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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2021

or

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

For the transition period from _____ to _____

Commission File Number: 001-36473

Trinseo PLC

(Exact name of registrant as specified in its charter)

Ireland
(State or other jurisdiction of
incorporation or organization)

N/A
(I.R.S. Employer
Identification Number)

**1000 Chesterbrook Boulevard
Suite 300
Berwyn, PA 19312**
(Address of Principal Executive Offices)

(610) 240-3200
(Registrant's telephone number)

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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

<u>Title of Each Class</u>	<u>Trading symbol</u>	<u>Name of Exchange on which registered</u>
Ordinary Shares, par value \$0.01 per share	TSE	New York Stock Exchange

As of November 4, 2021, there were 38,837,083 of the registrant's ordinary shares outstanding.

TABLE OF CONTENTS

	<u>Page</u>
<u>Part I</u>	
<u>Financial Information</u>	
<u>Item 1.</u>	
<u>Financial Statements</u>	5
<u>Condensed Consolidated Balance Sheets as of September 30, 2021 and December 31, 2020 (Unaudited)</u>	5
<u>Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2021 and 2020 (Unaudited)</u>	6
<u>Condensed Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2021 and 2020 (Unaudited)</u>	7
<u>Condensed Consolidated Statements of Shareholders' Equity for the three and nine months ended September 30, 2021 and 2020 (Unaudited)</u>	8
<u>Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2021 and 2020 (Unaudited)</u>	9
<u>Notes to Condensed Consolidated Financial Statements (Unaudited)</u>	10
<u>Item 2.</u>	
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	40
<u>Item 3.</u>	
<u>Quantitative and Qualitative Disclosures about Market Risk</u>	55
<u>Item 4.</u>	
<u>Controls and Procedures</u>	55
<u>Part II</u>	
<u>Other Information</u>	
<u>Item 1.</u>	
<u>Legal Proceedings</u>	56
<u>Item 1A.</u>	
<u>Risk Factors</u>	56
<u>Item 2.</u>	
<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	58
<u>Item 3.</u>	
<u>Defaults Upon Senior Securities</u>	59
<u>Item 4.</u>	
<u>Mine Safety Disclosures</u>	59
<u>Item 5.</u>	
<u>Other Information</u>	59
<u>Item 6.</u>	
<u>Exhibits</u>	59
<u>Exhibit Index</u>	
<u>Signatures</u>	

Trinseo PLC
Quarterly Report on Form 10-Q
For the quarterly period ended September 30, 2021

On October 8, 2021, Trinseo PLC completed a previously-announced merger pursuant to which our former publicly-traded parent entity, Trinseo S.A., a Luxembourg limited liability company, was merged with and into Trinseo PLC, an Irish public limited company, with Trinseo PLC as the surviving entity (the “Redomiciliation”). The Redomiciliation was completed pursuant to an agreement between the parties entitled the Common Draft Terms of Merger dated as of April 23, 2021 and was approved by shareholders at Trinseo S.A.’s 2021 annual general meeting on June 10, 2021. As a result of the Redomiciliation, all of Trinseo S.A.’s outstanding ordinary shares, par value \$0.01 per share, excluding treasury shares, were exchanged on a one-for-one basis for newly issued ordinary shares, par value \$0.01 per share, of Trinseo PLC.

Unless otherwise indicated or required by context, as used in this Quarterly Report on Form 10-Q (“Quarterly Report”), the term “Trinseo” refers to Trinseo PLC (NYSE: TSE), a public limited company existing under the laws of Ireland, and not its subsidiaries. The terms “Company,” “we,” “us” and “our” refer to Trinseo and its consolidated subsidiaries, taken as a consolidated entity. All financial data provided in this Quarterly Report is the financial data of the Company, unless otherwise indicated. Prior to the formation of the Company, our business was wholly owned by The Dow Chemical Company (together with other affiliates, “Dow”).

Definitions of capitalized terms not defined herein appear within our Annual Report on Form 10-K for the year ended December 31, 2020 (“Annual Report”) filed with the Securities and Exchange Commission (“SEC”) on February 22, 2021. The Company may distribute cash to shareholders under Irish law via repayments of equity or an allocation of statutory profits. All distributions prior to 2020 were considered repayments of equity under Luxembourg law, wherein the Company was previously domiciled.

Cautionary Note on Forward-Looking Statements

This Quarterly Report contains forward-looking statements including, without limitation, statements concerning plans, objectives, goals, projections, forecasts, strategies, future events or performance, and underlying assumptions and other statements, which are not statements of historical facts. Forward-looking statements may be identified by the use of words like “expect,” “anticipate,” “intend,” “forecast,” “estimate,” “see,” “outlook,” “will,” “may,” “might,” “potential,” “likely,” “target,” “plan,” “contemplate,” “seek,” “attempt,” “should,” “could,” “would,” or expressions of similar meaning. Forward-looking statements reflect management’s evaluation of information currently available and are based on our current expectations and assumptions regarding the timing of the proposed sale of our Synthetic Rubber business and expected proceeds of the proposed sale, our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict.

Specific factors that may impact performance or other predictions of future actions have, in many but not all cases, been identified in connection with specific forward-looking statements. Factors that might cause such a difference include, but are not limited to, our ability to complete the sale of our Synthetic Rubber business; our ability to successfully execute our transformation strategy and business strategy; our ability to integrate acquired businesses; global supply chain volatility, increased costs or disruption in the supply of raw materials or increased costs for transportation of our products; the nature of investment opportunities presented to the Company from time to time; and those discussed in our Annual Report filed with the SEC on February 22, 2021 under Part I, Item 1A— “Risk Factors,” within this Quarterly Report and in other filings and furnishings made by the Company with the SEC from time to time.

