by which:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "option right")), directly or indirectly, of 50% or more of the equity securities of Holdings entitled to vote for members of the board of directors or equivalent governing body of Holdings on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right);

(b) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of Holdings cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body; or

(c) Holdings shall fail to own, directly or indirectly, beneficially and of record, 100% of the issued and outstanding equity securities of the Company.

"Closing Date" means the first date all the conditions precedent in Section 4.02 are satisfied or waived in accordance with Section 10.01.

"CME" means CME Group Benchmark Administration Limited.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commitment" means, as to each Lender, its obligation to make Loans to the Company pursuant to Section 2.01, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement. The aggregate principal amount of Commitments as of the Effective Date is \$750,000,000.00.

"Commitment Termination Date" means the earlier to occur of (i) the consummation of the DuPont Acquisition without using the Loans and (ii) 11:59 p.m. (New York City time) on the date that is five (5) Business Days after the "Outside Date" (as defined in the Transaction Agreement as in effect on February 17, 2022, including any extensions pursuant to Section 8.1(d) thereof).

"Communication" means this Agreement, any Loan Document and any document, any amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to any Loan Document.

"Company" has the meaning specified in the introductory paragraph hereto.

"Compliance Certificate" means a certificate substantially in the form of Exhibit D.

"Conforming Changes" means, with respect to the use, administration of or any conventions associated with SOFR or any proposed Successor Rate or Term SOFR, as applicable, any conforming changes to the definitions of "Base Rate", "SOFR", "Term SOFR" and "Interest Period", timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definitions of "Business Day" and "U.S. Government Securities Business Day", timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods) as may be appropriate, in the discretion of the Administrative Agent, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate exists, in such other manner of administration as the Administrative Agent determines is reasonably necessary in connection with the administration of this Agreement and any other Loan Document).

"Consolidated EBITDA" means, for any period, for Holdings and its Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income for such period plus (a) the following to the extent deducted in calculating such Consolidated Net Income: (i) Consolidated Interest Charges for such period, (ii) the provision for Federal, state, local and foreign income taxes payable by Holdings and its Subsidiaries for such period, (iii) depreciation and amortization expense, (iv) non-cash asset impairment charges and non-cash write downs and write-offs of assets, (v) debt refinancing cost and debt retirement cost, in either case, incurred in connection with permitted acquisitions, investments and divestitures, (vi) non-cash stock based compensation expense, (vii) charges relating to employee termination benefits, plant and office closures, restructuring, business optimization and integration in an aggregate amount not to exceed \$200,000,000 for any period of four consecutive fiscal quarters, (viii) other non-recurring expenses of Holdings and its Subsidiaries reducing such Consolidated Net Income which do not represent a cash item in such period or any future period, (ix) fees, costs, charges and expenses paid or incurred in connection with this Agreement, the DuPont Acquisition (including any securities offering or debt incurrence in connection with the financing thereof), and other acquisitions, investments, securities offerings, debt incurrences and similar transactions and (x) for each fiscal quarter ending before the closing or the termination of the DuPont Acquisition, foreign exchange losses pursuant to ASC 830 related to the capital markets notes pre-funded to finance the DuPont Acquisition, minus (b) the following to the extent included in calculating such Consolidated Net Income: (i) Federal, state, local and foreign income tax credits of Holdings and its Subsidiaries for such period and (ii) all non-recurring, non-cash items increasing Consolidated Net Income for such period; provided that the following (to the extent included in the calculation of Consolidated Net Income for such period) shall be excluded: (1) any gain or loss attributable to mark-to-market adjustments in the valuation of pension liabilities, including actuarial gain or loss on pension and postretirement plans, curtailments and settlements, prior service cost adjustments, all in accordance with ASC 715 (or any successor codification), (2) net unrealized mark-to-market gain or loss in respect of Swap Contracts and (3) for each fiscal quarter ending before the closing or the termination of the DuPont Acquisition, foreign exchange gains pursuant to ASC

830 related to the capital markets notes pre-funded to finance the DuPont Acquisition. For the purpose of calculating Consolidated EBITDA for any period, if during such period the Company or any Subsidiary shall have made an acquisition or disposition involving aggregate consideration of \$100,000,000 or more, Consolidated EBITDA for such period shall be calculated after giving *pro forma* effect thereto as if such acquisition or disposition, as the case may be, occurred on the first day of such period.

"Consolidated Funded Indebtedness" means, as of any date of determination, for Holdings and its Subsidiaries on a consolidated basis, the sum (without duplication) of the following: (a) the outstanding principal amount of all obligations, whether current or long-term, for borrowed money (including Obligations hereunder) and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments, (b) all purchase money Indebtedness, (c) all non-contingent obligations arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments, (d) all obligations in respect of the deferred purchase price of property or services (other than (x) trade accounts payable in the ordinary course of business and (y) any contingent earn-out payments until required to be reflected on the applicable consolidated balance sheet in accordance with GAAP), (e) Attributable Indebtedness in respect of capital leases, (f) any Receivables Net Investment (other than the portion thereof consisting of undrawn letters of credit), (g) Guarantees with respect to outstanding Indebtedness of the types specified in clauses (a) through (f) above of Persons other than Holdings or any Subsidiary (to the extent required to be reflected on a consolidated balance sheet of Holdings and its Subsidiaries in accordance with GAAP) and (h) all Indebtedness of the types referred to in clauses (a) through (g) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company or similar entity organized in any non-US jurisdiction) in which Holdings or any Subsidiary is a general partner or joint venturer, unless such Indebtedness is expressly made non-recourse to Holdings and each Subsidiary. Notwithstanding the foregoing, "Consolidated Funded Indebtedness" shall exclude (1) any indebtedness that is excluded from the definition of "Indebtedness" pursuant to the last sentence of such definition and (2) any Indebtedness of a Person, other than Holdings and its Subsidiaries, that is consolidated on the financial statements of Holdings in accordance with GAAP (except as provided in clause (h) above).

"Consolidated Interest Charges" means, for any period, for Holdings and its Subsidiaries on a consolidated basis, the sum of (a) all interest, premium payments, debt discount, fees, charges and related expenses of Holdings and its Subsidiaries in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, (b) the portion of rent expense of Holdings and its Subsidiaries with respect to such period under capital leases that is treated as interest in accordance with GAAP and (c) the interest component of any Synthetic Lease Obligations, all in accordance with GAAP. For the purpose of calculating Consolidated Interest Charges for any period, if during such period the Company or any Subsidiary shall have made an acquisition or disposition involving aggregate consideration of \$100,000,000 or more, Consolidated Interest Charges for such period shall be calculated after giving *pro forma* effect thereto as if such acquisition or disposition, as the case may be, occurred on the first day of such period. In addition, Consolidated Interest Charges shall exclude (x) any interest expense on Indebtedness of a third party that is not an Affiliate of Holdings or any of its Subsidiaries and that is attributable to supply or lease arrangements as a result of consolidation under ASC 810-10 or attributable to take-or-pay contracts that are accounted for in a manner similar to a capital lease under ASC 842-10 or ASC 842-40 in either case so long as the underlying obligations under any such supply or lease arrangement or under any such take-or-pay contract are not treated as Indebtedness as provided in the last sentence of the definition of Indebtedness and (y) any interest expense attributable to any Person, other than Holdings and its Subsidiaries that is consolidated

on Holdings' financial statements pursuant to GAAP (except if the corresponding Indebtedness would be included in clause (g) of Consolidated Funded Indebtedness).

"Consolidated Leverage Ratio" means, as of any date of determination, the ratio of (a) Consolidated Funded Indebtedness as of such date to (b) Consolidated EBITDA for the period of the four fiscal quarters ending on such date; provided, that (i) unrestricted cash and cash equivalents of Holdings and its Subsidiaries in excess of \$200,000,000 and cash deposited into escrow for purposes of debt repayment, shall, in each case, be deducted from Consolidated Funded Indebtedness when calculating the Consolidated Leverage Ratio, (ii) the Receivables Net Investment for any Permitted Receivables Financing shall not be included in the calculation of Consolidated Funded Indebtedness for purposes of the Consolidated Leverage Ratio, to the extent such Receivables Net Investment is de-recognized from the consolidated balance sheet of Holdings and its Subsidiaries pursuant to ASC 860-10-40-5 (or any successor thereto under GAAP) and (iii) the calculation of Consolidated Funded Indebtedness for purposes of the Consolidated Leverage Ratio shall exclude capital markets notes pre-funded to finance the DuPont Acquisition or another acquisition or similar transaction that has not been consummated or terminated or funded to finance a redemption, repayment or repurchase of existing notes which has not yet been consummated or terminated (without duplication of any netting of cash deposited in escrow for debt repayment pursuant to clause (i) above) and if such Indebtedness is not funded in to escrow, an amount equal to the principal excluded under this clause (iii) shall be excluded from cash and cash equivalents netted pursuant to clause (i).

"Consolidated Net Income" means, for any period, for Holdings and its Subsidiaries on a consolidated basis, the net income of Holdings and its Subsidiaries (excluding extraordinary gains and extraordinary losses) for that period; provided, that the net income for such period of any Person other than Holdings and its Subsidiaries that is consolidated on Holdings' financial statements pursuant to GAAP shall be included only to the extent of the amount of dividends or distributions or other payments paid in cash (or to the extent converted into cash) to Holdings or a Subsidiary in respect of such period.

"Consolidated Net Tangible Assets" means, at any particular time, Consolidated Tangible Assets at such time after deducting therefrom all current liabilities, except for (i) notes and loans payable, and (ii) current maturities of the principal component of obligations in respect of capitalized leases, all as set forth on the most recent consolidated balance sheet of Holdings and its consolidated Subsidiaries and computed in accordance with GAAP.

"Consolidated Tangible Assets" means, at any particular time, the aggregate amount of all assets (less applicable reserves and other properly deductible items) after deducting therefrom all goodwill, trade names, trademarks, patents, unamortized debt discount and expenses (to the extent included in said aggregate amount of assets) and other like intangibles, as set forth on the most recent consolidated balance sheet of Holdings and its consolidated Subsidiaries and computed in accordance with GAAP.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Covenant Increase Period" has the meaning set forth in Section 7.07(b).

"Daily Simple SOFR" with respect to any applicable determination date means the SOFR published on such date on the Federal Reserve Bank of New York's website (or any successor source).

"Debt Offering" means any incurrence of debt for borrowed money (including any issuance of senior unsecured notes or junior subordinated notes through a public offering or in a Rule 144A or other private placement, debt securities convertible or exchangeable into equity securities, issued in a public offering, private placement or otherwise, but excluding bank loans (including loans under the Facility) by Holdings or any of its Subsidiaries, other than Excluded Debt.

"Debt Rating" means, as of any date of determination, the rating as determined by S&P, Moody's or Fitch (collectively, the "Debt Ratings") of the Company's non-credit-enhanced, senior unsecured long-term debt; provided that, in the case of non-uniform ratings (a) if there are three Debt Ratings available and any two Debt Ratings are in the same level, such matching level shall apply; (b) if there are three Debt Ratings available and each of the Debt Ratings is in a different level, the level that is the middle level shall apply; (c) if only two Debt Ratings are available and there is a split in such ratings, the higher rating (with the Debt Rating for Pricing Level 1 being the highest and the Debt Rating for Pricing Level 6 being the lowest) will apply, unless the split in such Debt Ratings is more than one level apart, in which case the rating that is one level lower than the higher rating will apply; (d) if only one Debt Rating is available, the Pricing Level that is one level lower than that of such Debt Rating shall apply; and (e) if the Company does not have any Debt Rating, Pricing Level 6 shall apply.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

"Deemed Public Materials" has the meaning specified in Section 6.02.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate, if any, applicable to Base Rate Loans plus (iii) 2% per annum; provided, however, that with respect to a Term SOFR Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus 2% per annum.

"Defaulting Lender" means, subject to Section 2.18(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Company in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two Business Days of the date when due, (b) has notified the Company or the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based

on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the Company, to confirm in writing to the Administrative Agent and the Company that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Company), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.18(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Company and each other Lender promptly following such determination.

"Delaware Divided LLC" means any Delaware LLC which has been formed upon consummation of a Delaware LLC Division.

"Delaware LLC" means any limited liability company organized or formed under the laws of the State of Delaware.

"Delaware LLC Division" means the statutory division of any Delaware LLC into two or more Delaware LLCs pursuant to Section 18-217 of the Delaware Limited Liability Company Act.

"Disposition" or "Dispose" means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction) of any property by any Person, including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith and including any disposition of property to a Delaware Divided LLC pursuant to a Delaware LLC Division.

"Dollar" and "€" mean lawful money of the United States.

"DuPont Acquisition" means the acquisition of the majority of the Mobility & Materials segment from DuPont De Nemours, Inc., as contemplated under the Transaction Agreement.

"DuPont Acquisition Step-Up" has the meaning set forth in Section 7.07(b).

"EEA Financial Institution" means (a) any institution established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a).

of this definition, or (c) any institution established in an EEA Member Country which is a Subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 10.01.

"Electronic Record" and "Electronic Signature" shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 10.06(b)(iii) and (v) (subject to such consents, if any, as may be required under Section 10.06(b)(iii)).

"Environmental Laws" means any and all international, foreign, Federal, state and local statutes, treaties, laws (including common law), rules, guidelines, regulations, ordinances, codes, administrative or judicial precedents or authorities (including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof), judgments, injunctions, notices, orders (including administrative orders), directed duties, requests, authorizations, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions, whether now or hereinafter in effect, relating in any way to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems, or to health and safety matters.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Company, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974, as the same may be amended from time to time, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" any trade or business (whether or not incorporated) that, together with Holdings, the Company or any of their Subsidiaries, is treated as a single employer under Section 414(b) or (c) of the Code, or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"ERISA Event" means (a) any Reportable Event; (b) with respect to a Plan, the failure to satisfy the minimum funding standard of Section 412 of the Code or Section 302 of ERISA, whether or not waived; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan, (d) the failure to make by its due date a required installment under Section 430(j) of the Code with respect to any Plan or the failure to make any required contribution to a Multiemployer Plan; (e) the incurrence by Holdings, the Company, their Subsidiaries or any ERISA Affiliate of any liability under Title IV of ERISA with respect to the termination of any Plan; (f) the receipt by Holdings, the Company, their Subsidiaries or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or to appoint a trustee to administer any Plan under Section 4042 of ERISA; (g) the incurrence by Holdings, the Company, a Subsidiary or any ERISA Affiliate of any Withdrawal Liability with respect to any Multiemployer Plan; (h) the incurrence by Holdings, the Company, their Subsidiaries or any ERISA Affiliate of any liability under Section 4062(e) or Section 4063 of ERISA with respect to a Plan; (i) the receipt by Holdings, the Company, their Subsidiaries or any ERISA Affiliate of any notice concerning the imposition of Withdrawal Liability or a determination by Holdings, the Company, their Subsidiaries or any ERISA Affiliate that a Multiemployer Plan is, or is expected to be, insolvent, within the meaning of Title IV of ERISA (j) Holdings, the Company, any of their Subsidiaries or any ERISA Affiliate shall engage in any nonexempt "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan or (k) the occurrence of a Foreign Plan Event.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Event of Default" has the meaning specified in Section 8.01.

"Excluded Debt" means (i) intercompany indebtedness among the Group, (ii) credit extensions (including borrowings and issuances of letters of credit provided thereunder) under the Revolving Credit Agreement, the Existing Term Loan Credit Agreement and other existing credit facilities of Holdings and its Subsidiaries and amendments, replacements, extensions, refinancings and renewals thereof; (iii) any indebtedness permitted to be incurred by the Acquired Business under the Transaction Agreement (and extensions, refinancings and renewals thereof to the extent permitted under the Transaction Agreement), (iv) commercial paper issuances, (v) working capital facilities of Foreign Subsidiaries and other ordinary course bilateral working capital or overdraft facilities, capital leases, letters of credit and purchase money and equipment financings, and other similar debt, (vi) trade debt, (vii) the refinancing or replacement of Holdings' 4.625% senior unsecured notes due 2022 and (viii) other indebtedness (except indebtedness incurred for the purpose of financing the DuPont Acquisition) in an aggregate principal amount up to \$100,000,000.

"Excluded Taxes" means, with respect to any Recipient of any payment to be made by or on account of any obligation of the Company hereunder, (a) Taxes imposed on (or measured by) its net income or franchise Taxes (i) imposed by the jurisdiction under the laws of which such Recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Office is located or (ii) that are Other Connection Taxes, (b) any branch profits Tax or any similar Tax that is imposed by any jurisdiction described in clause (a)

above, (c) in the case of a Lender (other than an assignee pursuant to a request by the Company), any United States federal withholding Tax that is in effect and would apply to amounts payable hereunder to such Lender at the time such Lender becomes a party to this Agreement (or designates a new Lending Office), except to the extent that such Lender (or its assignor, if any) was entitled, at the time of designation of a new Lending Office (or assignment), to receive additional amounts from the Company with respect to any United States federal withholding Tax pursuant to Section 3.01, (d) Taxes attributable to such Recipient's failure to comply with Section 3.01(f), and (e) any United States federal withholding Tax imposed pursuant to FATCA.

"Existing Term Loan Credit Agreement" means that certain Term Loan Credit Agreement, dated as of March 18, 2022 (as amended, modified or otherwise supplemented from time to time prior to the date of this Agreement), among Holdings, the Company, certain Subsidiaries of the Company, as borrowers and guarantors, the lenders from time to time party thereto and Bank of America, as administrative agent.

"Existing Notes" means, collectively, the Company's (i) 4.625% notes due 2022, (ii) 1.125% notes due 2023, (iii) 3.500% notes due 2024, (iv) 1.250% notes due 2025, (v) 1.400% notes due 2026, (vi) 2.125% notes due 2027, (vii) 0.625% notes due 2028, (viii) 5.900% notes due 2024, (ix) 6.050% notes due 2025, (x) 6.165% notes due 2027, (xi) 6.330% notes due 2029, (xii) 6.379% notes due 2032, (xiii) 4.777% notes due 2026 and (xiv) 5.337% notes due 2029.

"Existing Term Loan Facilities" means the \$500,000,000 364-day senior unsecured delayed draw term loan facility and the \$1,000,000,000 5-year senior unsecured delayed draw term loan facility contemplated by the Existing Term Loan Credit Agreement.

"Facility," means, at any time, the aggregate amount of the Lenders' Commitments at such time.

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any applicable intergovernmental agreements between a non-U.S. jurisdiction and the United States with respect thereto, any law, regulations, or other official guidance enacted in a non-U.S. jurisdiction relating to an intergovernmental agreement related thereto, and any agreements entered into pursuant to Section 1471(b)(1) of the Code as such Code provision is enacted as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with).

"Federal Funds Rate" means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Fee Letter" means the fee letter agreement, dated August 8, 2022, among Holdings, BofA Securities, Inc. and the Administrative Agent.

"Financial Covenant" has the meaning set forth in Section 7.07(b).

"Fitch" means Fitch, Inc. and any successor thereto.

"Foreign Plan" means each employee benefit plan (within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA), program or agreement that is not subject to U.S. law and is maintained or contributed to by, or entered into with Holdings, the Company, any of their Subsidiaries, or any other entity to the extent Holdings could have any liability in respect of its current or former employees, other than any employee benefit plan, program or agreement that is sponsored or maintained exclusively by a Governmental Authority.

"Foreign Plan Event" means, with respect to any Foreign Plan, (a) the failure to make or, if applicable, accrue in accordance with normal accounting practices, any contributions or payments required by applicable law or by the terms of such Foreign Plan; (b) the failure to register or loss of good standing with applicable Governmental Authorities of any such Foreign Plan required to be registered with such Governmental Authorities; or (c) the failure of any Foreign Plan to comply with any material provisions of applicable law and regulations or with the material terms of such Foreign Plan.

"Foreign Subsidiary" means any Subsidiary that is organized under the laws of a jurisdiction other than the United States, a State thereof or the District of Columbia.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fund" means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"GAAP" means generally accepted accounting principles in the United States set forth in the Financial Accounting Standards Board Accounting Standards Codification or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Group" means Holdings and its Subsidiaries (which, for the avoidance of doubt, will not include the Acquired Business prior to the consummation of the DuPont Acquisition on the Closing Date).

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of

the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guaranties" means the Parent Guaranty and the Subsidiary Guaranty.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, per- and polyfluoroalkyl substances, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"Holdings" has the meaning specified in the introductory paragraph hereto.

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

- (a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;
- (b) all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments;
- (c) net obligations of such Person under any Swap Contract;
- (d) all obligations of such Person to pay the deferred purchase price of property or services (other than (x) trade accounts payable in the ordinary course of business and (y) any contingent earn-out payments until required to be reflected on the applicable consolidated balance sheet in accordance with GAAP);
- (e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse (but if such Indebtedness has not been assumed by, and is otherwise non-recourse to, such Person, only to the extent of the lesser of the fair market value of the assets of such Person subject to such Lien and the amount of such Indebtedness);
- (f) Capitalized Lease Obligations and Synthetic Lease Obligations;
- (g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; and

(h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company or similar entity organized in any non-US jurisdiction) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any capital lease or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date. Indebtedness shall exclude any Indebtedness of a third party that is not an Affiliate of Holdings or any of its subsidiaries and that is attributable to supply or lease arrangements as a result of consolidation under ASC 810-10 or attributable to take-or-pay contracts that are accounted for in a manner similar to a capital lease under ASC 842-10 or ASC 842-40 in either case so long as (x) such supply or lease arrangements or such take-or-pay contracts are entered into in the ordinary course of business and (y) notwithstanding anything to the contrary contained in the definition of Consolidated EBITDA, the related expense under any such supply or lease arrangement or under any such take-or-pay contract is treated as an operating expense that reduces Consolidated EBITDA.

"Indemnified Taxes" means all Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document.

"Indemnitees" has the meaning specified in Section 10.04(b).

"Information" has the meaning specified in Section 10.07.

"Interest Payment Date" means, (a) as to any Term SOFR Loan, the last day of each Interest Period applicable to such Loan and the applicable Maturity Date; provided, however, that if any Interest Period for a Term SOFR Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan, the last Business Day of each March, June, September and December and the applicable Maturity Date.

"Interest Period" means as to each Term SOFR Loan, the period commencing on the date such Term SOFR Loan is disbursed or converted to or continued as a Term SOFR Loan and ending on the date one or three months thereafter (in each case, subject to availability), as selected by the Company in its Loan Notice; provided that:

(i) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Term SOFR Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(ii) any Interest Period pertaining to a Term SOFR Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(iii) no Interest Period shall extend beyond the applicable Maturity Date.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of capital stock or other

securities of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor Guarantees Indebtedness of such other Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

"IRS" means the United States Internal Revenue Service.

"Laws" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lender" has the meaning specified in the introductory paragraph hereto and, as the context requires, includes a Lender with a Commitment or holding Loans.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Company and the Administrative Agent which office may include any Affiliate of such Lender or any domestic or foreign branch of such Lender or such Affiliate. Unless the context otherwise requires each reference to a Lender shall include its applicable Lending Office.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" has the meaning specified in Section 2.01.

"Loan Documents" means this Agreement, including schedules and exhibits hereto, each Note, the Fee Letter, and the Guaranties and any amendments, modifications or supplements hereto or to any other Loan Document or waivers hereof or to any other Loan Document.

"Loan Notice" means a notice of (a) a Borrowing, (b) a conversion of Loans from one Type to the other or (c) a continuation of Term SOFR Loans pursuant to Section 2.02(a), which shall be substantially in the form of Exhibit A or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Company.

"Loan Parties" means, collectively, Holdings, the Company and each Subsidiary Guarantor.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect on, the business, results of operations, assets or financial condition of Holdings and its Subsidiaries, taken as a whole; (b) a material impairment of the rights and remedies of the Administrative Agent or any Lender under the Loan Documents, or of the ability of any Loan Party to perform its obligations under the Loan Documents to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of the Loan Documents to which it is a party.

"Material Indebtedness" means Indebtedness of Holdings or the Company (other than Indebtedness owed to a Subsidiary of the Company) that individually, or in the aggregate (with respect to any Subsidiary providing a Guarantee thereof when taken together with all other Indebtedness of Holdings or the Company Guaranteed by such Subsidiary), is outstanding in an aggregate principal amount of \$100,000,000 or more.

"Material Subsidiary" means each Subsidiary that is a Loan Party or that is a "significant subsidiary" of Holdings, as the term "significant subsidiary" is defined in Regulation S-X promulgated by the Securities and Exchange Commission.

"Maturity Date" means the date that is three years after the Closing Date; provided, however, that, if such date is not a Business Day, the applicable Maturity Date shall be the next preceding Business Day.

"Maximum Rate" has the meaning set forth in Section 10.09.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which Holdings, the Company or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding six plan years, has made or been obligated to make contributions.

"Non-Consenting Lender" means any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 10.01 and (ii) has been approved by the Required Lenders.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Note" means a promissory note made by the Company in favor of a Lender evidencing Loans, substantially in the form of Exhibit C.

"Notice of Loan Prepayment" means a notice of prepayment with respect to a Loan, which shall be substantially in the form of Exhibit M or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding

under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

"OFAC" has the meaning specified in Section 5.16(b).

"Organization Documents" means, (a) with respect to any corporation, the charter or certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating or limited liability agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means any and all present or future stamp or documentary taxes or similar Taxes arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, the Loan Documents, and any and all interest and penalties related thereto, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06(b)).

"Outstanding Amount" means with respect to Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of such Loans occurring on such date.

"Overnight Rate" means, for any day, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent, in accordance with banking industry rules on interbank compensation; provided that if the Overnight Rate as so determined is negative, it shall be deemed to be 0.00%.

"Parent Guaranty" means the Guaranty made by Holdings in favor of the Administrative Agent and the Lenders, substantially in the form of Exhibit G-1.

"Participant" has the meaning specified in Section 10.06(d).

"Participant Register" has the meaning specified in Section 10.06(d).

"Patriot Act" means the Uniting and Strengthening America By Providing Appropriate Tools Required To Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001, as amended.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Permitted Receivables Documents" means all documents and agreements evidencing, relating to or otherwise governing a Permitted Receivables Financing.

"Permitted Receivables Financing" means one or more transactions pursuant to which (i) Receivables Assets or interests therein are sold to or financed by one or more Special Purpose Receivables Subsidiaries, and (ii) such Special Purposes Receivables Subsidiaries finance their acquisition or maintenance of such Receivables Assets or interests therein, or the financing thereof, by selling or borrowing against such Receivables Assets; provided that (A) recourse to Holdings or any Subsidiary (other than Special Purposes Receivables Subsidiaries) in connection with such transactions shall be limited to the extent customary for similar transactions in the applicable jurisdictions (including, to the extent applicable, in a manner consistent with the delivery of a "true sale" or "absolute transfer" opinion with respect to any transfer by Holdings or any Subsidiary (other than a Special Purpose Receivables Subsidiary) and purchase price percentages shall be (x) on market terms (as determined in good faith by the Company) or (y) no less favorable to Holdings and its Subsidiaries than the receivables financing existing on the Closing Date pursuant to that certain Amended and Restated Purchase and Sale Agreement, dated as of February 2, 2015, by and among Celanese U.S. Sales LLC, Celanese Ltd. and Ticona Polymers, Inc. as originators, the other originators party thereto from time to time, Celanese International Corporation, as servicer, and CE Receivables LLC, as buyer (as amended prior to the Closing Date and, together with financing documentation relating thereto, as in effect on the Closing Date, the "Existing Receivables Financing") and (B) the aggregate Receivables Net Investment shall not exceed \$750,000,000 at any time. It is agreed that the Existing Receivables Financing is a Permitted Receivables Financing, subject to the requirements of clause (B) of the proviso to the immediately preceding sentence are satisfied.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code and in respect of which Holdings, the Company, any of their Subsidiaries or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Platform" has the meaning specified in Section 6.02.

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Public Lender" has the meaning specified in Section 6.02.

"Qualifying Acquisition" means any acquisition by the Holdings or any of its Subsidiaries of any assets of or equity interests in another Person, including any acquisition of equity interests in a joint venture or other non-wholly owned entity, for which the aggregate consideration (including Indebtedness assumed in connection therewith and obligations in respect of the deferred purchase price thereof) exceeds \$500,000,000.

"Receivables Assets" means accounts receivable (including any bills of exchange) and related assets and property from time to time originated, acquired or otherwise owned by Holdings or any Subsidiary.

"Receivables Net Investment" means the aggregate cash amount paid by the lenders to, or purchasers of Receivables Assets from, Loan Parties under any Permitted Receivables Financing in connection with their purchase of, or the making of loans or issuance of letters of credit secured by, Receivables Assets or interests therein, as the same may be reduced from time to time

by collections with respect to such Receivables Assets and the amount of such Receivables Assets that become defaulted accounts receivable or otherwise in accordance with the terms of the Permitted Receivables Documents; provided, however, that if all or any part of such Receivables Net Investment shall have been reduced by application of any distribution and thereafter such distribution is rescinded or must otherwise be returned for any reason, such Receivables Net Investment shall be increased by the amount of such distribution, all as though such distribution had not been made.

"Recipient" means the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

"Register" has the meaning specified in Section 10.06(c).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Relevant Governmental Body" means the FRB and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the FRB and/or the Federal Reserve Bank of New York, or, in each case, any successor thereto.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA with respect to a Plan, other than events for which the 30 day notice period has been waived.

"Required Lenders" means, at any time, Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time.

"Rescindable Amount" has the meaning as defined in Section 2.12(b)(ii).

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Responsible Officer" means the chief executive officer, president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party (or an equivalent or comparable person in the case of any Foreign Subsidiary that is a Loan Party), solely for purposes of the delivery of incumbency certificates pursuant to Section 4.01, the secretary or any assistant secretary of a Loan Party (or an equivalent or comparable person in the case of any Foreign Subsidiary that is a Loan Party) and, solely for purposes of notices given pursuant to Article II, any other officer or employee (or, in the case of any Foreign Subsidiary, other person performing the relevant functions, such as a manager or director) of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent or any other officer or employee (or, in the case of any Foreign Subsidiary, other person performing the relevant functions, such as a manager or director) of the applicable Loan Party designated in or pursuant to an agreement between the applicable Loan Party and the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Revolving Credit Agreement" means that certain Credit Agreement, dated as of March 18, 2022 (as amended, modified or otherwise supplemented from time to time), among

Holdings, the Company, certain Subsidiaries of the Company, as borrowers and guarantors, the lenders from time to time party thereto and Bank of America, as administrative agent.

"S&P" means Standard & Poor's Financial Services LLC, a subsidiary of S&P Global Inc. and any successor thereto.

"Same Day Funds" means immediately available funds.

"Scheduled Unavailability Date" has the meaning specified in Section 3.03(c).

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"SOFR" means the Secured Overnight Financing Rate as administered by the Federal Reserve Bank of New York (or a successor administrator).

"SOFR Adjustment" with respect to Daily Simple SOFR means 0.10%; and with respect to Term SOFR means 0.10%.

"SOFR Administrator" means the Federal Reserve Bank of New York, as the administrator of SOFR, or any successor administrator of SOFR designated by the Federal Reserve Bank of New York or other Person acting as the SOFR Administrator at such time.

"Solvent" means, as of any date, after giving effect to the consummation of the DuPont Acquisition to occur on the Closing Date, including the making of each Loan to be made on the Closing Date, and after giving effect to the application of the proceeds thereof: (i) the fair value of the assets of Holdings and its Subsidiaries, on a consolidated basis, exceeds, on a consolidated basis, their debts and liabilities, subordinated, contingent or otherwise; (ii) the present fair saleable value of the property of Holdings and its Subsidiaries, on a consolidated basis, is greater than the amount that will be required to pay the probable liability, on a consolidated basis, of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured (taking into account refinancing alternatives); (iii) Holdings and its Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, subordinated, contingent or otherwise, as such liabilities become absolute and matured (taking into account refinancing alternatives); and (iv) Holdings and its Subsidiaries, on a consolidated basis, are not engaged in, and are not about to engage in, business for which they have unreasonably small capital.

"Special Purpose Receivables Subsidiary" shall mean a direct or indirect Subsidiary of the Company established in connection with a Permitted Receivables Financing for the acquisition of Receivables Assets or interests therein, and which is organized in a manner intended to reduce the likelihood that it would be substantively consolidated with Holdings or any of the Subsidiaries (other than Special Purpose Receivables Subsidiaries) in the event Holdings or any such Subsidiary becomes subject to a proceeding under the Bankruptcy Code of the United States (or other insolvency law).

"Specified Representations" means the representations made by any Loan Party under Sections 5.01, 5.02 (except with respect to Section 5.02(b) (i), only with respect to indebtedness for borrowed money of the Company or its Subsidiaries (tested on the Closing Date after giving pro forma effect to the DuPont Acquisition) in a committed or outstanding principal amount of \$100,000,000 or greater), 5.04, 5.13, 5.16 (with respect to the use of proceeds of the Loans) and 5.17.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity (i) of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or (ii) the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person; provided that, (x) for the avoidance of doubt, Fairway Methanol LLC ("Fairway") shall not constitute a Subsidiary and (y) any Person that Holdings or any of its Subsidiaries invests in after the date hereof which does not satisfy the requirement of clause (i) above and for which the direct or indirect control rights of Holdings are no greater, taken as a whole, than such control rights with respect to Fairway as of the date hereof, as reasonably determined by the Administrative Agent, shall not constitute a Subsidiary, other than, with respect to clauses (x) and (y), for purposes of the definition of "Consolidated Funded Indebtedness" and Section 7.02 if and to the extent that any Indebtedness of such Person is recourse to Holdings or any of Holdings' Subsidiaries not described in clause (x) or (y). Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of Holdings.

"Subsidiary Guarantors" or "Guarantors" means, collectively, each Subsidiary party to the Subsidiary Guaranty.

"Subsidiary Guaranty" means the Guaranty made by the Subsidiary Guarantors in favor of the Administrative Agent and the Lenders, substantially in the form of Exhibit G-2.

"Successor Rate" has the meaning specified in Section 3.03(b).

"Swap Contract" means any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

"Synthetic Lease Obligation" means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"Taxes" means any and all present or future taxes, levies, imposts, duties, deductions, charges (including ad valorem charges), assessments, fees or withholdings (including backup

withholding) imposed by any Governmental Authority and any and all interest, additions to tax and penalties related thereto.

"Term SOFR" means:

(a) for any Interest Period with respect to a Term SOFR Loan, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period; provided that if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto, in each case, *plus* the SOFR Adjustment for such Interest Period; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the Term SOFR Screen Rate with a term of one month commencing that day;

provided that if the Term SOFR determined in accordance with either of the foregoing provisions (a) or (b) of this definition would otherwise be less than zero, the Term SOFR shall be deemed zero for purposes of this Agreement.

"Term SOFR Loan" means a Loan that bears interest at a rate based on clause (a) of the definition of Term SOFR.

"Term SOFR Replacement Date" has the meaning specified in Section 3.03(b).

"Term SOFR Screen Rate" means the forward-looking SOFR term rate administered by CME (or any successor administrator satisfactory to the Administrative Agent) and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time).

"Term SOFR Successor Rate" has the meaning specified in Section 3.03(b).

"Threshold Amount" means \$100,000,000.

"Total Credit Exposure" means, as to any Lender at any time, the sum of unused Commitments and aggregate Outstanding Amount of Loans held by such Lender at such time.

"Transaction Agreement" means that certain Transaction Agreement, dated as of February 17, 2022, among DuPont De Nemours, Inc. and DuPont E&I Holding, Inc., as sellers and Holdings, as buyer.

"Type" means, with respect to a Loan, its character as a Base Rate Loan or a Term SOFR Loan.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"United States" and "U.S." mean the United States of America.

"U.S. Government Securities Business Day" means any Business Day, except any Business Day on which any of the Securities Industry and Financial Markets Association, the New York Stock Exchange or the Federal Reserve Bank of New York is not open for business because such day is a legal holiday under the federal laws of the United States or the laws of the State of New York, as applicable.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 3.01(f)(ii).