As a result of these or other factors, our actual results, performance or achievements may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. Therefore, we caution you against relying on these forward-looking statements. The forward-looking statements included in this Quarterly Report are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Available Information

Our annual reports on Form 10-K, quarterly reports on Form 10-Q and 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, are available free of charge through the Investor Relations section of our website, www.trinseo.com, as soon as reasonably practicable after the

[Table of Contents](#)

reports are electronically filed or furnished with the SEC. We provide this website and information contained in or connected to it for informational purposes only. That information is not a part of this Quarterly Report.

PART I — FINANCIAL INFORMATION**Item 1. Financial Statements****TRINSEO PLC****Condensed Consolidated Balance Sheets
(In millions, except per share data)
(Unaudited)**

	<u>September 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 207.5	\$ 588.7
Accounts receivable, net of allowance for doubtful accounts (September 30, 2021: \$3.8; December 31, 2020: \$5.6)	762.7	469.5
Inventories	617.3	324.1
Other current assets	40.0	14.5
Current assets held-for-sale	379.5	120.3
Total current assets	<u>2,007.0</u>	<u>1,517.1</u>
Investments in unconsolidated affiliates	250.3	240.1
Property, plant and equipment, net of accumulated depreciation (September 30, 2021: \$560.6; December 31, 2020: \$524.7)	717.0	431.1
Other assets		
Goodwill	719.9	62.1
Other intangible assets, net	841.2	162.6
Right-of-use assets - operating, net	78.5	77.8
Deferred income tax assets	84.9	90.2
Deferred charges and other assets	65.3	36.0
Noncurrent assets held-for-sale	—	228.2
Total other assets	<u>1,789.8</u>	<u>656.9</u>
Total assets	<u>\$ 4,764.1</u>	<u>\$ 2,845.2</u>
Liabilities and shareholders' equity		
Current liabilities		
Short-term borrowings and current portion of long-term debt	\$ 149.1	\$ 12.2
Accounts payable	507.9	325.9
Current lease liabilities - operating	17.9	15.5
Income taxes payable	32.3	10.0
Accrued expenses and other current liabilities	216.6	127.5
Current liabilities held-for-sale	81.3	42.2
Total current liabilities	<u>1,005.1</u>	<u>533.3</u>
Noncurrent liabilities		
Long-term debt, net of unamortized deferred financing fees	2,307.9	1,158.1
Noncurrent lease liabilities - operating	62.9	65.5
Deferred income tax liabilities	100.5	60.7
Other noncurrent obligations	365.7	395.0
Noncurrent liabilities held-for-sale	—	42.3
Total noncurrent liabilities	<u>2,837.0</u>	<u>1,721.6</u>
Commitments and contingencies (Note 13)		
Shareholders' equity		
Ordinary shares, \$0.01 nominal value, 4,000.0 shares authorized* (September 30, 2021: 48.8 shares issued and 38.8 shares outstanding; December 31, 2020: 48.8 shares issued and 38.4 shares outstanding)	0.5	0.5
Additional paid-in-capital	582.2	579.6
Treasury shares, at cost (September 30, 2021: 10.0 shares; December 31, 2020: 10.4 shares)	(524.8)	(542.9)
Retained earnings	1,036.4	739.2
Accumulated other comprehensive loss	(172.3)	(186.1)
Total shareholders' equity	<u>922.0</u>	<u>590.3</u>
Total liabilities and shareholders' equity	<u>\$ 4,764.1</u>	<u>\$ 2,845.2</u>

*Authorized ordinary shares reflects the impact of the Redomiciliation. Refer to Note 1 in the condensed consolidated financial statements for further information.

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

TRINSEO PLC
Condensed Consolidated Statements of Operations
(In millions, except per share data)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Net sales	\$ 1,269.3	\$ 679.2	\$ 3,529.0	\$ 1,976.5
Cost of sales	1,101.0	572.9	2,951.7	1,789.1
Gross profit	168.3	106.3	577.3	187.4
Selling, general and administrative expenses	76.4	46.3	230.4	171.8
Equity in earnings of unconsolidated affiliates	17.1	18.3	70.2	42.5
Impairment charges	1.2	—	3.0	10.3
Operating income	107.8	78.3	414.1	47.8
Interest expense, net	23.0	10.0	56.6	32.0
Acquisition purchase price hedge loss	—	—	22.0	—
Other expense (income), net	(0.1)	1.2	8.4	3.0
Income from continuing operations before income taxes	84.9	67.1	327.1	12.8
Provision for income taxes	5.5	26.9	48.9	16.2
Net income (loss) from continuing operations	79.4	40.2	278.2	(3.4)
Net income (loss) from discontinued operations, net of income taxes	13.7	65.6	38.0	(55.4)
Net income (loss)	<u>\$ 93.1</u>	<u>\$ 105.8</u>	<u>\$ 316.2</u>	<u>\$ (58.8)</u>
Weighted average shares- basic	38.8	38.3	38.7	38.4
Net income (loss) per share- basic:				
Continuing operations	\$ 2.04	\$ 1.05	\$ 7.19	\$ (0.09)
Discontinued operations	0.35	1.72	0.98	(1.44)
Net income (loss) per share- basic	<u>\$ 2.39</u>	<u>\$ 2.77</u>	<u>\$ 8.17</u>	<u>\$ (1.53)</u>
Weighted average shares- diluted	39.5	38.4	39.6	38.4
Net income (loss) per share- diluted:				
Continuing operations	\$ 2.01	\$ 1.04	\$ 7.03	\$ (0.09)
Discontinued operations	0.35	1.71	0.96	(1.44)
Net income (loss) per share- diluted	<u>\$ 2.36</u>	<u>\$ 2.75</u>	<u>\$ 7.99</u>	<u>\$ (1.53)</u>

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

TRINSEO PLC
Condensed Consolidated Statements of Comprehensive Income (Loss)
(In millions)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Net income	\$ 93.1	\$ 105.8	\$ 316.2	\$ (58.8)
Other comprehensive income (loss), net of tax:				
Cumulative translation adjustments	(1.7)	(6.7)	(2.0)	2.9
Net gain (loss) on cash flow hedges	1.2	0.4	5.6	(4.6)
Pension and other postretirement benefit plans:				
Net gain arising during period (net of tax of \$1.0, \$0.0, \$1.0, and \$0.1)	9.3	0.1	9.3	0.7
Amounts reclassified from accumulated other comprehensive income	(1.2)	1.6	0.9	2.7
Total other comprehensive income (loss), net of tax	7.6	(4.6)	13.8	1.7
Comprehensive income (loss)	<u>\$ 100.7</u>	<u>\$ 101.2</u>	<u>\$ 330.0</u>	<u>\$ (57.1)</u>

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

TRINSEO PLC
Condensed Consolidated Statements of Shareholders' Equity
(In millions, except per share data)
(Unaudited)

	Shares		Shareholders' Equity					
	Ordinary Shares Outstanding	Treasury Shares	Ordinary Shares	Additional Paid-In Capital	Treasury Shares	Accumulated Other		Total
						Comprehensive Income (Loss)	Retained Earnings	
Balance at December 31, 2020	38.4	10.4	\$ 0.5	\$ 579.6	\$ (542.9)	\$ (186.1)	\$ 739.2	\$ 590.3
Net income	—	—	—	—	—	—	71.5	71.5
Other comprehensive income	—	—	—	—	—	6.1	—	6.1
Share-based compensation activity	0.3	(0.3)	—	(1.1)	12.9	—	—	11.8
Dividends on ordinary shares (\$0.08 per share)	—	—	—	—	—	—	(3.4)	(3.4)
Balance at March 31, 2021	38.7	10.1	\$ 0.5	\$ 578.5	\$ (530.0)	\$ (180.0)	\$ 807.3	\$ 676.3
Net income	—	—	—	—	—	—	151.6	151.6
Other comprehensive income	—	—	—	—	—	0.1	—	0.1
Share-based compensation activity	0.1	(0.1)	—	0.2	4.7	—	—	4.9
Dividends on ordinary shares (\$0.08 per share)	—	—	—	—	—	—	(3.1)	(3.1)
Balance at June 30, 2021	38.8	10.0	\$ 0.5	\$ 578.7	\$ (525.3)	\$ (179.9)	\$ 955.8	\$ 829.8
Net income	—	—	—	—	—	—	93.1	93.1
Other comprehensive income	—	—	—	—	—	7.6	—	7.6
Share-based compensation activity	—	—	—	3.5	0.5	—	—	4.0
Dividends on ordinary shares (\$0.32 per share)	—	—	—	—	—	—	(12.5)	(12.5)
Balance at September 30, 2021	38.8	10.0	\$ 0.5	\$ 582.2	\$ (524.8)	\$ (172.3)	\$ 1,036.4	\$ 922.0

	Shares		Shareholders' Equity					
	Ordinary Shares Outstanding	Treasury Shares	Ordinary Shares	Additional Paid-In Capital	Treasury Shares	Accumulated Other		Total
						Comprehensive Income (Loss)	Retained Earnings	
Balance at December 31, 2019	39.0	9.8	\$ 0.5	\$ 574.7	\$ (524.9)	\$ (162.4)	\$ 781.0	\$ 668.9
Net loss	—	—	—	—	—	—	(36.3)	(36.3)
Other comprehensive income	—	—	—	—	—	8.2	—	8.2
Share-based compensation activity	—	—	—	1.0	1.7	—	—	2.7
Purchase of treasury shares	(0.8)	0.8	—	—	(25.0)	—	—	(25.0)
Dividends on ordinary shares (\$0.40 per share)	—	—	—	—	—	—	(15.5)	(15.5)
Balance at March 31, 2020	38.2	10.6	\$ 0.5	\$ 575.7	\$ (548.2)	\$ (154.2)	\$ 729.2	\$ 603.0
Net loss	—	—	—	—	—	—	(128.4)	(128.4)
Other comprehensive loss	—	—	—	—	—	(1.9)	—	(1.9)
Share-based compensation activity	0.1	(0.1)	—	0.6	0.9	—	—	1.5
Dividends on ordinary shares (\$0.40 per share)	—	—	—	—	—	—	(15.4)	(15.4)
Balance at June 30, 2020	38.3	10.5	\$ 0.5	\$ 576.3	\$ (547.3)	\$ (156.1)	\$ 585.4	\$ 458.8
Net income	—	—	—	—	—	—	105.8	105.8
Other comprehensive loss	—	—	—	—	—	(4.6)	—	(4.6)
Share-based compensation activity	—	—	—	2.4	0.8	—	—	3.2
Dividends on ordinary shares (\$0.40 per share)	—	—	—	—	—	—	(15.6)	(15.6)
Balance at September 30, 2020	38.3	10.5	\$ 0.5	\$ 578.7	\$ (546.5)	\$ (160.7)	\$ 675.6	\$ 547.6

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

TRINSEO PLC
Condensed Consolidated Statements of Cash Flows
(In millions)
(Unaudited)