"Withdrawal Liability" shall mean liability to a Multiemployer Plan pursuant to Section 4203 or Section 4205 of ERISA as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined under Section 4203 or Section 4205 of ERISA.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

**1.02 Other Interpretive Provisions.** With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "hereto," "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer

to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(d) Any reference herein to a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity). If Holdings or the Company undertakes any Division, each entity resulting from such Division shall be deemed to be a successor in interest with joint and several liability for Holdings' or the Company's (as applicable), Obligations hereunder.

**1.03 Accounting Terms.** (a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP as in effect from time to time, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Company and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 on financial liabilities shall be disregarded.

(b) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement (including any negative covenant or utilization of any "basket") set forth in any Loan Document, and either the Company or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Company shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (A) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (B) the Company shall provide to the Administrative Agent and the Lenders financial information and calculations as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

**1.04 Rounding.** Any financial ratios required to be maintained by Holdings pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

**1.05 Exchange Rates; Currency Equivalents.**

(a) *[Reserved]*.

(b) The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to the rates in the definition of "Term SOFR" or with respect to any comparable or successor rate thereto.

**1.06 [Reserved].**

**1.07 [Reserved].**

**1.08 Times of Day.** Unless otherwise specified, all references herein to times of day shall be references to the time in New York City.

**1.09 [Reserved].**

**1.10 Interest Rates.** The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to any reference rate referred to herein or with respect to any rate (including, for the avoidance of doubt, the selection of such rate and any related spread or other adjustment) that is an alternative or replacement for or successor to any such rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing) or the effect of any of the foregoing, or of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions or other activities that affect any reference rate referred to herein, or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing) or any related spread or other adjustments thereto, in each case, in a manner adverse to the Company. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any reference rate referred to herein or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing), in each case pursuant to the terms of this Agreement, and shall have no liability to the Company, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or other action or omission related to or affecting the selection, determination, or calculation of any rate (or component thereof) provided by any such information source or service.

**ARTICLE II.  
THE COMMITMENTS AND BORROWINGS**

**2.01 Loans.** Subject to the terms and conditions set forth herein, each Lender severally agrees to make loans (each such loan, a "Loan") to the Company in Dollars, on the Closing Date, in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Commitment. The Loans borrowed under this Section 2.01 and paid or prepaid may not be reborrowed. Loans may be Base Rate Loans or Term SOFR Loans, as further provided herein.

**2.02 Borrowings, Conversions and Continuations of Loans.**

(a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Term SOFR Loans shall be made upon the Company's irrevocable notice to the

Administrative Agent, which may be given by (A) telephone or (B) a Loan Notice; provided that any telephonic notice must be confirmed immediately by delivery to the Administrative Agent of a Loan Notice. Each such Loan Notice must be received by the Administrative Agent not later than 1:00 p.m. (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Term SOFR Loans or of any conversion of Term SOFR Loans to Base Rate Loans, and (ii) on the requested date of any Borrowing of Base Rate Loans. Each Borrowing of, conversion to or continuation of Term SOFR Loans shall be in a principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof. Except as provided in Section 2.04(c), each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof. Each Loan Notice shall specify (i) whether the Company is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Term SOFR Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Loans are to be converted and (v) if applicable, the duration of the Interest Period with respect thereto. If the Company fails to specify a Type of Loan in a Loan Notice or if the Company fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Term SOFR Loans. If the Company requests a Borrowing of, conversion to, or continuation of Term SOFR Loans in any such Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(b) Following receipt of a Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Company, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans. In the case of any Borrowing, each Lender shall make the amount of its Loan available to the Administrative Agent in Same Day Funds at the Administrative Agent's Office not later than 1:00 p.m. on the Business Day specified in the applicable Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02, the Administrative Agent shall make all funds so received available to the Company in like funds as received by the Administrative Agent either by (i) crediting the account of the Company on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Company.

(c) Except as otherwise provided herein, a Term SOFR Loan may be continued or converted only on the last day of an Interest Period for such Loan. During the existence of an Event of Default, no Loans may be requested as, converted to or continued as Term SOFR Loans if the Required Lenders elect not to permit such conversion or continuation.

(d) The Administrative Agent shall promptly notify the Company and the Lenders of the interest rate applicable to any Interest Period for Term SOFR Loans upon determination of such interest rate.

(e) After giving effect to all Borrowings, all conversions of Loans from one Type to the other, and all continuations of Loans as the same Type, there shall not be more than ten Interest Periods in effect with respect to Loans.

(f) Notwithstanding anything to the contrary in this Agreement, any Lender may exchange, continue or rollover all of the portion of its Loans in connection with any refinancing, extension, loan modification or similar transaction permitted by the terms of this Agreement,

pursuant to a cashless settlement mechanism approved by the Company, the Administrative Agent, and such Lender.

(g) With respect to SOFR or Term SOFR, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document; provided that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Company and the Lenders reasonably promptly after such amendment becomes effective.

**2.03 [Reserved].**

**2.04 [Reserved].**

**2.05 Prepayments.** (a) The Company may, upon notice to the Administrative Agent, at any time or from time to time voluntarily prepay Loans in whole or in part without premium or penalty; provided that (i) such notice must be a Notice of Loan Prepayment and be received by the Administrative Agent not later than 11:00 a.m. (A) three Business Days prior to any date of prepayment of Term SOFR Loans, (B) *[reserved]*, and (C) on the date of prepayment of Base Rate Loans (or, in each case, such shorter period as the Administrative Agent may agree in its sole discretion); (ii) any prepayment of Term SOFR Loans shall be in a principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof; (iii) *[reserved]*; and (iv) any prepayment of Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Type(s) of Loans to be prepaid and, if Term SOFR Loans are to be prepaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each Lender of its receipt of each such notice in respect of any Loans, and of the amount of such Lender's Applicable Loan Percentage of such prepayment. If such notice is given by the Company, the Company shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein; provided that if such notice is given in connection with a full or partial refinancing of the Facilities, such notice may condition the prepayment upon the effectiveness of such refinancing Indebtedness, in which case such notice may be revoked by the Company (by notice to the Administrative Agent on or prior to the date of such prepayment) if such condition is not satisfied; provided that the Company shall pay any amounts required pursuant to Section 3.05. Any prepayment of a Term SOFR Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Each such prepayment of Loans shall be applied to the Loans of the Lenders in accordance with their respective Applicable Loan Percentages.

**2.06 Termination or Reduction of Commitments.**

(a) The Company may, upon notice to the Administrative Agent, terminate the Aggregate Commitments, or from time to time permanently reduce the Aggregate Commitments; provided that (i) any such notice shall be received by the Administrative Agent not later than 11:00 a.m. three Business Days prior to the date of termination or reduction (or such shorter period as the Administrative Agent may agree in its sole discretion) and (ii) any such partial reduction shall be in an aggregate amount of \$10,000,000 or any whole multiple of \$1,000,000 in excess thereof. The Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the Aggregate Commitments. If such notice from the Company described above in this paragraph is given in connection with a full or partial refinancing of the

Commitments, such notice may condition the reduction or termination upon the effectiveness of such refinancing, in which case such notice may be revoked by the Company (by notice to the Administrative Agent on or prior to the date of the effectiveness of such termination) if such condition is not satisfied. Any reduction of the Aggregate Commitments shall be applied to the Commitment of each Lender according to its Applicable Percentage. All fees accrued until the effective date of any termination of the Aggregate Commitments shall be paid on the effective date of such termination.

(b) *[Reserved]*.

(c) To the extent not previously terminated, all unused Commitments hereunder shall terminate on the earlier of (i) the Closing Date (after giving effect to the Loans made on such date) and (ii) the expiry of the Availability Period. The Company shall provide the Administrative Agent prompt written notice of any commitment reduction pursuant to clause (ii) hereof.

(d) Prior to the Closing Date and following the termination in full of commitments under each of the Bridge Facility and the Existing Term Loan Facilities, the Aggregate Commitments shall be automatically and permanently reduced by the amounts set forth below:

(i) 100% of the net cash proceeds of any Debt Offering or issuance of any equity securities or equity-linked securities in a capital raising transaction (in any event not including any such issuances pursuant to (i) bond hedging programs, (ii) employee stock plans, dividend reinvestment or other benefit or employee incentive arrangements, (iii) grants to employees, officers or directors in the ordinary course of business, (iv) director's or officer's qualifying shares and/or other nominal amounts required to be held by Holdings or any of its Subsidiaries under applicable law or pursuant to a policy of Holdings or any of its Subsidiaries, (v) customer stock ownership plans and (vi) issuances among members of the Group), in each case, on or after February 17, 2022 by the Group; and

(ii) 100% of the net cash proceeds (including cash equivalents) actually received of any sale or other disposition (including as a result of casualty or condemnation) of any assets outside the ordinary course of business on or after August 8, 2022 by any member of the Group (other than net cash proceeds that are reinvested in or applied in the replacement, repair, restoration, construction or improvement of assets to be used in the business of the Group within 6 months of receipt of such proceeds (or in the case of any casualty or condemnation event, such longer period as may be reasonably required to replace or repair the affected asset)), except for (i) sales or other dispositions between or among Group members, (ii) sales or other dispositions the net cash proceeds of which do not exceed \$700,000,000 in the aggregate (it being agreed, for the avoidance of doubt, that only any relevant net cash proceeds in excess of such amount in the aggregate shall be required to be applied to commitment reductions hereunder), (iii) the sale or discount of receivables and related assets in connection with receivables financing, securitization or factoring arrangements and (iv) sale and leaseback transactions, the net cash proceeds of which do not exceed \$100,000,000;

provided, that Holdings shall notify the Administrative Agent within three Business Days of any receipt by any Group member of the proceeds described in this Section 2.06(d) which are required to be applied to reduce commitments hereunder; provided, further that all mandatory commitment reductions pursuant to this Section 2.06(d) shall be applied without penalty or premium and will be applied on a pro rata basis amongst the Commitments.

**2.07 Repayment of Loans.** The Company shall repay to the Lenders on the Maturity Date the aggregate principal amount of Loans made to the Company outstanding on such date. For the avoidance of doubt, there shall be no amortization applicable to any Loans.

**2.08 Interest.** Subject to the provisions of subsection (b) below, (i) each Term SOFR Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Term SOFR for such Interest Period plus the Applicable Rate and (ii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate.

(a) (i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by the Company under any Loan Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists (other than as set forth in clauses (b)(i) and (b)(ii) above), the Company shall pay interest on the principal amount of all outstanding Loans and any overdue other Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(b) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

**2.09 Fees.**

(a) Ticking Fees. The Company shall pay to the Administrative Agent for the account of each Lender in accordance with its Applicable Percentage, a ticking fee (the "Ticking Fee") equal to the Applicable Rate *times* the actual daily outstanding principal amount of the unused Aggregate Commitments. The Ticking Fee shall accrue commencing on the Effective Date and ending on the earlier of (i) the Closing Date and (ii) the end of the Availability Period, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, and upon the earlier of (i) the Closing Date and (ii) the end of the Availability Period. The Ticking Fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(b) Other Fees. The Company shall pay to BofA Securities, Inc. and the Administrative Agent for their own respective accounts, in Dollars, fees in the amounts and at the

times specified in the Fee Letter. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

**2.10 Computation of Interest and Fees.** All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to Term SOFR) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

**2.11 Evidence of Debt.** The Borrowings made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Borrowings made by the Lenders to the Company and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Company hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender to the Company made through the Administrative Agent, the Company shall execute and deliver to such Lender (through the Administrative Agent) a Note, which shall evidence such Lender's Loans to the Company in addition to such accounts or records. Each Lender may attach schedules to a Note and endorse thereon the date, Type (if applicable), amount, currency and maturity of its Loans and payments with respect thereto.

**2.12 Payments Generally; Administrative Agent's Clawback.** (a) General. All payments to be made by the Company shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Company hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in Dollars and in Same Day Funds not later than 2:00 p.m. on the date specified herein. Without limiting the generality of the foregoing, the Administrative Agent may require that any payments due under this Agreement be made in the United States. The Administrative Agent will promptly distribute to each Lender its Applicable Loan Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Company shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Term SOFR Loans (or, in the case of any Borrowing of Base Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the

Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Company a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Company severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to the Company but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the Overnight Rate, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (B) in the case of a payment to be made by the Company, the interest rate applicable to Base Rate Loans. If the Company and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Company the amount of such interest paid by the Company for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Company shall be without prejudice to any claim the Company may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by the Company; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Company prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Company will not make such payment, the Administrative Agent may assume that the Company has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due.

With respect to any payment that the Administrative Agent makes for the account of the Lenders as to which the Administrative Agent determines (which determination shall be conclusive absent manifest error) that any of the following applies (such payment referred to as the "Rescindable Amount"): (1) the Company has not in fact made such payment; (2) the Administrative Agent has made a payment in excess of the amount so paid by the Company (whether or not then owed); or (3) the Administrative agent has for any reason otherwise erroneously made such payment; then each of the Lenders severally agree to repay to the Administrative Agent forthwith on demand the Rescindable Amount so distributed to such Lender, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Company with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender to the Company as provided in the foregoing provisions of this Article II, and such funds are not made available to the Company by the Administrative Agent because the conditions to the applicable Borrowings set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Loans and to make payments pursuant to Section 10.04(c) are, in each case, several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 10.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 10.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

**2.13 Sharing of Payments by Lenders.** If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it under the Facility resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans or participations and accrued interest thereon greater than its *pro rata* share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans in respect of which it is a Lender, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided that the provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of the Company pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender) or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than an assignment to Holdings or any Subsidiary thereof (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

**2.14 [Reserved].**

**2.15 [Reserved].**

**2.16 [Reserved].**

**2.17 [Reserved].**

**2.18 Defaulting Lenders.**

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 10.01.

(ii) **Defaulting Lender Waterfall.** Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 10.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, [*reserved*]; third, [*reserved*]; fourth, as the Company may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Company, to be held in a deposit account and released *pro rata* in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; sixth, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default exists, to the payment of any amounts owing to the Company as a result of any judgment of a court of competent jurisdiction obtained by the Company against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a *pro rata* basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by the Lenders *pro rata* in accordance with the Commitments hereunder. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.18(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(b) **Defaulting Lender Cure.** If the Company and the Administrative Agent agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans to be held on a *pro rata* basis by the Lenders in accordance with their Applicable Percentages), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Company while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

### ARTICLE III. TAXES, YIELD PROTECTION AND ILLEGALITY

#### 3.01 Taxes.

(a) Any and all payments by or on account of any obligation of any Loan Party hereunder shall be made free and clear of and without deduction or withholding for any Taxes,

except as required by applicable law; provided that if an applicable withholding agent shall be required to deduct or withhold any Tax from such payments, then (i) if such Tax is an Indemnified Tax or Other Tax, the sum payable shall be increased by an applicable Loan Party as necessary so that after making all required deduction or withholding (including deduction or withholding applicable to additional sums payable under this Section) each Recipient, as applicable, receives an amount equal to the sum it would have received had no such deduction or withholding been made, (ii) such withholding agent shall make such deduction or withholding and (iii) such withholding agent shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law.

(b) In addition, the Loan Parties shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Each Loan Party shall indemnify each Recipient, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by such Recipient, as applicable, on or with respect to any payment by or on account of any obligation of such Loan Party hereunder (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) and any reasonable expense arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to such Loan Party by a Lender, or by the Administrative Agent on its own behalf, on behalf of another agent or on behalf of a Lender, shall be conclusive absent manifest error.

(d) Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.06(d) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this subparagraph (d).

(e) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by a Loan Party to a Governmental Authority pursuant to this Section 3.01, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax under the law of the jurisdiction in which the Company is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Company (with a copy to the Administrative Agent), to the extent such Lender is legally entitled to do so, at the time or times prescribed by applicable law or reasonably requested by the Company or the Administrative Agent, such properly completed and executed documentation

reasonably requested by the Company or Administrative Agent as will permit such payments to be made without such withholding tax or at a reduced rate. In addition, any Lender, if reasonably requested by the Company or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Company or the Administrative Agent as will enable the Company or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, no Lender shall have any obligation under this paragraph (f) with respect to any withholding Tax imposed by any jurisdiction other than the United States if in the reasonable judgment of such Lender such compliance would subject such Lender to any material unreimbursed cost or expense or would otherwise materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Company is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Company and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Lender that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Company and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit L-1 to the effect that such Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Company within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN or W-8BEN-E, as applicable; or

(4) to the extent a Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate, substantially in the form of Exhibit L-2 or Exhibit L-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Lender is a partnership and one or more direct or indirect partners of such Lender are claiming the portfolio interest exemption, such Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit L-4 on behalf of each such direct and indirect partner;

(C) any Lender that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Company and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Company or the Administrative Agent to determine the withholding or deduction required to be made

(iii) If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Company and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Company or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Company or the Administrative Agent as may be necessary for the Company and the Administrative Agent to comply with their obligations under FATCA and to determine whether such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (iii), "FATCA" shall include any amendments made to FATCA after the date hereof.

(iv) Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Company and the Administrative Agent in writing of its legal inability to do so.

(g) If a Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Indemnified Taxes or Other Taxes as to which it has been indemnified by a Loan Party or with respect to which such Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay over such refund to such Loan Party (but only to the extent of indemnity payments made, or additional amounts paid, by such Loan Party under this Section 3.01 with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of such Recipient (including any Taxes imposed with respect to such refund) and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that such Loan Party, upon the request of such Recipient,

agrees to repay as soon as reasonably practicable the amount paid over to such Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Recipient in the event such Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the Recipient be required to pay any amount to an Loan Party pursuant to this paragraph (g) the payment of which would place the Recipient in a less favorable net after-Tax position than the Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section shall not be construed to require any Recipient to make available its Tax returns (or any other information relating to its Taxes which it deems confidential) to the Loan Parties or any other Person.

**3.02 Illegality.** If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to SOFR or Term SOFR, or any Governmental Authority has imposed material restrictions on the authority of such Lender to engage in reverse repurchase of U.S. Treasury securities transactions of the type included in the determination of SOFR or Term SOFR, or to determine or charge interest rates based upon SOFR or Term SOFR, then, upon notice thereof by such Lender to the Company (through the Administrative Agent), (a) any obligation of such Lender to make or maintain Term SOFR Loans or to convert Base Rate Loans to Term SOFR Loans shall be, in each case, suspended, and (b) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Term SOFR component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Term SOFR component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Company that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (i) the Company shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay all Term SOFR Loans or, if applicable, convert all Term SOFR Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Term SOFR component of the Base Rate), in each case, immediately and (ii) if such notice asserts the illegality of such Lender determining or charging interest rates based upon SOFR, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Term SOFR component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon SOFR. Upon any such prepayment or conversion, the Company shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 3.05.