	Nine Months Ended September 30,	
	2021	2020
Cash flows from operating activities		
Net income (loss)	\$ 316.2	\$ (58.8)
Less: Net income (loss) from discontinued operations	38.0	(55.4)
Net income (loss) from continuing operations	278.2	(3.4)
Adjustments to reconcile net income (loss) from continuing operations to net cash provided by (used in) operating activities - continuing operations		
Depreciation and amortization	111.0	69.8
Amortization of deferred financing fees, issuance discount, and excluded component of hedging instruments	5.5	2.8
Deferred income tax	0.2	(0.3)
Share-based compensation expense	11.0	8.7
Earnings of unconsolidated affiliates, net of dividends	(10.2)	(42.5)
Unrealized net gain on foreign exchange forward contracts	(25.2)	(9.8)
Acquisition purchase price hedge loss	22.0	—
Pension curtailment and settlement (gain) loss	(2.1)	1.0
Asset impairment charges or write-offs	3.0	10.3
Changes in assets and liabilities		
Accounts receivable	(253.1)	23.5
Inventories	(196.7)	107.3
Accounts payable and other current liabilities	249.5	(51.2)
Income taxes payable	22.3	2.1
Other assets, net	(9.0)	(15.8)
Other liabilities, net	41.0	(11.3)
Cash provided by operating activities - continuing operations	247.4	91.2
Cash provided by (used in) operating activities - discontinued operations	(9.2)	36.5
Cash provided by operating activities	238.2	127.7
Cash flows from investing activities		
Capital expenditures	(64.7)	(47.4)
Cash received (paid) for asset or business acquisitions, net of cash acquired (\$12.1 and \$0.0)	(1,806.6)	0.1
Proceeds from the sale of businesses and other assets	0.2	11.9
Proceeds from (payments for) the settlement of hedging instruments	(14.7)	51.6
Cash provided by (used in) investing activities - continuing operations	(1,885.8)	16.2
Cash used in investing activities - discontinued operations	(3.3)	(13.5)
Cash provided by (used in) investing activities	(1,889.1)	2.7
Cash flows from financing activities		
Deferred financing fees	(35.0)	—
Short-term borrowings, net	(11.6)	(8.2)
Purchase of treasury shares	—	(25.0)
Dividends paid	(9.5)	(46.5)
Proceeds from exercise of option awards	10.5	0.4
Withholding taxes paid on restricted share units	(0.8)	(0.6)
Repayments of 2024 Term Loan B and 2028 Term Loan B	(7.1)	(5.2)
Net proceeds from issuance of 2028 Term Loan B	746.3	—
Net proceeds from issuance of 2029 Senior Notes	450.0	—
Proceeds from draw on 2022 Revolving Facility	—	100.0
Repayments of 2022 Revolving Facility	—	(100.0)
Proceeds from draw on Accounts Receivable Securitization Facility	150.0	—
Repayments of Accounts Receivable Securitization Facility	(20.0)	—
Cash provided by (used in) financing activities	1,272.8	(85.1)
Effect of exchange rates on cash	(3.1)	1.3
Net change in cash, cash equivalents, and restricted cash	(381.2)	46.6
Cash, cash equivalents, and restricted cash—beginning of period	588.7	457.4
Cash, cash equivalents, and restricted cash—end of period	\$ 207.5	\$ 504.0
Less: Restricted cash	—	(0.7)
Cash and cash equivalents—end of period	\$ 207.5	\$ 503.3

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

TRINSEO PLC

Notes to Condensed Consolidated Financial Statements
(Dollars in millions, unless otherwise stated)
(Unaudited)

NOTE 1—BASIS OF PRESENTATION

The unaudited interim condensed consolidated financial statements of Trinseo PLC and its subsidiaries (the “Company”) as of and for the periods ended September 30, 2021 and 2020 were prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and reflect all adjustments, consisting only of normal recurring adjustments, which, in the opinion of management, are considered necessary for the fair statement of the results for the periods presented. Because they cover interim periods, the statements and related notes to the financial statements do not include all disclosures normally provided in annual financial statements, and therefore, these statements should be read in conjunction with the 2020 audited consolidated financial statements included within the Company’s Annual Report on Form 10-K (“Annual Report”) filed with the Securities and Exchange Commission (“SEC”) on February 22, 2021. The Company’s condensed consolidated financial statements presented herein reflect the latest estimates and assumptions made by management that affect the reported amounts and related disclosures as of and for the period ended September 30, 2021. However, actual results could differ from these estimates and assumptions.

On October 8, 2021, the Company completed a cross-border merger transaction, pursuant to which its former publicly-traded parent entity, Trinseo S.A., a Luxembourg limited liability company, was merged with and into Trinseo PLC, an Irish public limited company, with Trinseo PLC as the surviving entity (the “Redomiciliation”). The Redomiciliation was completed pursuant to an agreement between the parties entitled the Common Draft Terms of Merger dated as of April 23, 2021 and was approved by shareholders at Trinseo S.A.’s 2021 annual general meeting on June 14, 2021. As a result of the Redomiciliation, all of Trinseo S.A.’s outstanding ordinary shares, par value \$0.01 per share, excluding treasury shares, were exchanged on a one-for-one basis for newly issued ordinary shares, par value \$0.01 per share, of Trinseo PLC. The treasury shares of Trinseo S.A. were cancelled in conjunction with the Redomiciliation. All references herein to “Trinseo” or the “Company” refer to Trinseo S.A. and its subsidiaries through the effective date of the Redomiciliation, and thereafter refer to Trinseo PLC and its subsidiaries. As the Redomiciliation was completed subsequent to September 30, 2021, amounts presented herein represent the results of Trinseo S.A. as of and for the periods ended September 30, 2021 and have not been adjusted for the equity transactions completed in connection with the Redomiciliation on October 8, 2021.

The December 31, 2020 condensed consolidated balance sheet data presented herein was derived from the Company’s December 31, 2020 audited consolidated financial statements, but does not include all disclosures required by GAAP for annual periods.

Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications pertain primarily to the Company’s entry into an agreement during the second quarter of 2021 to sell its Synthetic Rubber business, as a result of which the Company reclassified its Synthetic Rubber assets and liabilities as held-for-sale and reclassified the operating results of its Synthetic Rubber business, net of taxes, as discontinued operations for all periods presented. Refer to Note 4 for further information. Throughout this Quarterly Report, unless otherwise indicated, amounts and activity are presented on a continuing operations basis. Additionally, the condensed consolidated financial statements herein reflect reclassifications related to the Company’s resegmentation effective October 1, 2020, as described in Note 16.

NOTE 2—RECENT ACCOUNTING GUIDANCE

In December 2019, the FASB issued guidance that simplifies the accounting for income taxes. The amended guidance includes removal of certain exceptions to the general principles of Accounting Standards Codification (“ASC”) 740, Income Taxes, and simplification in several other areas such as accounting for a franchise tax (or similar tax) that is partially based on income. The Company adopted the guidance effective January 1, 2021, noting that adoption did not have a material impact on its condensed consolidated financial statements.

NOTE 3—ACQUISITIONS

Acquisition of Aristech Surfaces

On September 1, 2021, the Company completed its previously announced acquisition of Aristech Surfaces LLC (“Aristech Surfaces”) from SK AA Holdings LLC (“SK AA Holdings”), the sole member of Aristech Surfaces, through purchase of 100% membership interest and intellectual property (the “Aristech Surfaces Acquisition”). Aristech Surfaces is a leading North America manufacturer and global provider of PMMA continuous cast and solid surface sheets, serving the wellness, architectural, transportation and industrial markets, which the Company believes will pair well with its existing Engineered Materials business, inclusive of the PMMA Acquisition completed earlier in 2021, discussed further below. Aristech Surfaces’ products are used for a variety of applications, including the construction of hot tubs, swim spas, counter tops, signage, bath products and recreational vehicles.

The preliminary purchase price consideration for the Aristech Surfaces Acquisition amounted to \$449.7 million, subject to customary working capital and other closing adjustments, and was funded using the Company’s available cash and existing credit facilities. Refer to Note 8 for further information on the existing credit facilities used to fund the Aristech Surfaces Acquisition.

The Company accounted for the Aristech Surfaces Acquisition as a business combination pursuant to ASC 805. In accordance with ASC 805, fair values are assigned to tangible and identifiable intangible assets acquired and liabilities assumed at the acquisition date based on the information that was available as of the acquisition date. The Company believes that the information available provides a reasonable basis for estimating the fair values of assets acquired and liabilities assumed for the acquisition, however, preliminary measurements of fair value, including, but not limited to, inventory, intangible assets, property, plant and equipment, contingent liabilities, and such changes could be material. During the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date that, if known, would have resulted in revised estimated values of those assets or liabilities as of that date we will revise the preliminary purchase price allocation. The effect of measurement period adjustments to the estimated fair values will be reflected as if the adjustments had been completed on the acquisition date. The impact of all changes that do not qualify as measurement period adjustments will be included in current period earnings.

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 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 and cost approaches (or a combination thereof). Fair values were determined based on various 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.

[Table of Contents](#)

The table below summarizes the purchase price allocation for the assets acquired and liabilities assumed, based on their relative fair values, which have been assessed as of the September 1, 2021 acquisition date:

	September 1, 2021
Cash and cash equivalents	\$ 1.7
Accounts receivable	26.9
Inventories ⁽¹⁾	30.3
Other current assets	1.9
Property, plant and equipment	75.3
Other intangible assets ⁽²⁾	
Customer relationships	145.0
Developed technology	52.5
Tradenames	10.0
Other amortizable intangible assets	0.3
Right-of-use assets - operating	2.0
Deferred charges and other assets	0.8
Total fair value of assets acquired	346.7
Accounts payable	(13.8)
Current lease liabilities - operating	(0.4)
Accrued expenses and other current liabilities	(3.1)
Noncurrent lease liabilities - operating	(1.6)
Other noncurrent obligations	(1.4)
Total fair value of liabilities assumed	(20.3)
Net identifiable assets acquired	326.4
Purchase price consideration	449.7
Goodwill ⁽³⁾	\$ 123.3

- (1) Fair value of work-in-process and finished goods inventory acquired included a step-up in the value of approximately \$6.9 million, out of which \$3.5 million was amortized during the third quarter of 2021 within "Cost of sales" on the condensed consolidated statements of operations as the related inventory was sold to customers.
- (2) The expected weighted average useful life of the acquired intangible assets are 13 years for customer relationships, 11 years for developed technology, and 10 years for tradenames and 1-5 years for other amortizable intangible assets.
- (3) Goodwill largely consists of strategic and synergistic opportunities resulting from combining Aristech Surfaces with the Company's existing businesses and is allocated entirely to the Engineered Materials segment. All of the goodwill related to this acquisition will be deductible for income tax purposes.

Net sales and net loss of Aristech Surfaces between the September 1, 2021 acquisition date and September 30, 2021 were \$14.8 million and \$3.1 million, respectively, and are recognized within the Company's condensed consolidated statements of operations for the three and nine months ended September 30, 2021.

Transaction-related costs

Pursuant to GAAP, costs incurred to complete the Aristech Surfaces Acquisition as well as costs incurred to integrate into our operations are expensed as incurred. The Company incurred \$3.1 million and \$3.4 million of transaction-related costs for the three and nine months ended September 30, 2021, respectively. The amounts were recorded within "Selling, general and administrative expenses" in the Company's condensed consolidated statements of

operations, and are reflected in the nine months ended September 30, 2020 in the supplemental pro forma information below.