**3.03 Inability to Determine Rates.**

(a) If in connection with any request for a Term SOFR Loan or a conversion of Base Rate Loans to Term SOFR Loans or a continuation of any of such Loans, as applicable, (i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (A) no Successor Rate has been determined in accordance with Section 3.03(b), and the circumstances under clause (i) of Section 3.03(b) or the Scheduled Unavailability Date has occurred, or (B) adequate and reasonable means do not otherwise exist for determining the Term SOFR for any requested Interest Period with respect to a proposed Term SOFR Loan or in connection with an existing or proposed Base Rate Loan, or (ii) the Administrative Agent or the Required Lenders determine that for any reason that the Term SOFR for any requested Interest

Period does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Company and each Lender.

Thereafter, (x) the obligation of the Lenders to make or maintain Term SOFR Loans, or to convert Base Rate Loans to Term SOFR Loans, shall be suspended in each case to the extent of the affected Term SOFR Loans or Interest Period and (y) in the event of a determination described in the preceding sentence with respect to the Term SOFR component of the Base Rate, the utilization of the Term SOFR component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (or, in the case of a determination by the Required Lenders described in clause (ii) of this Section 3.03(a), until the Administrative Agent upon instruction of the Required Lenders) revokes such notice.

Upon receipt of such notice, (i) the Company may revoke any pending request for a Borrowing of, or conversion to, or continuation of Term SOFR Loans to the extent of the affected Term SOFR Loans or Interest Period, as applicable or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein and (ii) any outstanding Term SOFR Loans shall be deemed to have been converted to Base Rate Loans immediately at the end of their respective applicable Interest Period.

(b) Replacement of Term SOFR or Successor Rate. Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Company or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Company) that the Company or Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining one month, three month and six month interest periods of Term SOFR, including, without limitation, because the Term SOFR Screen Rate is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) CME or any successor administrator of the Term SOFR Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent or such administrator with respect to its publication of Term SOFR, in each case acting in such capacity, has made a public statement identifying a specific date after which one month, three month and six month interest periods of Term SOFR or the Term SOFR Screen Rate shall or will no longer be made available, or permitted to be used for determining the interest rate of U.S. dollar denominated syndicated loans, or shall or will otherwise cease, provided that, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent, that will continue to provide such interest periods of Term SOFR after such specific date (the latest date on which one month, three month and six month interest periods of Term SOFR or the Term SOFR Screen Rate are no longer available permanently or indefinitely, the "Scheduled Unavailability Date");

then, on a date and time determined by the Administrative Agent (any such date, the "Term SOFR Replacement Date"), which date shall be at the end of an Interest Period or on the relevant interest payment date, as applicable, for interest calculated and, solely with respect to clause (ii) above, no later than the Scheduled Unavailability Date, Term SOFR will be replaced hereunder and under any Loan Document with Daily Simple SOFR *plus* the SOFR Adjustment for any payment period for interest calculated that can be determined by the Administrative Agent, in each case, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document (the "Successor Rate"). If the Successor Rate is Daily

Simple SOFR plus the SOFR Adjustment, all interest payments will be payable on a monthly basis.

Notwithstanding anything to the contrary herein, (i) if the Administrative Agent determines that Daily Simple SOFR is not available on or prior to the Term SOFR Replacement Date, or (ii) if the events or circumstances of the type described in Section 3.03(b)(i) or (ii) have occurred with respect to the Successor Rate then in effect, then in each case, the Administrative Agent and the Company may amend this Agreement solely for the purpose of replacing the Term SOFR or any then current Successor Rate in accordance with this Section 3.03, with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the United States for such alternative benchmarks. and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the United States for such benchmarks, which adjustment or method for calculating such adjustment shall be published on an information service as selected by the Administrative Agent from time to time in its reasonable discretion and may be periodically updated (any such proposed rate, including for the avoidance of doubt, any adjustment thereto, a "Successor Rate"). Any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Company unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

The Administrative Agent will promptly (in one or more notices) notify the Company and each Lender of the implementation of any Successor Rate.

Any Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.

Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than zero, the Successor Rate will be deemed to be zero for the purposes of this Agreement and the other Loan Documents.

In connection with the implementation of a Successor Rate, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement; provided that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Company and the Lenders reasonably promptly after such amendment becomes effective.

### **3.04 Increased Costs; Reserve Requirements.**

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement contemplated by Section 3.04(c), other than as set forth below);

(ii) subject any Recipient to any Taxes (other than Indemnified Taxes and Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Term SOFR Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender, or to reduce the amount of any sum received or receivable by such Lender (whether of principal, interest or any other amount) then, upon request of such Lender, the Company will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender reasonably determines that any Change in Law affecting such Lender or any Lending Office of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Company will pay to such Lender, as the case may be, such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Company shall be conclusive absent manifest error. The Company shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to the foregoing provisions of this Section 3.04 shall not constitute a waiver of such Lender's right to demand such compensation, provided that the Company shall not be required to compensate a Lender pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender notifies the Company of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Additional Reserve Requirements. The Company shall pay to each Lender, (i) as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including eurocurrency funds or deposits (currently known as "Eurocurrency liabilities"), additional interest on the unpaid principal amount of each Term SOFR Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent manifest error), and (ii) as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any other central banking or financial regulatory authority imposed in respect of

the maintenance of the Commitments or the funding of the Term SOFR Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent manifest error), which in each case shall be due and payable on each date on which interest is payable on such Loan, provided the Company shall have received at least 10 days' prior notice (with a copy to the Administrative Agent) of such additional interest or costs from such Lender. If a Lender fails to give notice 10 days prior to the relevant Interest Payment Date, such additional interest or costs shall be due and payable 10 days from receipt of such notice.

**3.05 Compensation for Losses.** Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Company shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

- (a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);
- (b) any failure by the Company (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan on the date or in the amount notified by the Company;
- (c) any failure by the Company to make payment of any Loan (or interest due thereon) on its scheduled due date or any payment thereof in a different currency; or
- (d) any assignment of a Term SOFR Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Company pursuant to Section 10.13;

including any loss of anticipated profits, any foreign exchange losses and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan, from fees payable to terminate the deposits from which such funds were obtained or from the performance of any foreign exchange contract. The Company shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Company to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Term SOFR Loan made by it at the Term SOFR, for such Loan by a matching deposit or other borrowing in the offshore interbank market for such currency for a comparable amount and for a comparable period, whether or not such Loan was in fact so funded.

**3.06 Mitigation Obligations; Replacement of Lenders.**

(a) Designation of a Different Lending Office. Each Lender may make any Borrowings to the Company through any Lending Office, provided that the exercise of this option shall not affect the obligation of the Company to repay the Borrowings in accordance with the terms of this Agreement. If any Lender requests compensation under Section 3.04, or requires the Company to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Company such Lender shall use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or

eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Company hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Company is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different Lending Office in accordance with Section 3.06(a), the Company may replace such Lender in accordance with Section 10.13.

**3.07 Survival.** All obligations of the Loan Parties under this Article III shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder, and resignation of the Administrative Agent.

#### ARTICLE IV. CONDITIONS PRECEDENT

**4.01 Conditions of Effectiveness.** The effectiveness of this Agreement is subject to satisfaction or waiver in accordance with Section 10.01 of the following conditions precedent:

(a) The Administrative Agent's receipt of the following, each of which shall be (to the extent applicable) originals or telecopies (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party, each dated the Effective Date (or, in the case of certificates of governmental officials, a recent date before the Effective Date) and each in form and substance reasonably satisfactory to the Administrative Agent and each of the Lenders:

- (i) executed counterparts of this Agreement and the Guaranties;
- (ii) Notes executed by the Company in favor of each Lender requesting Notes;

(iii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party;

(iv) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, validly existing, in good standing (as applicable) and qualified to engage in business in the jurisdiction of its formation;

(v) a favorable opinion of each of (A) Gibson, Dunn & Crutcher LLP, counsel to the Loan Parties and (B) Michael Sullivan, internal counsel to the Loan Parties, in each case addressed to the Administrative Agent and each Lender;

(vi) [*Reserved*]; and

(vii) a certificate signed by a Responsible Officer of Holdings certifying that (A) the representations and warranties of (i) Holdings and the Company contained in

Article V and (ii) each Loan Party contained in each other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct on and as of the Effective Date, (B) no Default exists or would result from the execution of the Loan Documents and (C) the current Debt Ratings;

(b) Any fees required to be paid by the Loan Parties on or before the Effective Date under the Loan Documents shall have been paid.

(c) *[Reserved]*.

(d) Unless waived by the Administrative Agent, the Company shall have paid all fees, charges and disbursements of counsel to the Administrative Agent and the Arrangers required to be reimbursed by this Agreement (directly to such counsel if requested by the Administrative Agent) to the extent invoiced prior to or on the Effective Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Company and the Administrative Agent).

(e) The Lenders shall have received, at least five Business Days prior to the Effective Date, all information they shall have requested under anti-terrorism and anti-money-laundering laws and regulations, including the Patriot Act, and, at least ten Business Days prior to the Effective Date, any Loan Party that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall have delivered, to each Lender that so requests, a Beneficial Ownership Certification in relation to such Loan Party.

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Effective Date specifying its objection thereto.

**4.02 Conditions to Closing Date.** The obligation of each Lender to honor any request for a Loan on the Closing Date is subject to the occurrence of the Effective Date and satisfaction or waiver in accordance with Section 10.01 of the following conditions precedent:

(a) The DuPont Acquisition shall have been (or, substantially contemporaneously with the Closing Date, shall be) consummated in all material respects pursuant to the Transaction Agreement without giving effect to any modifications, consents, amendments or waivers thereto agreed to by Holdings that, in each case, are materially adverse to the interests of the Lenders (in their capacities as such), unless the Lenders shall have provided its written consent thereto, such consent not to be unreasonably withheld, delayed or conditioned (it being understood that (x) any decrease in the cash purchase consideration of 10% or more in respect of the DuPont Acquisition will be deemed to be materially adverse to the Lenders, (y) any increase in the cash purchase consideration of 10% or more for the DuPont Acquisition will be deemed to be materially adverse to the Lenders to the extent that any such increase is not funded with additional equity and (z) any reduction of the cash purchase price consideration shall be applied to reduce amounts to be funded under the Bridge Facility).

(b) Since February 17, 2022, there shall not have occurred a Business Material Adverse Effect (as defined in the Acquisition Agreement as in effect on February 17, 2022) that is still continuing.

(c) The Lenders shall have received (i) audited financial statements of Holdings for its three most recent fiscal years ended at least 60 days prior to the Closing Date, (ii) unaudited financial statements of Holdings for any quarterly (other than the fourth fiscal quarter) interim period or periods ended after the date of its most recently audited financial statements (and corresponding periods of any prior year), and more than 45 calendar days prior to the Closing Date, (iii) the audited carve-out financial statements of the Acquired Business for (x) each of the fiscal years ended December 31, 2020 and December 31, 2021 and (y) if the closing date of the DuPont Acquisition has not occurred prior to March 31, 2023, the fiscal year ended December 31, 2022, (iv) unaudited carve-out financial statements of the Acquired Business for any quarterly (other than the fourth fiscal quarter) interim period or periods ended after the date of its respective most recently audited financial statements (and corresponding periods of any prior year), and more than 45 calendar days prior to the Closing Date and (v) pro forma financial statements, giving effect to the DuPont Acquisition, for the last completed fiscal year covered by clause (iii) and for the latest interim period covered by clause (iv); in each case that, meet the requirements of Regulation S-X. The Lenders hereby acknowledge that Holdings' public filing with the Securities and Exchange Commission of any required audited financial statements on Form 10-K or required unaudited financial statements on Form 10-Q, in each case, will satisfy the requirements under clauses (i) or (ii), as applicable, of this paragraph. The Lenders acknowledge that it has received (i) audited financial statements of Holdings for its fiscal years ended 2019, 2020 and 2021 and (ii) unaudited financial statements of Holdings for the interim periods ended March 31, 2022 and June 30, 2022.

(d) All costs, fees, expenses (including, without limitation, legal fees and expenses), to the extent invoiced at least two (2) business days prior to the Closing Date, payable to the Administrative Agent or the Lenders shall have been paid on or prior to the Closing Date.

(e) The Administrative Agent's receipt of a duly executed solvency certificate from the chief financial officer (or other officer with equivalent responsibilities) of Holdings demonstrating pro forma solvency (on a consolidated basis) of Holdings and its Subsidiaries as of the Closing Date (after giving effect to the DuPont Acquisition) in the form attached as Exhibit H.

(f) At the time of and upon giving effect to the borrowing of the Loans on the Closing Date, (i) the Acquisition Representations and the Specified Representations shall be true and correct in all material respects (except to the extent already qualified by materiality or material adverse effect and except for those representations and warranties that address matters only as of a particular date (which shall remain true and correct in all material respects (except to the extent already qualified by materiality or material adverse effect) as of such particular date) and (ii) there shall not exist any Event of Default under Section 8.01(a) or Section 8.01(f) (limited to Holdings and the Company).

(g) The Administrative Agent shall have received a duly executed Loan Notice with respect to the Borrowing to be made on the Closing Date within the time parameters required by Section 2.02.

**ARTICLE V.  
REPRESENTATIONS AND WARRANTIES**

Each of Holdings and the Company represents and warrants to the Administrative Agent and the Lenders on (a) (other than with respect to the representations and warranties that are stated to be made as of the Closing Date) the Effective Date and (b) the Closing Date that:

**5.01 Existence, Qualification and Power.** Each Loan Party and each Subsidiary thereof is duly incorporated, organized or formed, validly existing and (to the extent the concept is applicable in such jurisdiction) in good standing under the Laws of the jurisdiction of its incorporation or organization (except, in the case of any Subsidiary other than a Loan Party, to the extent the failure to be so could not reasonably be expected to have a Material Adverse Effect). Each Loan Party and each Subsidiary thereof (a) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) in the case of the Loan Parties, to execute, deliver and perform its obligations under the Loan Documents to which it is a party and (b) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (a)(i) or (b), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

**5.02 Authorization; No Contravention.** The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party, have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Person's Organization Documents; (b) violate or result in any breach or contravention of, or the creation of any Lien under (i) any material Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority; or (c) violate any applicable Law.

**5.03 Governmental Authorization; Other Consents.** No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, in each case, which has not been obtained.

**5.04 Binding Effect.** This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by equitable principles relating to the availability of specific performance as a remedy and except to the extent that indemnification obligations may be limited by federal or state securities laws or public policy relating thereto.

**5.05 Financial Statements; No Material Adverse Effect.**

(a) The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein and (ii) fairly present, in all material respects, the financial condition of Holdings and its subsidiaries as of the date thereof and their results of operations for the period covered thereby in

accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein.

(b) The unaudited consolidated balance sheet of Holdings and its subsidiaries dated September 30, 2021, and the related consolidated statements of income or operations, shareholders' equity and cash flows for the fiscal quarter ended on that date (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present the financial condition of the Company and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(c) Since the date of the Audited Financial Statements, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

**5.06 Litigation.** There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of Holdings after due and diligent investigation, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against Holdings or any of its Subsidiaries or against any of their properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby, or (b) either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect, except, in the case of clause (b), as disclosed prior to the Closing Date in Holdings' annual report on Form 10-K filed with the SEC for Holdings' fiscal year ended December 31, 2021, in subsequent quarterly reports on Form 10-Q filed with the SEC prior to the date hereof, or in any subsequent current report on Form 8-K filed with the SEC prior to the date hereof.

**5.07 No Default.** No Default has occurred and is continuing.

**5.08 Ownership of Property.** Holdings and each Subsidiary has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such failures as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

**5.09 Environmental Matters.** Except as disclosed in Holdings' annual report on Form 10-K filed with the SEC for Holdings' fiscal year ended December 31, 2021, in subsequent quarterly reports on Form 10-Q filed with the SEC prior to the date hereof, or in any subsequent current report on Form 8-K filed with the SEC prior to the Closing Date, and except as to matters that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect (a) no written notice, demand, claim, request for information, order, complaint or penalty has been received by Holdings, the Company or any of the Subsidiaries relating to Holdings, the Company or any of the Subsidiaries, (b) there are no judicial, administrative or other actions, suits or proceedings relating to Holdings, the Company or any of the Subsidiaries pending or threatened relating to Environmental Laws, (c) each of Holdings, the Company and the Subsidiaries has all permits, licenses, registrations, consents or other authorizations necessary for its current operations to comply with all applicable Environmental Laws and is, and since January 4, 2014 has been, in compliance with the terms of such permits, licenses, registrations, consents or other authorizations and with all other applicable Environmental Laws, (d) no Hazardous Material is located at, in, on or under, or is emanating from, any property currently owned, operated or leased by Holdings, the Company or any of the Subsidiaries that would reasonably be expected to give rise to any cost, liability or obligation of Holdings, the Company or any of the Subsidiaries under any Environmental Laws, and no Hazardous Material has been

generated, handled, owned or controlled by Holdings, the Company or any of the Subsidiaries and transported to or released at any location in a manner that would reasonably be expected to give rise to any cost, liability or obligation of Holdings, the Company or any of the Subsidiaries under any Environmental Laws, (e) to the knowledge of the Company, there are no facts, conditions, situations or sets of circumstances (including any reasonably anticipated changes to Environmental Laws) which could reasonably be expected to give rise to any Environmental Liability or interfere with or prevent continued compliance by Holdings, the Company or any Subsidiary with Environmental Laws, and (f) neither Holdings, the Company nor any Subsidiary is financing or conducting any investigation, response or other corrective action under any Environmental Law at any location.

**5.10 Taxes.** Each of Holdings, the Company and the Subsidiaries (a) has timely filed or caused to be timely filed all U.S. federal, state, local and non-U.S. Tax returns required to have been filed by it that are material to such companies taken as a whole and each such Tax return (as amended, if applicable) is true and correct in all material respects and (b) has timely paid or caused to be timely paid all Taxes shown thereon to be due and payable by it and all other Taxes or assessments, except (i) Taxes or assessments that are being contested in good faith by appropriate proceedings in accordance with Section 6.04 and for which Holdings, the Company or any of the Subsidiaries (as the case may be) has set aside on its books adequate reserves and (ii) Taxes the failure to pay which would not reasonably be expected to have a Material Adverse Effect.