Acquisition of the Arkema PMMA Business

On May 3, 2021, the Company completed its previously-announced acquisition of the polymethyl methacrylates (“PMMA”) and activated methyl methacrylates (“MMA”) business (together, the “PMMA business”) from Arkema PLC, (“Arkema”) through the purchase of 100% of the shares of certain subsidiaries of Arkema (the “PMMA Acquisition”). The PMMA Acquisition was completed pursuant to the Share Purchase Agreement, dated March 19, 2021 (the “SPA”), by and between the Company and Arkema. PMMA is a transparent and rigid plastic with a wide range of end uses, and is an attractive adjacent chemistry which complements Trinseo’s existing offerings across several end markets including automotive, building & construction, medical and consumer electronics.

The following table illustrates each component of the purchase price consideration related to the PMMA Acquisition:

Initial cash purchase price paid ⁽¹⁾	\$ 1,369.0
Known purchase price adjustment, not yet settled ⁽²⁾	(4.1)
Total purchase price consideration	\$ 1,364.9

- (1) The PMMA Acquisition had an initial purchase price consideration of \$1,370.7 million, of which \$1,369.0 million was paid during the second quarter of 2021. This initial purchase price consideration remains subject to customary working capital and other closing adjustments.
- (2) Known purchase price adjustment not yet paid relates primarily to consideration for estimated working capital adjustments and certain assets at the Porto Marghera, Italy manufacturing site which will be legally transferred to Trinseo at a later date due to local transfer restrictions; however, the Company has the benefits and risks of ownership during the period from May 3, 2021 until the site legally transfers. This purchase price consideration is expected to be paid in the fourth quarter of 2021.

The PMMA Acquisition was funded using the net proceeds from the Company’s new financing arrangements, including \$450.0 million from its 2029 Senior Notes issued on March 24, 2021 and \$750.0 million of incremental borrowings under the 2028 Term Loan B entered into in conjunction with closing of the transaction, as well as available cash. Refer to Note 8 for further information on the financing arrangements used to fund the PMMA Acquisition.

The Company accounted for the PMMA Acquisition as a business combination pursuant to ASC 805. In accordance with ASC 805, fair values are assigned to tangible and identifiable intangible assets acquired and liabilities assumed at the acquisition date based on the information that was available as of that date. The Company believes that the information available provides a reasonable basis for estimating the fair values of assets acquired and liabilities assumed for the PMMA Acquisition; however, preliminary measurements of fair value, including, but not limited to, inventory, intangible assets, property, plant and equipment, pension and postretirement obligations, contingent liabilities, including environmental remediation obligations, and deferred tax assets and liabilities are subject to change during the measurement period, and such changes could be material. The Company expects to finalize the valuation and accounting for the PMMA Acquisition as soon as practicable, but no later than one year after the acquisition date. During the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date that, if known, would have resulted in revised estimated values of those assets or liabilities as of that date, the Company will revise the preliminary purchase price allocation. The effect of measurement period adjustments to the estimated fair values will be reflected as if the adjustments had been completed on the acquisition date. The impact of all changes that do not qualify as measurement period adjustments will be included in current period earnings.

The Company allocated the purchase price of the PMMA 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 and cost approaches (or a combination thereof). Fair values were determined based on various inputs including estimated future cash flows, discount rates, royalty rates, growth rates, sales projections, customer retention rates and

[Table of Contents](#)

terminal values. The fair value of pension liabilities assumed was determined in accordance with ASC 715 using key inputs including, but not limited to, discount rates, expected rates of return on plan assets, and future compensation growth rates. The various inputs used in the asset and pension valuations require significant management judgment.

The table below summarizes the preliminary purchase price allocation for the assets acquired and liabilities assumed, based on their relative fair values. In the third quarter of 2021, the Company recorded certain measurement period adjustments to reflect facts and circumstances in existence as of the May 3, 2021 acquisition date. These adjustments included a \$19.4 million increase to property, plant and equipment, a \$5.0 million increase to deferred income tax liabilities, a \$5.8 million decrease to purchase price consideration, and a resulting \$20.1 million decrease to goodwill.

	May 3, 2021
Cash and cash equivalents	\$ 10.4
Accounts receivable	19.1
Inventories ⁽¹⁾	78.9
Other current assets	8.7
Property, plant and equipment	255.4
Other intangible assets ⁽²⁾	
Customer relationships	326.6
Developed technology	133.0
Tradenames	46.0
Other amortizable intangible assets	0.4
Right-of-use assets - operating	4.1
Deferred charges and other assets	27.9
Total fair value of assets acquired	910.5
Accounts payable	(15.0)
Current lease liabilities - operating	(1.7)
Income taxes payable	(0.3)
Accrued expenses and other current liabilities	(11.3)
Noncurrent lease liabilities - operating	(2.5)
Deferred income tax liabilities	(39.3)
Other noncurrent obligations ⁽³⁾	(23.1)
Total fair value of liabilities assumed	(93.2)
Net identifiable assets acquired	817.3
Purchase price consideration	1,364.9
Goodwill ⁽⁴⁾	\$ 547.6

- (1) Fair value of finished goods inventory acquired included a step-up in the value of approximately \$10.1 million, which was fully amortized during the second quarter of 2021 within "Cost of sales" on the condensed consolidated statements of operations as the related inventory was sold to customers.
- (2) The expected weighted average useful life of the acquired intangible assets are 13 years for customer relationships, 10 years for developed technology, 16 years for tradenames, and 1-5 years for other amortizable intangible assets.
- (3) Includes \$18.2 million of net pension and other employee benefits assumed as part of the PMMA Acquisition.
- (4) Goodwill largely consists of strategic and synergistic opportunities resulting from combining the PMMA business with the Company's existing businesses and is allocated entirely to the Engineered Materials segment. Approximately \$310.0 million of goodwill related to this acquisition will be deductible for income tax purposes based on the preliminary purchase price.