**5.11 ERISA Compliance.**

Each of Holdings, the Company, each of their Subsidiaries and each ERISA Affiliate is in compliance with the applicable provisions of ERISA and the provisions of the Code relating to Plans and the regulations and published interpretations thereunder and any similar applicable non-U.S. law applicable to any Foreign Plan, except for such noncompliance that would not reasonably be expected to have a Material Adverse Effect. No Reportable Event has occurred during the past five years as to which Holdings, the Company, any of their Subsidiaries or any ERISA Affiliate was required to file a report with the PBGC, other than reports that have been filed and reports the failure of which to file would not reasonably be expected to have a Material Adverse Effect. As of the Closing Date, the excess of the present value of all benefit liabilities under each Plan of Holdings, the Company, each of their Subsidiaries and each ERISA Affiliate (based on those assumptions used to fund such Plan), as of the last annual valuation date applicable thereto for which a valuation is available, over the value of the assets of such Plan as of such date (each such Plan an "underfunded Plan") would not reasonably be expected to have a Material Adverse Effect, and the excess of the present value of all benefit liabilities of all underfunded Plans (based on those assumptions used to fund each such Plan) as of the last annual valuation dates applicable thereto for which valuations are available, over the value of the assets as of such date of all such underfunded Plans would not reasonably be expected to have a Material Adverse Effect. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events which have occurred or for which liability is reasonably expected to occur, would reasonably be expected to result in a Material Adverse Effect. None of Holdings, the Company, any of their Subsidiaries or any ERISA Affiliate has received any written notification that any Multiemployer Plan is insolvent or has been terminated within the meaning of Title IV of ERISA, or has knowledge that any Multiemployer Plan is reasonably expected to be insolvent or terminated, where such insolvency or termination has had or would reasonably be expected to have, through increases in the contributions required to be made to such Multiemployer Plan or otherwise, a Material Adverse Effect.

**5.12 Subsidiary Guarantors.** As of the Closing Date, Schedule 5.12 sets forth each Subsidiary of Holdings that has provided a Guarantee in respect of the Existing Notes or any other Material Indebtedness of Holdings or the Company. Each Subsidiary that is currently required to be a Subsidiary Guarantor pursuant to the terms of Section 6.13 is a Subsidiary Guarantor.

**5.13 Margin Regulations; Investment Company Act.**

(a) The Company is not engaged nor will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock. Following the application of the proceeds of each Borrowing, not more than 25% of the value of the assets (either of the Company only or of Holdings and its Subsidiaries on a consolidated basis) subject to the provisions of Section 7.01 or subject to any restriction contained in any agreement or instrument between the Company and any Lender or any Affiliate of any Lender relating to Indebtedness and within the scope of Section 8.01(e) will be margin stock.

(b) None of Holdings, the Company or any other Loan Party is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

**5.14 Disclosure.** No written factual information furnished by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby or delivered hereunder or under any other Loan Document (in each case, as modified or supplemented by other written information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that (i) no representation is made with respect to any information of a general economic or industry nature and (ii) with respect to any estimates, forecasts, projections or other forward-looking information, the Company represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

**5.15 Compliance with Laws.** Each Loan Party and each Subsidiary thereof is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties (including, for the avoidance of doubt, all applicable Environmental Laws), except (a) in such instances in which such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) for such noncompliance which, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

**5.16 OFAC; Patriot Act; Anti-Corruption Laws.** To the extent applicable, each of Holdings, the Company and its Subsidiaries is in compliance with (i) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto and (ii) applicable Anti-Money Laundering Laws, except for such non-compliance that could not, based upon the facts and circumstances existing at the time, reasonably be expected to (x) result in a Material Adverse Effect or (y) result in material liability to any Lender, Arrangers or Agent Party. No part of the proceeds of any Borrowings will be used, directly or, to the knowledge of Holdings and the Company, indirectly, for any payments to any person whatsoever, including any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended and/or, to the extent applicable to

Holdings and its Subsidiaries, the UK Bribery Act 2010, or any other similar anti-corruption legislation in other jurisdictions.

(a) None of Holdings, the Company or any of its Subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or Affiliate of Holdings, the Company or any of its Subsidiaries, (i) is a person on the list of "Specially Designated Nationals and Blocked Persons" or (ii) is otherwise currently the subject of any U.S. sanctions administered by the Office of Foreign Assets Control of the United States Department of the Treasury ("OFAC") or is located, organized or resident in a country or territory that is the subject of sanctions administered by OFAC, or any sanctions administered by the European Union or Her Majesty's Treasury of the United Kingdom ("HMT"); and the Company will not directly or, to its knowledge, indirectly use the proceeds of the Loans or otherwise knowingly make available such proceeds to any person, (x) for the purpose of financing activities or business of or with any person that is at such time the subject of any U.S. sanctions administered by OFAC, or to do business in a country or territory that is the subject of U.S. sanctions administered by OFAC, if such activities or business would be prohibited for a U.S. Person pursuant to OFAC sanctions, or (y) for the purpose of financing activities or business of or with any person that is at such time the subject of any sanctions administered by the European Union or the HMT or in a country or territory that is the subject of any sanctions administered by the European Union or the HMT, if such activities or business would be prohibited for an EU person or a UK person pursuant to EU sanctions or HMT sanctions, respectively.

**5.17 Solvency.** As of the Closing Date and immediately after giving effect to the DuPont Acquisition, Holdings and its Subsidiaries, on a consolidated basis, are Solvent.

**5.18 EEA Financial Institutions.** No Loan Party is an EEA Financial Institution.

#### **ARTICLE VI. AFFIRMATIVE COVENANTS**

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, Holdings shall, and shall (except in the case of the covenants set forth in Sections 6.01, 6.02, and 6.03) cause each Subsidiary to:

**6.01 Financial Statements.** Deliver to the Administrative Agent and each Lender, in form and detail reasonably satisfactory to the Administrative Agent:

(a) within 90 days after the end of each fiscal year of Holdings, a consolidated balance sheet of Holdings and its subsidiaries as at the end of such fiscal year, and the related consolidated statements of income or operations, shareholders' equity, and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit; and

(b) within 45 days after the end of each of the first three fiscal quarters of each fiscal year of Holdings, a consolidated balance sheet of Holdings and its subsidiaries as at the end of such fiscal quarter, the related consolidated statements of income or operations for such fiscal quarter and for the portion of Holdings' fiscal year then ended, and the related consolidated

statements of shareholders' equity and cash flows for the portion of Holdings' fiscal year then ended, in each case setting forth in comparative form, as applicable, the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail, certified by the chief executive officer, chief financial officer, principal accounting officer, treasurer, assistant treasurer or controller of Holdings as fairly presenting, in all material respects, the financial condition, results of operations, shareholders' equity and cash flows of Holdings and its subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

As to any information contained in materials furnished pursuant to Section 6.02(d), Holdings shall not be separately required to furnish such information under subsection (a) or (b) above, but the foregoing shall not be in derogation of the obligation of Holdings to furnish the information and materials described in subsections (a) and (b) above at the times specified therein.

**6.02 Certificates; Other Information.** Deliver to the Administrative Agent and each Lender, in form and detail reasonably satisfactory to the Administrative Agent:

(a) concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and (b) (or otherwise within five (5) Business Days thereof), a duly completed Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer or controller of Holdings (which delivery may, unless the Administrative Agent, or a Lender requests executed originals, be by electronic communication including fax or email and shall be deemed to be an original authentic counterpart thereof for all purposes);

(b) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of Holdings, and copies of all annual, regular, periodic and special reports and registration statements which Holdings may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, and not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(c) promptly following any request therefor, provide information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act and the Beneficial Ownership Regulation; and

(d) promptly, such additional information regarding the business, financial, or corporate affairs of Holdings or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01(a) or (b) or Section 6.02(b) (to the extent any such documents are included in materials otherwise filed with the SEC and are publicly available on EDGAR at [www.sec.gov](http://www.sec.gov)) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which Holdings posts such documents, or provides a link thereto on Holdings' public website on the Internet or such documents are posted on EDGAR at [www.sec.gov](http://www.sec.gov); or (ii) on which such documents are posted on Holdings' behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent). The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by Holdings with respect to such

documentation, and each Lender shall be solely responsible for maintaining its own copies of such documents.

The Company hereby acknowledges that (a) the Administrative Agent and/or the Arrangers may, but shall not be obligated to, make available to the Lenders materials and/or information provided by or on behalf of the Company hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks, Syndtrak, ClearPar, or a substantially similar electronic transmission system (the "Platform") and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Company or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Company hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders (other than copies of any duly-filed Form 10K, 10Q or 8K or other filing with the Securities and Exchange Commission after they become publically available (the "Deemed Public Materials")) shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Company shall be deemed to have authorized the Administrative Agent, the Arrangers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Company or its respective securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 10.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information." With respect to Deemed Public Materials, the Administrative Agent, Arrangers and Lenders shall have the rights (and the Company shall have authorized treatment of such materials) in the manner contemplated for information marked "PUBLIC" pursuant to clauses (x) and (y) of the immediately preceding sentence.

**6.03 Notices.** Promptly notify the Administrative Agent and each Lender:

- (a) of the occurrence of any Default;
- (b) of the commencement of or any material development in (i) any dispute, litigation, investigation, proceeding or suspension between Holdings or any Subsidiary and any Governmental Authority; or (ii) any litigation or proceeding affecting Holdings or any Subsidiary, including pursuant to any applicable Environmental Laws, in each case of subclauses (i) and (ii), which matter, occurrence or development has resulted or could reasonably be expected to result in a Material Adverse Effect; and
- (c) of the occurrence of any ERISA Event which has resulted in, or could reasonably be expected to result in, a Material Adverse Effect; and
- (d) of any other matter that has resulted or could reasonably be expected to result in a Material Adverse Effect.

Each notice pursuant to this Section 6.03 (other than Section 6.03(d)) shall be accompanied by a statement of a Responsible Officer of Holdings setting forth details of the occurrence referred to therein and stating what action Holdings has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

**6.04 Payment of Taxes.** Pay and discharge promptly when due all material Taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or in respect of its property, before the same shall become delinquent or in default; provided, however, that such payment and discharge shall not be required with respect to any such Tax, assessment, charge, levy or claim so long as (i) the validity or amount thereof shall be contested in good faith by appropriate proceedings and Holdings, the Company or the affected Subsidiary, as applicable, shall have set aside on its books reserves in accordance with U.S. GAAP with respect thereto or (ii) the aggregate amount of such Taxes, assessments and governmental charges or levies would not reasonably be expected to have a Material Adverse Effect.

**6.05 Preservation of Existence, Etc.** (a) Preserve, renew and maintain in full force and effect its legal existence under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 7.03 (provided that no Subsidiary other than a Loan Party shall be required to maintain in full force and effect its legal existence to the extent the failure to do so could not reasonably be expected to have a Material Adverse Effect); (b) take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and (c) preserve or renew all of its registered patents, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

**6.06 Maintenance of Properties.** (a) Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted; and (b) make all necessary repairs thereto and renewals and replacements thereof, in each case, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

**6.07 Maintenance of Insurance.** Keep its insurable properties, in all material respects, insured at all times by financially sound and reputable insurers in such amounts as shall be customary for similar businesses and maintain such other reasonable insurance (including, to the extent consistent with past practices or otherwise in accordance with applicable laws and good business practices, self-insurance), of such types, to such extent and against such risks, as is customary with companies in the same or similar businesses in the same general area.

**6.08 Compliance with Laws.** Comply with the requirements of all Laws (including, for the avoidance of doubt, Environmental Laws) and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (i) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings; or (ii) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

**6.09 Books and Records.** Maintain proper books of record and account, in which full, true and correct entries shall be made of all financial transactions and matters involving the assets and business of Holdings or such Subsidiary, as the case may be.

**6.10 Inspection Rights.** Permit any Persons designated by the Administrative Agent or, upon notice delivered by the Administrative Agent if an Event of Default has occurred and is continuing, any Lender or designee thereof to visit and inspect the financial records and the properties of Holdings, the Company or any of the Subsidiaries, and permit any Persons designated by the Administrative Agent or, upon notice delivered by the Administrative Agent if an Event of Default has occurred and is continuing, any Lender, to discuss the affairs, finances and condition of Holdings, the Company or any of the Subsidiaries with the officers thereof and

(subject to a senior officer of the respective company or a parent thereof being present) independent accountants therefor, all at reasonable times, upon reasonable prior notice to Holdings or the Company, and (unless (i) any Loans are outstanding hereunder or (ii) an Event of Default has occurred and is continuing) no more than once per fiscal year of Holdings (subject to reasonable requirements of confidentiality, including requirements imposed by law or by contract (other than contractual confidentiality provisions by and among Holdings and its affiliates and such accountants)).

**6.11 Use of Proceeds.** Use the proceeds of the Borrowings (i) to finance, in part, the DuPont Acquisition and the other transactions related thereto, (ii) to pay fees, commissions and expenses related thereto, (iii) to refinance or replace Holdings' 4.625% senior unsecured notes due 2022 and/or (iv) for general corporate purposes.

**6.12 [Reserved].**

**6.13 Additional Subsidiary Guarantors.** Notify the Administrative Agent at the time that any Person (other than a Loan Party) becomes a Subsidiary that has provided a Guarantee in respect of the Existing Notes or any Material Indebtedness of Holdings or the Company, and promptly thereafter (and in any event within 30 days), cause such Person to (a) become a Subsidiary Guarantor by executing and delivering to the Administrative Agent a counterpart of the Subsidiary Guaranty (or, if the Administrative Agent reasonably determines that execution and delivery of additional or alternative documentation is required or advisable and customary under applicable Law with respect to the relevant Subsidiary, such other documentation as the Administrative Agent shall deem appropriate for such purpose), and (b) deliver to the Administrative Agent documents of the types referred to in clauses (iii) and (iv) of Section 4.01(a) and favorable opinions of counsel to such Person (which shall cover, among other things, the legality, validity, binding effect and enforceability of the documentation referred to in clause (a)), all in form, content and scope reasonably satisfactory to the Administrative Agent. In addition, for the avoidance of doubt, the Company may cause any Subsidiary to become a Subsidiary Guarantor after the date hereof regardless of whether required to do so by this Section 6.13 (including in order to permit any Indebtedness incurred or contemplated to be incurred by such Subsidiary under the terms of Section 7.02), subject to meeting the requirements set forth in clauses (a) and (b) of the immediately preceding sentence.

**6.14 OFAC, Patriot Act, Anti-Corruption Laws.**

(a) Refrain from using any proceeds of the Loans to fund any business, and from otherwise knowingly doing business in a country or territory, or with any Person, that is then the subject of (x) U.S. sanctions administered by OFAC or with a Person that is on the list of "Specially Designated Nationals and Blocked Persons", if such business would be prohibited for a U.S. person pursuant to OFAC (unless such business is generally or specifically licensed by OFAC or otherwise permitted by U.S. sanctions law) and refrain from the prohibited use of proceeds and repayment of the Loan in a manner that would cause Holdings, the Company, or Lenders to violate OFAC sanctions or (y) any sanctions administered by the European Union or the HMT or with a Person with whom dealings are prohibited under any sanctions administered by the European Union or the HMT, (b) provide, to the extent commercially reasonable, such information and take such actions as are reasonably requested by the Administrative Agent and the Lenders in maintaining compliance with the applicable Anti-Money Laundering Laws and (c) refrain from using any proceeds of the Loans, directly or, to the knowledge of Holdings and the Company, indirectly, for any payments to any person whatsoever, including any government official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain

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any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended, and/or, to the extent applicable to Holdings and its Subsidiaries, the UK Bribery Act 2010 or any other similar anti-corruption legislation in other jurisdictions.

**ARTICLE VII.  
NEGATIVE COVENANTS**

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, Holdings shall not, nor shall it permit any Subsidiary to, directly or indirectly:

**7.01 Liens.** Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following:

(a) Liens pursuant to any Loan Document;

(b) Liens existing on the date hereof and, if the aggregate amount of the liability secured thereby exceeds \$25,000,000 for any individual item, listed on Schedule 7.01 and any renewals or extensions thereof, provided that (i) the property covered thereby is not expanded (other than pursuant to provisions in the documentation governing such Liens on the date hereof which cover improvements and accessions or after-acquired property on customary terms), (ii) the amount secured or benefited thereby is not increased except as contemplated by Section 7.02(a), and (iii) any renewal or extension of the obligations secured or benefited thereby is permitted by Section 7.02(a);

(c) Liens for taxes not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(d) landlord's, carriers', warehousemen's, mechanics', materialmen's, repairmen's, construction or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 45 days or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person;

(e) easements, trackage rights, leases (other than capital leases), licenses, rights-of-way, zoning and other restrictions and other similar encumbrances affecting real property which, in the aggregate, which do not materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(f) Liens securing Indebtedness permitted under Section 7.02(b); provided that (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness and (ii) the Indebtedness secured thereby does not exceed the cost or fair market value, whichever is lower, of the property being acquired on the date of acquisition or the relevant construction or improvement cost, as applicable;

(g) any Lien existing on any property or asset prior to the acquisition thereof by Holdings or any Subsidiary or existing on any property or asset of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary; provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, as the case may be, (ii) such Lien shall not apply to any other property or assets of Holdings or any Subsidiary other than extensions and accessions thereto and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition

or the date such Person becomes a Subsidiary, as the case may be, and extensions, renewals, refinancings and replacements thereof that do not increase the outstanding principal amount thereof by more than the amount of accrued interest thereon and fees, expenses and premiums paid in connection with such refinancing ;

(h) Liens securing Indebtedness permitted under Section 7.02(f); provided that such Liens do not at any time encumber any assets of Holdings or any Subsidiary other than the assets, business, Equity Interests or Person acquired as described in such Section, including any Equity Interests or assets of any Foreign Subsidiary so acquired and any of its Subsidiaries, and including as applicable, the assets of any Foreign Subsidiary created to act as an acquisition vehicle for the relevant acquisition (provided that such acquisition vehicle does not hold other material assets of Holdings and its Subsidiaries other than the acquired assets or Subsidiaries);

(i) pledges and deposits made in the ordinary course of business in compliance with the Federal Employers Liability Act or any other workers' compensation, unemployment insurance and other social security laws or regulations;

(j) pledges and deposits to secure the performance of bids, trade contracts (other than for Indebtedness), leases (other than capital leases), statutory obligations, surety and appeal bonds, performance and return of money bonds, bids, leases, government contracts, trade contracts, and other obligations of a like nature incurred in the ordinary course of business, including those incurred to secure health, safety and environmental obligations in the ordinary course of business; and

(k) (i) customary Liens (x) relating to the establishment of deposit and securities accounts in each case in the ordinary course of the cash management of the Company and its Subsidiaries under customary general terms and conditions encumbering deposits or other funds maintained with a financial institution (including the right of set-off), that are within the general parameters customary in the banking industry or arising pursuant to such banking institution's general terms and conditions or (y) relating to pooled deposit or sweep accounts of Holdings or any Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of Holdings and the Subsidiaries and (ii) Liens arising solely by virtue of any general banking conditions, statutory or common law provision relating to banker's liens, bankers' rights of set-off or similar rights;

(l) licenses of intellectual property granted in the ordinary course of business;

(m) Liens on cash and cash equivalents in an aggregate amount not to exceed \$250,000,000 securing obligations in respect of any Swap Agreement entered into by the Company or any Subsidiary in the ordinary course of business and not for speculative purposes;

(n) Liens on Receivables Assets subject to Permitted Receivables Financings;

(o) Liens on any property or asset of a Subsidiary that is not a Guarantor securing Indebtedness of such Subsidiary to Holdings, the Company or another Subsidiary, as applicable; and

(p) Liens not permitted by clauses (a) through (o) so long as the aggregate amount of obligations secured thereby plus the aggregate principal amount (without duplication) of all Indebtedness incurred pursuant to Section 7.02(k) does not at any time exceed the greater of (x) \$1,200,000,000 and (y) 15% of Consolidated Net Tangible Assets as appearing in the latest balance sheet pursuant to Section 6.01(a) or (b).

**7.02 Indebtedness.** In the case of any Subsidiary that is not the Company or a Subsidiary Guarantor, create, incur, assume or suffer to exist any Indebtedness, except:

(a) (i) Indebtedness of any Subsidiary that is a Designated Borrower (as defined in the Revolving Credit Agreement) under the Revolving Credit Agreement and (ii) Indebtedness outstanding on the date hereof and, if outstanding in a principal amount for any individual item greater than \$25,000,000, listed on Schedule 7.02 and any refinancings, refundings, renewals or extensions thereof; provided that the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder;

(b) (i) Capitalized Lease Obligations and other Indebtedness incurred to finance the purchase price or improvement cost incurred in connection with the acquisition, construction or improvement of fixed or capital assets; provided that (x) such Indebtedness is incurred prior to or within 270 days after, the date of acquisition or improvement of such fixed or capital assets, (y) such Indebtedness is permitted under Section 7.01(f), whether or not secured; and (ii) any extensions, renewals, refinancings and replacements thereof; provided that the amount of such Indebtedness is not increased at the time of such extension, renewal, refinancing or replacement except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing;

(c) (i) Indebtedness of any Person that becomes a Subsidiary (or of any Person not previously a Subsidiary that is merged or consolidated with or into a Subsidiary in a transaction permitted hereunder) after the date hereof; or Indebtedness of any Person that is assumed by any Subsidiary in connection with an acquisition of assets by such Subsidiary, provided that (x) such Indebtedness exists at the time such Person becomes a Subsidiary (or is so merged or consolidated) or such assets are acquired and is not created in contemplation of or in connection with such Person becoming a Subsidiary (or such merger or consolidation) or such assets being acquired and (y) no other Subsidiary (other than a Subsidiary into which the acquired Person is merged or any Subsidiary of the acquired Person) shall Guarantee or otherwise become liable for the payment of such Indebtedness; and (ii) any refinancings, refundings, renewals or extensions of any such Indebtedness; provided that (A) the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder and (B) the condition in subclause (i)(y) of this clause (c) continues to be met;

(d) Indebtedness in connection with Permitted Receivables Financings;

(e) Indebtedness owed to Holdings or another Subsidiary;

(f) (i) Indebtedness of any Foreign Subsidiary issued, assumed or guaranteed for the purpose of financing or refinancing all or any part of the consideration for the acquisition of any assets, business, Equity Interests or Person acquired by such Foreign Subsidiary (including by means of merger or consolidation) or the consideration for the transactions by which such Foreign Subsidiary becomes a Subsidiary of Holdings (including Guarantees or other Indebtedness in respect thereof of any Person being so acquired or any of its Subsidiaries); and (ii) any refinancings, refundings, renewals or extensions of any such Indebtedness; provided that (A) the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal

or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder and (B) the obligors in respect to such Indebtedness do not extend to any Person other than the permitted obligors of such Indebtedness pursuant to clause (i) above, in each case in an aggregate principal amount outstanding at any time for all such Indebtedness under this Section 7.02(f), when taken together with all Indebtedness outstanding pursuant to Section 7.02(i), not to exceed \$400,000,000;

(g) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business or other cash management services in the ordinary course of business;

(h) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees, standby and documentary letters of credit and similar obligations, in each case provided in the ordinary course of business, including those incurred to secure health, safety and environmental obligations in the ordinary course of business;

(i) Indebtedness of one or more Subsidiaries organized under the laws of the People's Republic of China for their own general corporate purposes (and not recourse to Holdings or its other non-Chinese Subsidiaries) in an aggregate principal amount at any time outstanding not to exceed, when taken together with all Indebtedness outstanding under Section 7.02(f), \$400,000,000;

(j) obligations (contingent or otherwise) with respect to any Swap Agreement entered into by such Subsidiary in the ordinary course of business and not for speculative purposes; and

(k) Indebtedness not permitted by clauses (a) through (j) so long as the aggregate principal amount of such Indebtedness plus the aggregate amount (without duplication) of obligations secured by Liens incurred pursuant to Section 7.01(o) does not at any time exceed the greater of (x) \$1,200,000,000 and (y) 15% of Consolidated Net Tangible Assets as appearing in the latest balance sheet pursuant to Section 6.01(a) or (b).

**7.03 Fundamental Changes.** Merge, dissolve, liquidate or consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of the assets of Holdings and its Subsidiaries, taken as a whole (whether now owned or hereafter acquired) to or in favor of any Person (including, in each case, pursuant to a Delaware LLC Division), except that, so long as no Default exists or would result therefrom:

(a) any Subsidiary or any other Person may merge into, dissolve into, liquidate into or consolidate with the Company or any of its Subsidiaries; provided, (i) to the extent such transaction involves the Company, the Company shall be a surviving entity and (ii) to the extent such transaction involves a Subsidiary Guarantor, a Subsidiary Guarantor or the Company shall be a surviving entity;

(b) any Subsidiary (other than the Company) may merge into, dissolve into, liquidate into or consolidate with (i) any other Subsidiary (other than the Company unless clause (a) is complied with) in a transaction in which the surviving entity is a Subsidiary; provided that, if either Subsidiary is a Guarantor, the surviving entity shall be a Guarantor or shall immediately become a Guarantor upon the consummation of such transaction; or (ii) any other Person, so long as such merger, dissolution, liquidation or consolation does not result, directly or indirectly, in the

Disposition (in one or a series of transactions) of all or substantially all of the assets of Holdings and its Subsidiaries, taken as a whole; and

(c) so long as the surviving entity is organized under the laws of any political subdivision of the United States (or, if different, the jurisdiction of organization of the merging or consolidating Company) and agrees in writing in a manner and pursuant to documentation acceptable to the Administrative Agent to assume the obligations of the Company under this Agreement, the Company may merge into or consolidate with any other Person that is (or is becoming concurrently with such merger or consolidation) a wholly-owned Subsidiary of Holdings.

**7.04 Change in Nature of Business.** Engage in any material line of business substantially different from those lines of business conducted by Holdings and its Subsidiaries on the date hereof or any business substantially related or incidental thereto or reasonably similar thereto or a reasonable extension thereof.

**7.05 [Reserved].**

**7.06 Use of Proceeds.** Use the proceeds of any Borrowings, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose that violates, Regulation T, U or X of the FRB.

**7.07 Financial Covenants.**

(a) [Reserved].

(b) Consolidated Leverage Ratio. Commencing on the last day of the first full fiscal quarter of Holdings ending after the Closing Date, permit the Consolidated Leverage Ratio on the last day of any fiscal quarter of Holdings to be greater than 4.75:1.00 (the "Financial Covenant"); provided, the Financial Covenant shall decrease to (x) 4.50:1.00 as of the end of each of the three fiscal quarters immediately following the first full fiscal quarter ending after the Closing Date, (y) 4.00:1.00 as of the end of the two fiscal quarters immediately following the last fiscal quarter referred to in subclause (x) above and (z) 3.50:1.00 thereafter (such proviso, the "DuPont Acquisition Step-Up"). Following the DuPont Acquisition Step-Up and so long as the Financial Covenant has been decreased to 3.50:1.00 for at least two fiscal quarters, if a Qualifying Acquisition is consummated, the Company may elect to increase the Financial Covenant to 4.25:1.00 for each of the four fiscal quarters ending thereafter, commencing with the fiscal quarter in which such Qualifying Acquisition is consummated (each such period of four fiscal quarters during which the Financial Covenant is so increased following a Qualifying Acquisition, a "Covenant Increase Period"); provided, that after the end of any Covenant Increase Period, the Company may elect to implement a new Covenant Increase Period in connection with a subsequent Qualifying Acquisition so long as two fiscal quarters have elapsed since the end of the most recent Covenant Increase Period; provided, further that the Company shall provide notice in writing to the Administrative Agent of its election to implement such Covenant Increase Period and a description of such Qualifying Acquisition (regarding the name of the Person or assets being acquired, the purchase price and the pro forma Consolidated Leverage Ratio immediately after giving effect thereto). Notwithstanding the foregoing, the Company may elect no more than two Covenant Increase Periods in total.

**ARTICLE VIII.  
EVENTS OF DEFAULT AND REMEDIES**

**8.01 Events of Default.** Any of the following shall constitute an event of default (each, an "Event of Default"):

(a) Non-Payment. The Company or any other Loan Party fails to pay (i) when and as required to be paid herein, and in the currency required hereunder, any amount of principal of any Loan or (ii) within three Business Days after the same becomes due, any interest on any Loan or any fee due hereunder, or (iii) within five Business Days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. Holdings or any Subsidiary fails to perform or observe any term, covenant or agreement contained in any of Section 6.03(a), 6.05(a) (with respect to Holdings or the Company), 6.11 or 6.13 or Article VII; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days after the earlier of (x) written notice thereof from the Administrative Agent to the Company or (y) a Responsible Officer first having knowledge thereof; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Company or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made; or

(e) Cross-Default. (i) Holdings, the Company or any Subsidiary shall default in the payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) of any amount owing in respect of any Indebtedness in a principal amount in excess of the Threshold Amount and such default shall continue beyond any applicable grace period; or (ii) Holdings, the Company or any Subsidiary shall default in the performance or observance of any obligation or condition with respect to any Indebtedness in a principal amount in excess of the Threshold Amount or any other event shall occur or condition exist, if the effect of such default, event or condition is to accelerate the maturity of any such Indebtedness or to permit the holder or holders thereof, or any trustee or agent for such holders, to accelerate the maturity of any such Indebtedness, unless, in each case, waived by such holder or holders, or (iii) any such Indebtedness shall become or be declared to be due and payable prior to its stated maturity other than as a result of a regularly scheduled payment, and the principal amount of such Indebtedness exceeds the Threshold Amount (not including under clause (iii) secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness or as a result of a casualty event affecting such property or assets); provided that subclauses (ii) and (iii) of this clause (e) shall not apply to (1) any requirement to repurchase or redeem any Material Indebtedness pursuant to any put option exercised by the holder of such Material Indebtedness; provided that such put option is exercisable on or after a date or dates scheduled by the terms of the Material Indebtedness and is not subject to any contingent event or condition or (2) any mandatory redemption, repayment or repurchase event not in the nature of a default (x) that is triggered by receipt of proceeds of a debt incurrence, equity issuance, asset sale, casualty or other proceeds-generating event and is only to the extent of proceeds received or (y) constituting a "special mandatory redemption" or similar requirement applicable to debt securities incurred to finance one or more transactions if such transaction(s) will not be consummated or are not consummated within a specified timeframe; or

(f) Insolvency Proceedings, Etc. Holdings, the Company or any Material Subsidiary institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for 60 calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for 60 calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts. Holdings, the Company or any Material Subsidiary admits in writing its inability or fails generally to pay its debts as they become due; or

(h) Judgments. There is entered against Holdings, the Company or any Subsidiary one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments or orders) exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage), and (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) any such judgment or order shall not be stayed, discharged, paid, bonded or vacated within 30 days; or

(i) ERISA. An ERISA Event occurs that, alone or in conjunction with any other ERISA Event that has occurred, would be reasonably expected to have a Material Adverse Effect; or

(j) Invalidity of Loan Documents. Any provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party contests in any manner the validity or enforceability of any provision of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any provision of any Loan Document; or

(k) Change of Control. There occurs any Change of Control.

For the avoidance of doubt, no Default or Event of Default (other than, to the extent such Event of Default actually occurs, an Event of Default under Section 8.01(a) or 8.01(f) (solely in respect of Holdings and the Company)) shall be deemed to have occurred under this Agreement or any other Loan Documents until after the funding of the Loans on the Closing Date.

**8.02 Remedies Upon Event of Default.** If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Company;

(c) *[Reserved]*.

(d) exercise on behalf of itself, the Lenders all rights and remedies available to it, the Lenders under the Loan Documents;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to the Company under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, without further act of the Administrative Agent or any Lender; and provided further, however, that the Required Lenders shall not have any power or authority under this Section 8.02 separate or apart from that of the Administrative Agent and the Required Lenders with respect to all Loans and other Obligations.

**8.03 Application of Funds.** After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable), any amounts received on account of the Obligations shall, subject to the provisions of Section 2.18, be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders (including fees, charges and disbursements of counsel to the respective Lenders and amounts payable under Article III), ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans and other Obligations, ratably among the Lenders in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, *[reserved]*; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Company or as otherwise required by Law.

**8.04 Certain Funds Provisions.** Notwithstanding anything to the contrary herein or in any Loan Document, during the Availability Period, and notwithstanding (i) that any representation or warranty made on the Effective Date or the Closing Date (excluding for the avoidance of doubt, the Specified Representations and/or Acquisition Representations made on the Closing Date) was incorrect, (ii) any failure by Holdings, the Company or any of its Subsidiaries to comply with the affirmative covenants, negative covenants, financial covenants or any other obligation under this Agreement, related notes (including the Notes), related fee letters (including the Fee Letter) or any other Loan Document, (iii) any provision to the contrary in this Agreement or in any Loan Document or otherwise or (iv) that any condition to the Effective Date may subsequently be determined not to have been satisfied, neither the Administrative Agent nor

any Lender shall be entitled to (1) cancel any of its Commitments (except as set forth in Section 2.06), (2) rescind, terminate or cancel this Agreement or any Loan Document or exercise any right or remedy or make or enforce any claim under this Agreement, related notes (including the Notes), related fee letters (including the Fee Letter) or any Loan Document or otherwise it may have to the extent to do so would prevent, limit or delay the making of its Loans hereunder, (3) refuse to participate in making its Loan hereunder or (4) exercise any right of set-off or counterclaim in respect of its Loan hereunder to the extent to do so would prevent, limit or delay the making of its Loan; provided in each case that the applicable conditions to the making of such loans precedent set forth in Section 4.02 have been satisfied or waived on or prior to the Closing Date; provided, further, that with respect to items (1) through (4) above, the foregoing shall not apply if an Event of Default pursuant to Section 8.01(a) or (f) with respect to Holdings or the Company has occurred and is continuing under this Agreement. For the avoidance of doubt, immediately after the expiration of the Availability Period, all of the rights, remedies and entitlements of the Administrative Agent and the Lenders shall be available notwithstanding that such rights were not available prior to such time as a result of the foregoing.

## ARTICLE IX. ADMINISTRATIVE AGENT

### 9.01 Appointment and Authority.

Each of the Lenders hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders, and neither the Company nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

**9.02 Rights as a Lender.** The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Company or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

**9.03 Exculpatory Provisions.** The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

- (a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Company or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Company or a Lender.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

#### **9.04 Reliance by Agents.**

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Company), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

**9.05 Delegation of Duties.** The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

**9.06 Resignation of Administrative Agent.** (a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Company. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, with the written consent of the Company (not to be unreasonably withheld or delayed) if no Event of Default has occurred and is continuing, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders appoint, with the written consent of the Company (not to be unreasonably withheld or delayed) if no Event of Default has occurred and is continuing, a successor Administrative Agent meeting the qualifications set forth above, provided that in no event shall any such successor Administrative Agent be a Defaulting Lender. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Company and such Person remove such Person as Administrative Agent and, with the written consent of the Company (not to be unreasonably withheld or delayed) if no Event of Default has occurred and is continuing, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (2) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent (other than as provided in Section 10.04(f) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its

duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Company to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Company and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 10.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them (i) while the retiring or removed Administrative Agent was acting as Administrative Agent and (ii) after such resignation or removal for as long as any of them continues to act in any capacity hereunder or under the other Loan Documents, including (a) acting as collateral agent or otherwise holding any collateral security on behalf of any of the Lenders and (b) in respect of any actions taken in connection with transferring the agency to any successor Administrative Agent.

**9.07 Non-Reliance on Administrative Agent and Other Lenders.** Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

**9.08 No Other Duties, Etc.** Anything herein to the contrary notwithstanding, none of the Bookrunners nor the Arrangers, listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender hereunder.