The results of the PMMA business are recognized within the Company's condensed consolidated statements of operations since the closing of the acquisition on May 3, 2021. The PMMA business contributed net sales and net loss of \$224.6 million and \$1.6 million, respectively, to the Company's results for the three months ended September 30, 2021.

[Table of Contents](#)

The PMMA business acquisition contributed net sales and net loss of \$332.1 million and \$5.4 million, respectively, to the Company's results for the period from May 3, 2021 to September 30, 2021.

Transaction-related costs

Pursuant to GAAP, costs incurred to complete the PMMA Acquisition as well as costs incurred to integrate into our operations are expensed as incurred. The Company incurred \$0.2 million and \$20.0 million of transaction-related costs for the three and nine months ended September 30, 2021, respectively. The amounts were recorded within "Selling, general and administrative expenses" in the Company's condensed consolidated statements of operations, and are reflected in the nine months ended September 30, 2020 in the supplemental pro forma information below.

In connection with the PMMA Acquisition, the Company entered into certain customary transitional services agreements with Arkema to provide for the orderly separation and transition of various functions and processes. These services will be provided by Arkema to the Company for up to 18 months after closing, with certain extension options available. These services include information technology, accounting and finance, procurement, supply chain, and other services, while we assume the operations of the PMMA business.

Additionally, the Company paid Arkema \$10.6 million for certain information technology separation costs in order to support the transition services agreements entered into at the time of close. These payments have not been included as a component of consideration transferred, and instead have been capitalized as prepaid assets within "Other current assets" on the condensed consolidated balance sheets. The cost will be recognized as expense over the period in which the services are expected to be rendered under the transition services agreements.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information presents the condensed consolidated results of operations of the Company with the PMMA business and Aristech Surfaces for the three and nine months ended September 30, 2021 and 2020, respectively, as if these acquisitions had occurred on January 1, 2020. The proforma results were calculated by combining the results of Trinseo with the PMMA business and Aristech Surfaces but do not include adjustments related to cost savings or other synergies that are anticipated as a result of these acquisitions. Accordingly, these unaudited pro forma results are presented for informational purposes only and are not necessarily indicative of what the actual results of operations would have been if the acquisitions had occurred as of January 1, 2020, nor are they indicative of future results of operations.

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Net sales	\$ 1,300.2	\$ 862.0	\$ 3,863.8	\$ 2,499.7
Net income (loss)	\$ 94.1	\$ 104.0	\$ 355.1	\$ (96.7)
Income (loss) from continuing operations	\$ 80.4	\$ 38.4	\$ 317.1	\$ (41.3)

NOTE 4—DIVESTITURES AND DISCONTINUED OPERATIONS

On May 21, 2021, the Company and Synthos PLC and certain of its subsidiaries (together, "Synthos") entered into an Asset Purchase Agreement (the "Purchase Agreement"), pursuant to which the Company agreed to sell its Synthetic Rubber business to Synthos in an all-cash transaction with an initial aggregate price of \$449.4 million, which reflects a reduction of approximately \$41.6 million for the assumption of pension liabilities by Synthos. This initial aggregate purchase price included a working capital target (excluding inventory) of \$47.0 million, which was subject to adjustment based on actual amounts conveyed at closing.

On October 21, 2021, the Company and Synthos entered into an amendment to the Purchase Agreement (the "Amended Purchase Agreement"), whereby net working capital (excluding inventory) will not transfer with the sale of the Synthetic Rubber business and, in exchange, the working capital target of \$47.0 million will be removed from the

[Table of Contents](#)

purchase price. This will result in an amended purchase price of \$402.4 million, subject to certain adjustments related to inventory and the exercise of certain option rights related to equity investments held by the Company.

This sale is expected to close in December 2021, subject to customary closing conditions. As a result of the above agreements, the assets and liabilities of the Company's Synthetic Rubber business were classified as held-for-sale starting in the second quarter of 2021 in the condensed consolidated balance sheets and the associated operating results of the Synthetic Rubber business, net of income tax, have been classified as discontinued operations in the condensed consolidated statements of operations and statements of cash flows for all periods presented, in accordance with the guidance in ASC 205-20, Discontinued Operations.

The following table summarizes the assets and liabilities classified as held-for-sale at September 30, 2021 and December 31, 2020:

	<u>September 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
Assets		
Current assets		
Accounts receivable, net of allowance	\$ 83.5	\$ 59.7
Inventories and other current assets	89.2	60.6
Total current assets	<u>172.7</u>	<u>120.3</u>
Property, plant and equipment, net	152.3	170.3
Other assets		
Goodwill	11.4	12.1
Other intangible assets, net	17.5	20.2
Deferred charges and other assets	25.6	25.6
Total other assets	<u>54.5</u>	<u>57.9</u>
Total assets held-for-sale ⁽¹⁾	<u>\$ 379.5</u>	<u>\$ 348.5</u>
Liabilities		
Current liabilities		
Accounts payable	27.6	29.5
Accrued expenses and other current liabilities	11.3	12.7
Total current liabilities	<u>38.9</u>	<u>42.2</u>
Noncurrent liabilities		
Other noncurrent obligations	42.4	42.3
Total noncurrent liabilities	<u>42.4</u>	<u>42.3</u>
Total liabilities held-for-sale ⁽¹⁾	<u>\$ 81.3</u>	<u>\$ 84.5</u>

(1) All balance sheet amounts as of September 30, 2021 have been classified as current within the condensed consolidated balance sheets, as the sale is expected to occur within one year of the balance sheet date.