**9.09 Administrative Agent May File Proofs of Claim.** In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Company) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 2.09 and 10.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent

and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09 and 10.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

**9.10 Guaranty Matters.** The Lenders irrevocably authorize the Administrative Agent to release any Subsidiary Guarantor from its obligations under the Subsidiary Guaranty (a) if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents or (b) if such Subsidiary ceases to, or substantially contemporaneously with the release of its Subsidiary Guaranty hereunder will cease to, or at such time does not, Guarantee any Existing Notes or other Material Indebtedness of Holdings or the Company. The Administrative Agent shall effect any such release permitted by the immediately preceding sentence at the Company's request (and shall, at the Company's expense execute and deliver such documentations as the Company may reasonably request to effect, evidence or acknowledge such release); provided that the Company shall deliver an certificate of a Responsible Officer to the Administrative Agent, representing and warranting that (i) no Default has occurred and is continuing or would result from such release and (ii) the Person to be released is not required to be a Guarantor pursuant to the terms of the Loan Documents.

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release any Subsidiary Guarantor from its obligations under the Guaranty pursuant to this Section 9.10.

**9.11 Lender ERISA Representations.**

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Company or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such

Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of the Administrative Agent and the Arrangers and their respective Affiliates and not, for the avoidance of doubt, to or for the benefit of the Company or any other Loan Party, that none of the Administrative Agent, the Arrangers nor any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

**9.12 Recovery of Erroneous Payments.** Without limitation of any other provision in this Agreement, if at any time the Administrative Agent makes a payment hereunder in error to any Lender Recipient Party, whether or not in respect of an Obligation due and owing by the Company at such time, where such payment is a Rescindable Amount, then in any such event, each Lender Recipient Party receiving a Rescindable Amount severally agrees to repay to the Administrative Agent forthwith on demand the Rescindable Amount received by such Lender Recipient Party in immediately available funds in the currency so received, with interest thereon, for each day from and including the date such Rescindable Amount is received by it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. Each Lender Recipient Party irrevocably waives any and all defenses, including any "discharge for value" (under which a creditor might otherwise claim a right to retain funds mistakenly paid by a third party in respect of a debt owed by another) or similar defense to its obligation to return any Rescindable Amount. The Administrative Agent shall inform each Lender Recipient Party promptly upon determining that any payment made to such Lender Recipient Party comprised, in whole or in part, a Rescindable Amount.

## ARTICLE X. MISCELLANEOUS

**10.01 Amendments, Etc.** Subject to Section 3.03(c), no amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Company or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Company or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

- (a) waive any condition set forth in Section 4.01 without the written consent of each Lender;
- (b) without limiting clause (a) above, waive any condition set forth in Section 4.02 as to any Borrowing hereunder without the written consent of the Required Lenders;
- (c) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender;
- (d) postpone any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;
- (e) reduce the principal of, or the rate of interest specified herein on, any Loan, or (subject to clause (d) of the second proviso to this Section 10.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Company to pay interest at the Default Rate, in respect of any payments to the Lenders;
- (f) change Section 8.03 in a manner that would alter the *pro rata* sharing of payments required thereby without the written consent of each Lender;
- (g) [*Reserved*];
- (h) (A) change any provision of this Section or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder without the written consent of each Lender or (B) change any provision of this Section or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder without the written consent of each Lender; or
- (i) release all or substantially all of the value of the Parent Guaranty and Subsidiary Guaranty, taken together, without the written consent of each Lender, except to the extent the release of any Subsidiary Guarantor is permitted pursuant to Section 9.10 (in which case such release may be made by the Administrative Agent acting alone);

and, provided further, that (i) [*reserved*]; (ii) [*reserved*]; (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; and (iv) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender.

## 10.02 Notices; Effectiveness; Electronic Communication.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Company or any other Loan Party, the Administrative Agent to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 10.02; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Company).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail, FpML messaging, and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Company may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR

ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Company, any Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Company's, any Loan Party's or the Administrative Agent's transmission of Borrower Materials or notices through the platform, any other electronic platform or electronic messaging service, or through the Internet.

(d) Change of Address, Etc. Each of the Company and the Administrative Agent may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the Company and the Administrative Agent. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Company or its securities for purposes of United States Federal or state securities laws.

(e) Reliance by Administrative Agent and Lenders. The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic notices and Loan Notices) purportedly given by or on behalf of the Company even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Loan Parties shall indemnify the Administrative Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Company. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

**10.03 No Waiver; Cumulative Remedies; Enforcement.** No failure by any Lender or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) [*reserved*], (c) any Lender from exercising setoff rights in accordance with Section 10.08 (subject to the terms of Section 2.13), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

#### **10.04 Expenses; Indemnity; Damage Waiver.**

(a) Costs and Expenses. The Company shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and the Arrangers and their respective Affiliates (including the reasonable and documented fees, charges and out-of-pocket disbursements of one counsel for the Administrative Agent and the Arrangers, taken as a whole and one local counsel in each relevant jurisdiction), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) [*reserved*] and (iii) all out-of-pocket expenses incurred by the Administrative Agent and any Lender (including the fees, charges and disbursements of any counsel for the Administrative Agent or any Lender), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) Indemnification by the Company. The Company shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Company or any other Loan Party) other than such Indemnitee and its Related Parties arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents, (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Company or any of its Subsidiaries, or any Environmental Liability related in any way to the Company or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation,

investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Company or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE INDEMNITEE**; provided that such indemnity (in the case of any of the foregoing clauses (i) through (iv)) shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Company against an Indemnitee for material breach of such Indemnitee's obligations hereunder or under any other Loan Document, if the Company has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. Without limiting the provisions of Section 3.01(c), this Section 10.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Company for any reason fails to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's *pro rata* share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the Total Credit Exposure at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), provided further that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, the Company shall not assert, and hereby waives, and acknowledges that no other Person shall have, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(f) Survival. The agreements in this Section and the indemnity provisions of Section 10.02(e) and Section 3.01 shall survive the resignation of the Administrative Agent, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

**10.05 Payments Set Aside.** To the extent that any payment by or on behalf of the Company is made to the Administrative Agent or any Lender, or the Administrative Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect, in the applicable currency of such recovery or payment. The obligations of the Lenders under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

**10.06 Successors and Assigns.**

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Company nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Notwithstanding anything to the contrary in this Section 10.06, prior to the funding of the Loans on the Closing Date, unless otherwise consented to in writing in advance by Holdings in its sole discretion, any assignment of commitments to make Loans (including assignments to another Lender or an affiliate of a Lender) must be to commercial and investment banks, in each case, whose senior, unsecured, long-term indebtedness has a rating of BBB- or better by S&P and Baa3 or better by Moody's. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it under the Facility or in the case of an assignment to a Lender or an Affiliate of a Lender, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$5,000,000, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Company otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned, except that this clause (ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations hereunder on a non-pro rata basis;

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Company (such consent not to be unreasonably withheld or delayed) shall be required; provided that, (1) solely after funding the Loans on the Closing Date, no such consent shall be required if an Event of Default has occurred and is continuing at the time of such assignment and (2) before or after the funding of the Loans on the Closing Date, no such consent shall be required if such assignment is to a Lender or an Affiliate of a Lender; provided, further that, solely after the funding of the Loans on the Closing Date, the Company shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof; and

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if such assignment is to a Person that is not a Lender or an Affiliate of a Lender; and

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of \$3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Company or any of the Company's Affiliates or Subsidiaries, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), or (C) to a natural Person (or to a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural Person).

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the

parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Company and the Administrative Agent, the applicable *pro rata* share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full *pro rata* share of all Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, and 10.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the Company (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Company, shall maintain at the Administrative Agent's Office in the United States a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Company, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Company and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Company or the Administrative Agent, sell participations to any Person (other than a natural Person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural Person, a Defaulting Lender or the Company or any of the Company's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or

obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Company, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 10.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 10.01 that affects such Participant. The Company agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section (it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 10.13 as if it were an assignee under subsection (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Company's request and expense, to use reasonable efforts to cooperate with the Company to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Company, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

**10.07 Treatment of Certain Information; Confidentiality.** Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates, its auditors and its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) as otherwise required by law, rule, regulation, court or administrative agency order, request or compulsory process, or legal review or audit, or as requested by a governmental authority or self-regulatory authority, or as necessary or appropriate in any legal proceeding (in which case the Administrative Agent or such Lender and their respective affiliates agree, to the extent practicable and permitted by applicable law, rule and regulation, to inform the Company promptly thereof, except in the case of any audit or examination conducted by bank accountants or any governmental bank regulatory authority exercising examination or regulatory authority or self-regulatory authority), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, including for purposes of establishing a "due diligence" defense, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Company and its obligations, this Agreement or payments hereunder, (g) on a confidential basis to (i) any rating agency in connection with rating the Company or its Subsidiaries or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the Company, (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Company or (j) to the extent that the applicable information is or was independently developed. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Administrative Agent and the Lenders in connection with the administration of this Agreement, the other Loan Documents, and the Commitments.

For purposes of this Section, "Information" means all information received from the Company or any Subsidiary relating to the Company or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Company or any Subsidiary, provided that, in the case of information received from the Company or any Subsidiary after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of the Administrative Agent and the Lenders acknowledges that (a) the Information may include material non-public information concerning the Company or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

**10.08 Right of Setoff.** If an Event of Default shall have occurred and be continuing, each Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of the Company or any other Loan Party against any and all of the obligations of the Company or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or their respective Affiliates, irrespective of whether or not such Lender or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Company or such Loan Party may be contingent or unmatured or are owed to a branch, office or Affiliate of such Lender different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.18 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender or their respective Affiliates may have. Each Lender agrees to notify the Company and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

**10.09 Interest Rate Limitation.** Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Company. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

**10.10 Counterparts; Integration; Effectiveness.** This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

**10.11 Survival of Representations and Warranties.** All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Borrowings, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

**10.12 Severability.** If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 10.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

**10.13 Replacement of Lenders.** If the Company is entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender or a Non-Consenting Lender or if any other circumstance exists hereunder that gives the Company the right to replace a Lender as a party hereto, then the Company may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

- (a) the Company shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 10.06(b);
- (b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Company (in the case of all other amounts);
- (c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;
- (d) such assignment does not conflict with applicable Laws; and
- (e) in the case of an assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Company to require such assignment and delegation cease to apply.

**10.14 Governing Law; Jurisdiction; Etc.**

(a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK; PROVIDED THAT (I) THE INTERPRETATION OF THE DEFINITION OF BUSINESS MATERIAL ADVERSE EFFECT (AS DEFINED IN THE TRANSACTION AGREEMENT) AND WHETHER OR NOT A BUSINESS MATERIAL ADVERSE EFFECT HAS OCCURRED, (II) THE DETERMINATION OF THE ACCURACY OF ANY ACQUISITION REPRESENTATIONS AND WHETHER AS A RESULT OF ANY BREACH OR INACCURACY THEREOF HOLDINGS, ITS APPLICABLE SUBSIDIARIES OR THEIR RESPECTIVE AFFILIATES HAVE THE RIGHT TO TERMINATE THEIR RESPECTIVE OBLIGATIONS UNDER THE TRANSACTION AGREEMENT, OR TO DECLINE TO CONSUMMATE (OR OTHERWISE DO NOT HAVE AN OBLIGATION TO CLOSE) THE TRANSACTIONS PURSUANT TO THE TRANSACTION AGREEMENT AND (III) THE DETERMINATION OF WHETHER THE DUPONT ACQUISITION HAS BEEN CONSUMMATED IN ACCORDANCE WITH THE TERMS OF THE TRANSACTION AGREEMENT, IN EACH CASE, SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED SOLELY IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANY OTHER STATE OR COUNTRY.

(b) SUBMISSION TO JURISDICTION. THE COMPANY AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO

BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE COMPANY OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. THE COMPANY AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

**10.15 Waiver of Jury Trial.** EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

TO THE EXTENT PERMITTED BY APPLICABLE LAW, IF ANY OBLIGOR HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY (SOVEREIGN OR OTHERWISE) FROM ANY LEGAL ACTION, SUIT OR PROCEEDING, FROM JURISDICTION OF ANY COURT OR FROM SET-OFF OR ANY LEGAL PROCESS (WHETHER SERVICE OR NOTICE, ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION OF JUDGMENT, EXECUTION OF JUDGMENT OR OTHERWISE) WITH RESPECT TO ITSELF OR ANY OF ITS PROPERTY, SUCH OBLIGOR HEREBY IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT. EACH OBLIGOR AGREES THAT THE WAIVERS SET FORTH ABOVE SHALL BE TO THE FULLEST EXTENT PERMITTED UNDER THE FOREIGN SOVEREIGN IMMUNITIES ACT OF 1976 OF THE UNITED STATES OF AMERICA AND ARE INTENDED TO BE IRREVOCABLE AND NOT SUBJECT TO WITHDRAWAL FOR PURPOSES OF SUCH ACT.

**10.16 No Advisory or Fiduciary Responsibility.** In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Company and each other Loan Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers and the Lenders are arm's-length commercial transactions between the Company, each other Loan Party and their respective Affiliates, on the one hand, and the Administrative Agent, the Arrangers and the Lenders, on the other hand, (B) each of the Company and the other Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Company and each other Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Administrative Agent, the Arrangers and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Company, any other Loan Party or any of their respective Affiliates, or any other Person and (B) neither the Administrative Agent, the Arrangers nor any Lender has any obligation to the Company, any other Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, the other Loan Parties and their respective Affiliates, and neither the Administrative Agent, the Arrangers, nor any Lender has any obligation to disclose any of such interests to the Company, any other Loan Party or any of their respective Affiliates. To the fullest extent permitted by law, each of the Company and each other Loan Party hereby waives and releases any claims that it may have against the Administrative Agent, the Arrangers or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

**10.17 Electronic Execution; Electronic Records; Counterparts.** This Agreement, any Loan Document and any other Communication, including Communications required to be in writing, may be in the form of an Electronic Record and may be executed using Electronic Signatures. Each of the Loan Parties and each of the Administrative Agent and the Lenders agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on such Person to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. Any Communication may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Communication. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Administrative Agent and each of the Lenders may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record ("Electronic Copy"), which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, the Administrative Agent is not under any obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by such Person pursuant to procedures approved by it; provided, further, without limiting the foregoing, (a) to the extent the Administrative Agent has

agreed to accept such Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any Loan Party and/or any Lender without further verification and (b) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by such manually executed counterpart. For purposes hereof, "Electronic Record" and "Electronic Signature" shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document (including, for the avoidance of doubt, in connection with the Administrative Agent's reliance on any Electronic Signature transmitted by telecopy, emailed .pdf or any other electronic means). The Administrative Agent shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any Communication (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution or signed using an Electronic Signature) or any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or otherwise authenticated (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

Each of the Loan Parties and each Lender hereby waives (i) any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document based solely on the lack of paper original copies of this Agreement, such other Loan Document, and (ii) waives any claim against the Administrative Agent, each Lender and each Related Party for any liabilities arising solely from the Administrative Agent's and/or any Lender's reliance on or use of Electronic Signatures, including any liabilities arising as a result of the failure of the Loan Parties to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

**10.18 USA Patriot Act.** Each Lender that is subject to the Patriot Act and the Beneficial Ownership Regulation and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Company that pursuant to the requirements of the Patriot Act and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies the Company, which information includes the name and address of the Company and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Company in accordance with the Patriot Act and the Beneficial Ownership Regulation. The Company shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation.

**10.19 [Reserved].**

**10.20 ENTIRE AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.**

**10.21 Acknowledgement and Consent to Bail-In of Affected Financial Institutions.** Solely to the extent any Lender that is an EEA Financial Institution is a party to this Agreement and notwithstanding anything to the contrary in any Loan Document or in any other agreement,

arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

*[Remainder of Page Intentionally Empty]*

*IN WITNESS WHEREOF*, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

**CELANESE CORPORATION,**  
as Holdings

By: /s/ Dmitry Buriko  
Name: Dmitry Buriko  
Title: Vice President and Treasurer

**CELANESE US HOLDINGS LLC,**  
as the Company

By: /s/ Dmitry Buriko  
Name: Dmitry Buriko  
Title: Vice President and Treasurer

[Signature Page to Credit Agreement]

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**BANK OF AMERICA, N.A.,**  
as Administrative Agent

By: /s/ Henry Pennell

Name: Henry Pennell

Title: Vice President

[Signature Page to Credit Agreement]

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**BANK OF AMERICA, N.A.,**  
as a Lender

By: /s/ Pace Doherty  
Name: Pace Doherty  
Title: Director

[Signature Page to Credit Agreement]

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**Bank of China, New York Branch as a  
Lender**

By: /s/ Raymond Qiao  
Name: Raymond Qiao  
Title: Executive Vice President

[Signature Page to Credit Agreement]

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Industrial and Commercial Bank of China  
Limited, New York Branch, as a Lender

By: /s/ Brian Monahan  
Name: Brian Monahan  
Title: Director, Relationship Manager

By: /s/ Pinyen Shih  
Name: Pinyen Shih  
Title: Executive Director, Industrial Team Lead

[Signature Page to Credit Agreement]

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**THE BANK OF NOVA SCOTIA,  
HOUSTON BRANCH as a Lender**

By: /s/ John Tucker  
Name: John Tucker  
Title: Managing Director

[Signature Page to Credit Agreement]

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**The Toronto-Dominion Bank, New York  
Branch as a Lender**

By: /s/ Victoria Roberts  
Name: Victoria Roberts  
Title: Managing Director

[Signature Page to Credit Agreement]

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**U.S. BANK NATIONAL ASSOCIATION,**  
as a Lender

By: /s/ Kara P. Van Duzee  
Name: Kara P. Van Duzee  
Title: Senior Vice President

[Signature Page to Credit Agreement]

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**City National Bank as a Lender**

By: /s/ Brian Myers  
Name: Brian Myers  
Title: Managing Director

[Signature Page to Credit Agreement]

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**DBS BANK LTD.** as a Lender

By: /s/ Josephine Lim  
Name: Josephine Lim  
Title: Senior Vice President

[Signature Page to Credit Agreement]

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**TAIWAN COOPERATIVE BANK, LTD.,  
acting through its New York Branch**

as a Lender

By: /s/ Cheng Pin Chou  
Name: Cheng Pin Chou  
Title: VP & General Manager

[Signature Page to Credit Agreement]

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**Land Bank of Taiwan New York Branch as  
a Lender**

By: /s/ Fred Liu  
Name: Fred Liu  
Title: Deputy General Manager

[Signature Page to Credit Agreement]

**Amended Schedule of Participants to Form of Non-CEO Amended and Restated Change in Control Agreement**

Scott A. Richardson  
Vanessa Dupuis  
A. Lynne Puckett  
Thomas F. Kelly  
Mark C. Murray

**Summary of Non-Employee Director Compensation**

Each non-employee director of Celanese Corporation (the "Company") is entitled to (i) an annual cash retainer of \$115,000, which is paid in quarterly installments, in arrears, and (ii) an annual equity retainer of \$160,000 in restricted stock units (awarded at the first regular board meeting following the Annual Meeting of Stockholders). In addition, the chair of the nominating and corporate governance committee and the environmental, health, safety, quality and public policy committee receives an annual fee of \$15,000, and the chair of the audit committee and the compensation and management development committee receives an annual fee of \$20,000. The lead director receives an annual fee of \$30,000. These amounts are paid in quarterly installments, in arrears, and prorated for actual service.

Non-employee directors are also entitled to participate in the Company's 2008 Deferred Compensation Plan, which is an unfunded, nonqualified deferred compensation plan that allows directors the opportunity to defer a portion of their compensation in exchange for a future payment amount equal to their deferrals plus or minus certain amounts based upon the market performance of specified measurement funds selected by the participant.

**List of Subsidiaries of Celanese Corporation**  
(As of December 31, 2022)

Name of Company	Jurisdiction
<b>Aggregate Ownership of more than 70% (100% aggregate ownership unless otherwise indicated)</b>	
Acetate (Malta) Company Limited	Malta
Acetate Belgium Holdings B.V.	Netherlands
Acetate Belgium Holdings LLC	Delaware
Acetate Europe Coöperatief U.A.	Netherlands
Acetate Holdings LLC	Delaware
Acetate Intermediate Holdings LLC	Delaware
Acetate International LLC	Delaware
Acetate Holding Company Limited	Hong Kong
Acetate Hong Kong Holdings LLC	Delaware
Acetate Luxembourg S.à r.l.	Luxembourg
Acetate Sales U.S. Ltd.	Texas
Acetate UTP Holdings LLC	Delaware
Acetex Chimie S.A.S.	France
Advanced Elastomer Systems Limited	United Kingdom
CCC Environmental Management and Solutions GmbH & Co. KG	Germany
CCC Environmental Management and Solutions Verwaltungs-GmbH	Germany
CdwillMex S. de R.L. de C.V.	Mexico
CE Mexico Holdings LLC	Delaware
CE Receivables LLC	Delaware
Celanese (Bermuda) Acetyls Holdings Limited	Bermuda
Celanese (Bermuda) AT Holdings Limited	Bermuda
Celanese (Bermuda) EM Holdings Limited	Bermuda
Celanese (Bermuda) EM/AC GP Limited	Bermuda
Celanese (Bermuda) EM/AC L.P.	Bermuda
Celanese (Bermuda) Holdings GP Limited	Bermuda
Celanese (Bermuda) Holdings L.P.	Bermuda
Celanese (Bermuda) JV Holdings I GP Limited	Bermuda
Celanese (Bermuda) JV Holdings I L.P.	Bermuda
Celanese (Bermuda) JV Holdings II GP Limited	Bermuda
Celanese (Bermuda) JV Holdings II L.P.	Bermuda
Celanese (Bermuda) Mercury GP Limited	Bermuda
Celanese (Bermuda) Mercury L.P.	Bermuda
Celanese (Bermuda) SIP Holdings Limited	Bermuda
Celanese (China) Holding Co., Ltd.	China
Celanese (Malta) Company 2 Limited	Malta
Celanese (Malta) Company Limited	Malta
Celanese (Malta) Finance Holdings Limited	Malta
Celanese (Malta) Partnership	Malta
Celanese (Nanjing) Chemical Co., Ltd.	China
Celanese (Shanghai) International Trading Co., Ltd.	China
Celanese (Shanghai) Polymers Co., Ltd.	China
Celanese (Suzhou) Engineering Plastics Co., Ltd.	China
Celanese Acetate C.V.	Netherlands
Celanese Acetate LLC	Delaware
Celanese Acetate Holdings LLC	Delaware

Celanese Americas LLC	Delaware
Celanese Beteiligungs GmbH	Germany
Celanese BV	Belgium
Celanese Canada Holdings Limited	United Kingdom
Celanese Canada ULC	Canada
Celanese Chemicals, Inc.	Delaware
Celanese Chemicals India Private Limited	India
Celanese Chemicals S.A. (Pty) Ltd.	South Africa
Celanese Comercial S. de R.L. de C.V.	Mexico
Celanese Deutschland Holding GmbH	Germany
Celanese Emulsions Limited	United Kingdom
Celanese Emulsions Pension Plan Trustees Limited	United Kingdom
Celanese Europe B.V.	Netherlands
Celanese EVA Performance Polymers LLC	Delaware
Celanese Europe Holdings LLC	Delaware
Celanese Far East Limited	Hong Kong
Celanese Finance Company Limited	Hong Kong
Celanese Finance Holdings 2 Limited	Jersey
Celanese Foreign Holdings UK Limited	United Kingdom
Celanese France Holdings S.à r.l.	Luxembourg
Celanese Global Relocation LLC	Delaware
Celanese Holding 1, S. de R.L. de C.V.	Mexico
Celanese Holding Company Limited	Hong Kong
Celanese Holdings (Malta) 2 Limited	Malta
Celanese Holdings (Malta) Limited	Malta
Celanese Holdings UK 1 Limited	United Kingdom
Celanese Holdings UK 2 Limited	United Kingdom
Celanese Holdings UK 3 Limited	United Kingdom
Celanese Hong Kong Holdings LLC	Delaware
Celanese Hungary Kft.	Hungary
Celanese India Holdings B.V.	Netherlands
Celanese Internal Finance Limited	Hong Kong
Celanese International Corporation	Delaware
Celanese IP Germany GmbH	Germany
Celanese IP Hungary Bt.	Hungary
Celanese Japan Limited	Japan
Celanese Korea Ltd.	Korea
Celanese Ltd.	Texas
Celanese Materials México S. de R.L. de C.V.	Mexico
Celanese Mexico Holdings LLC	Delaware
Celanese Operations México S. de R.L. de C.V.	Mexico
Celanese Production Belgium BV	Belgium
Celanese Production Germany GmbH & Co. KG	Germany
Celanese Production Italy S.r.l.	Italy
Celanese Production Netherlands B.V.	Netherlands
Celanese Production Sweden AB	Sweden
Celanese Production Switzerland AG	Switzerland
Celanese Production UK Limited	United Kingdom

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Celanese Property Germany GmbH & Co. KG	Germany
Celanese PTE. LTD.	Singapore
Celanese S.A.	Argentina
Celanese Sales Austria GmbH	Austria
Celanese Sales Czech Republic s.r.o.	Czech Republic
Celanese Sales France S.A.S.	France
Celanese Sales Germany GmbH	Germany
Celanese Sales Ibérica, S.L.U.	Spain
Celanese Sales Italy S.r.l.	Italy
Celanese Sales Netherlands B.V.	Netherlands
Celanese Sales UK Limited	United Kingdom
Celanese Sales U.S. Ltd.	Texas
Celanese Services Belgium BV	Belgium
Celanese Services Germany GmbH	Germany
Celanese Services Italy S.r.l.	Italy
Celanese Services UK Limited	United Kingdom
Celanese Shanghai Holdings LLC	Delaware
Celanese Singapore Acetyls Holding PTE. LTD.	Singapore
Celanese Singapore Chemical Holding PTE. LTD.	Singapore
Celanese Singapore PTE. LTD.	Singapore
Celanese Singapore VAM PTE. LTD.	Singapore
Celanese Singapore Emulsions PTE. LTD.	Singapore
Celanese Switzerland AG	Switzerland
Celanese (Thailand) Limited	Thailand
Celanese US Holdings LLC	Delaware
Celanese Ventas Mexico S. de R.L. de C.V.	Mexico
Celanese Worldwide Holdings 2 LLC	Delaware
Celanese Worldwide Holdings LLC	Delaware
Celtran, Inc.	Delaware
Celwood Insurance Company	Vermont
CELX Investments S.à r.l.	Luxembourg
CEMX Holdings LLC	Delaware
CNA Holdings LLC	Delaware
DP Polymer Products (UK) Ltd	United Kingdom
DPP Polymer Products Canada Company	Canada
DPP Polymer Products Canada Holding Inc.	Canada
Du Pont Apollo (Shenzhen) Limited	China
Du Pont China Limited	Delaware
Du Pont Kabushiki Kaisha	Japan/Delaware
DuPont (Hong Kong) Electronic Materials Limited	Hong Kong
DuPont (Korea) Inc	Korea
DuPont (Shanghai) Electronic Materials Co., Ltd.	China
DuPont (UK) Electronic Materials Limited	United Kingdom
DuPont De Nemours (Nederland) B.V.	Netherlands
DuPont Deutschland Real Estate GmbH	Germany
DuPont Deutschland Real Estate Holding GmbH	Germany
DuPont Electronic Materials Kabushiki Kaisha	Japan
DuPont Electronics Microcircuits Industries, Ltd.	Bermuda

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DuPont Performance Solutions (Singapore) Pte. Ltd.	Singapore
DuPont Performance Solutions Belgium B.V.	Belgium
DuPont Performance Solutions Deutschland GmbH	Germany
DuPont Performance Solutions Limited	Taiwan
DuPont Performance Solutions Switzerland Sàrl	Switzerland
DuPont Performans Çözümleri Endüstriyel Ürünler Ticaret Limited Şirketi	Turkey
DuPont Polymer Products (Thailand) Limited	Thailand
DuPont Polymer Products, LLC	Delaware
DuPont Polymers, Inc.	Delaware
DuPont Specialty Products Austria GmbH	Austria
DuPont Trading (Shanghai) Co., Ltd.	China
DuPont Uentrop GmbH	Germany
Elwood Limited	Bermuda
FKAT LLC	Delaware
Grupo Celanese, S. de R.L. de C.V.	Mexico
Holding Softer America S. de R.L. de C.V	Mexico
Infraserv Verwaltungs GmbH	Germany
KEP Americas Engineering Plastics, LLC	Delaware
Laird 2 Limited	United Kingdom
Next Polymers Limited	India
Nutrinova Germany GmbH	Germany
Nutrinova Holdings GmbH	Germany
Nutrinova IP Germany GmbH	Germany
Nutrinova Netherlands B.V.	Netherlands
Nutrinova US LLC	Delaware
Performance Solutions do Brasil Comércio de Polímeros Ltda	Brazil
Performance Solutions Holding, Inc.	Delaware
Performance Solutions Hong Kong Company Limited	Hong Kong
Performance Solutions Japan Kabushiki Kaisha	Japan
Performance Solutions Luxembourg S.à r.l.	Luxembourg
Performance Specialty Products (India) Private Limited	India
Performance Specialty Products Argentina S.A.U.	Argentina
Performance Specialty Products Sverige AB	Sweden
PM China, Inc.	Delaware
Polymer Products France SAS	France
Polymer Products Italy S.r.l.	Italy
Polymer Solutions Ibérica S.L.U.	Spain
Polymers & Resins de México S. de R.L. de C.V.	Mexico
PP EMEA Holding 1 B.V.	Netherlands
PT Celanese Indonesia Operations	Indonesia
PT Celanese Indonesia Services	Indonesia
RIOMAVA GmbH	Germany
Santoprene Production Pensacola LLC	Delaware
Servicios Corporativos Celanese S. de R.L. de C.V.	Mexico
Shenzhen DuPont Agriscience Investment Co., Ltd.	China
Shenzhen DuPont Performance Materials Investment Co., Ltd.	China
SP Asia, LLC	Delaware
SP China, Inc.	Delaware

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SP EMEA Holding 2 B.V.	Netherlands
SP India Holding 1 B.V.	Netherlands
SP International Holding 1 B.V.	Netherlands
Specialty Products Czech Republic s.r.o.	Czech Republic
Specialty Products DPP, Inc.	Delaware
Specialty Products Hungary Kft.	Hungary
Specialty Products Poland sp. z.o.o.	Poland
T&I NL Holding B.V.	Netherlands
Tenedora Tercera de Toluca S. de R.L. de C.V.	Mexico
Ticona Fortron Inc.	Delaware
Ticona LLC	Delaware
Ticona Polymers, Inc.	Delaware
Ticona Polymers Ltda.	Brazil

#### **Aggregate Ownership of 70% or less**

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CTE Petrochemicals Co. <sup>1</sup>	Cayman Islands
DuBay Polymer GmbH <sup>1</sup>	Germany
DuPont Filaments Europe, BV <sup>2</sup>	Netherlands
DuPont Filaments-Americas, LLC <sup>2</sup>	Delaware
DuPont Hongji Films Foshan Co. Ltd. <sup>3</sup>	China
DuPont Teijin Films China Ltd. <sup>4</sup>	Hong Kong
DuPont Teijin Films Luxembourg S.A. <sup>1</sup>	Luxembourg
DuPont Teijin Films Netherlands B.V. <sup>1</sup>	Netherlands
DuPont Teijin Films UK Ltd. <sup>1</sup>	United Kingdom
DuPont Teijin Films US Limited Partnership <sup>5</sup>	Delaware
DuPont Teijin Hongji Films Ningbo Co. Ltd. <sup>3</sup>	China
DuPont Xingda Filaments Co Ltd <sup>2</sup>	China
Fairway Methanol LLC <sup>1</sup>	Delaware
Fortron (Shanghai) International Trading Co. Ltd. <sup>1</sup>	China
Fortron Industries, LLC <sup>1</sup>	North Carolina
Fortron China Holdings LLC <sup>1</sup>	Delaware
InfraServ GmbH & Co. Gendorf KG <sup>6</sup>	Germany
Infraserv GmbH & Co. Höchst KG <sup>7</sup>	Germany
InfraServ GmbH & Co. Wiesbaden KG <sup>8</sup>	Germany
Korea Engineering Plastics Co., Ltd. <sup>1</sup>	Korea
Kunming Cellulose Fibers Company, Limited <sup>9</sup>	China
National Methanol Company <sup>10</sup>	Saudi Arabia
Nantong Cellulose Fibers Company, Limited <sup>11</sup>	China
Teijin-DuPont Films, Incorporated <sup>1</sup>	Delaware
Toray Celanese Co., Ltd. <sup>1</sup>	Japan
Yncoris GmbH & Co. KG <sup>12</sup>	Germany
Zhuhai Cellulose Fibers Company, Limited <sup>9</sup>	China

1 Aggregate ownership is 50.00%

2 Aggregate ownership is 70%

3 Aggregate ownership is 26.01%

4 Aggregate ownership is 51%

- 5 Aggregate ownership is 49.93%
- 6 Aggregate ownership is 29.90%
- 7 Aggregate ownership is 31.20%
- 8 Aggregate ownership is 7.90%
- 9 Aggregate ownership is 30.00%
- 10 Aggregate ownership is 25.00%
- 11 Aggregate ownership is 30.68%
- 12 Aggregate ownership is 21.90%

### List of Guarantor Subsidiaries

Celanese US Holdings LLC (the "Issuer"), a 100% owned subsidiary of Celanese Corporation (the "Parent"), has 1.125% Senior Notes due 2023, 3.500% Senior Notes due 2024, 5.900% Senior Notes due 2024, 1.250% Senior Notes due 2025, 6.050% Notes due 2025, 1.400% Senior Notes due 2026, 4.777% Senior Notes due 2026, 2.125% Senior Notes due 2027, 6.165% Senior Notes due 2027, 0.625% Senior Notes due 2028, 5.337% Senior Notes due 2029, 6.330% Senior Notes due 2029 and 6.379% Senior Notes due 2032 (the "Senior Notes"). The Senior Notes are jointly and severally guaranteed on a full and unconditional basis by the Parent and the 100% owned subsidiaries of the Parent listed below.

Name of Company	Jurisdiction
<i>Parent Guarantor</i>	
Celanese Corporation	Delaware
<i>Subsidiary Guarantors</i>	
Celanese Acetate LLC	Delaware
Celanese Americas LLC	Delaware
Celanese Chemicals, Inc.	Delaware
Celanese Global Relocation LLC	Delaware
Celanese International Corporation	Delaware
Celanese Ltd.	Texas
Celanese Sales U.S. Ltd.	Texas
Celtran, Inc.	Delaware
CNA Holdings LLC	Delaware
KEP Americas Engineering Plastics, LLC	Delaware
Ticona Fortron Inc.	Delaware
Ticona LLC	Delaware
Ticona Polymers, Inc.	Delaware

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the registration statements on Form S-8 (Nos. 333-122789, 333-128048, 333-158734, 333-158736, 333-180932, 333-166358, 333-193836, and 333-224420) of our report dated February 24, 2023, with respect to the consolidated financial statements of Celanese Corporation, and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Dallas, Texas  
February 24, 2023

**CERTIFICATION**  
**PURSUANT TO 17 CFR 240.13a-14**  
**PROMULGATED UNDER**  
**SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Lori J. Ryerkerk, certify that:

1. I have reviewed this annual report on Form 10-K of Celanese Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ LORI J. RYERKERK

Lori J. Ryerkerk  
*Chair of the Board of Directors,*  
*Chief Executive Officer and President*  
Date: February 24, 2023

**CERTIFICATION**  
**PURSUANT TO 17 CFR 240.13a-14**  
**PROMULGATED UNDER**  
**SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Scott A. Richardson, certify that:

1. I have reviewed this annual report on Form 10-K of Celanese Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ SCOTT A. RICHARDSON

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Scott A. Richardson  
*Executive Vice President and  
Chief Financial Officer*  
Date: February 24, 2023

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Celanese Corporation (the "Company") on Form 10-K for the period ending December 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lori J. Ryerkerk, Chairman of the Board of Directors, Chief Executive Officer and President of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ LORI J. RYERKERK

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Lori J. Ryerkerk  
*Chair of the Board of Directors,  
Chief Executive Officer and President*  
Date: February 24, 2023

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Celanese Corporation (the "Company") on Form 10-K for the period ending December 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Scott A. Richardson, Executive Vice President and Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ SCOTT A. RICHARDSON

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Scott A. Richardson  
*Executive Vice President and  
Chief Financial Officer*  
Date: February 24, 2023