The following table summarizes the results of the Synthetic Rubber business for the three and nine months ended September 30, 2021 and 2020, which are reflected as discontinued operations in the Company's condensed consolidated statements of operations:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Net sales	\$ 122.3	\$ 79.5	\$ 382.2	\$ 217.5
Cost of sales	101.9	82.5	321.2	238.9
Gross profit (loss)	20.4	(3.0)	61.0	(21.4)
Selling, general and administrative expenses	4.9	7.4	16.7	17.8
Impairment charges	—	—	—	28.0
Operating income (loss)	15.5	(10.4)	44.3	(67.2)
Other expense, net	0.2	0.4	1.2	1.1
Income (loss) from discontinued operations before income taxes	15.3	(10.8)	43.1	(68.3)
Provision for (benefit from) income taxes	1.6	(76.4)	5.1	(12.9)
Net income (loss) from discontinued operations	\$ 13.7	\$ 65.6	\$ 38.0	\$ (55.4)

Amounts for operating net sales and costs of sales which had previously been eliminated in consolidation related to intercompany sales of styrene monomer to the Synthetic Rubber business are now reflected on a gross basis as a component of net sales and costs of sales from continuing operations for all periods presented. The Company has recast these amounts because upon completion of the sale of the Synthetic Rubber business, the Company will continue to have these ongoing transactions with Synthos, under a supply agreement executed in conjunction with the divestiture. Refer to Note 5 for recast segment net sales reflecting this adjustment.

Additionally, the Company previously allocated certain corporate management overhead costs to the former Synthetic Rubber segment which may no longer be allocated to discontinued operations under the relevant authoritative accounting guidance. Accordingly, the Company has recast its segment reporting results to reflect the reattribution of these expenses in all periods presented. Refer to Note 16 for recast segment results reflecting this adjustment.

NOTE 5—NET SALES

Refer to the Annual Report for information on the Company's accounting policies and further background related to its net sales.

The following table provides disclosure of net sales to external customers by primary geographical market (based on the location where sales originated), by segment for the three and nine months ended September 30, 2021 and 2020. Prior period balances in this table have been recast to reflect current period presentation, as described in Notes 1 and 4, including updates for the classification of the Company's former Synthetic Rubber segment as discontinued operations and the Company's prior year resegmentation.

[Table of Contents](#)

Three Months Ended	Latex Binders	Engineered Materials	Base Plastics	Polystyrene	Feedstocks	Total
September 30, 2021						
United States	\$ 86.3	\$ 102.4	\$ 82.3	\$ —	\$ 4.0	\$ 275.0
Europe	153.5	89.6	247.3	162.6	50.8	703.8
Asia-Pacific	73.0	35.9	43.9	112.2	—	265.0
Rest of World	2.8	2.9	19.8	—	—	25.5
Total	\$ 315.6	\$ 230.8	\$ 393.3	\$ 274.8	\$ 54.8	\$ 1,269.3
September 30, 2020						
United States	\$ 54.1	\$ 8.0	\$ 52.8	\$ —	\$ 2.0	\$ 116.9
Europe	79.7	13.8	126.8	96.9	31.7	348.9
Asia-Pacific	48.1	28.1	40.9	70.4	4.9	192.4
Rest of World	1.3	0.1	19.6	—	—	21.0
Total	\$ 183.2	\$ 50.0	\$ 240.1	\$ 167.3	\$ 38.6	\$ 679.2

Nine Months Ended	Latex Binders	Engineered Materials	Base Plastics	Polystyrene	Feedstocks	Total
September 30, 2021						
United States	\$ 228.2	\$ 174.1	\$ 216.5	\$ —	\$ 10.7	\$ 629.5
Europe	431.4	190.8	699.2	511.7	188.9	2,022.0
Asia-Pacific	211.1	108.1	144.5	343.3	—	807.0
Rest of World	6.9	4.5	59.1	—	—	70.5
Total	\$ 877.6	\$ 477.5	\$ 1,119.3	\$ 855.0	\$ 199.6	\$ 3,529.0
September 30, 2020						
United States	\$ 167.2	\$ 25.3	\$ 143.5	\$ —	\$ 5.9	\$ 341.9
Europe	254.0	37.4	366.1	301.8	93.4	1,052.7
Asia-Pacific	140.9	72.3	94.5	204.1	19.7	531.5
Rest of World	5.2	0.2	45.0	—	—	50.4
Total	\$ 567.3	\$ 135.2	\$ 649.1	\$ 505.9	\$ 119.0	\$ 1,976.5

NOTE 6—INVESTMENTS IN UNCONSOLIDATED AFFILIATES

The Company is currently supplemented by one joint venture, Americas Styrenics LLC (“Americas Styrenics,” a styrene and polystyrene joint venture with Chevron Phillips Chemical Company LP), which is accounted for using the equity method. The results of Americas Styrenics are included within its own reporting segment.

Americas Styrenics is a privately held company; therefore, a quoted market price for its equity interests is not available. The summarized financial information of the Company’s unconsolidated affiliate is shown below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Sales	\$ 433.4	\$ 269.7	\$ 1,351.9	\$ 817.3
Gross profit	\$ 49.3	\$ 39.6	\$ 189.2	\$ 78.1
Net income	\$ 37.2	\$ 27.5	\$ 151.8	\$ 39.3

As of September 30, 2021 and December 31, 2020, the Company’s investment in Americas Styrenics was \$250.3 million and \$240.1 million, respectively, which was \$10.6 million and \$16.3 million greater than the Company’s 50% share of the underlying net assets of Americas Styrenics, respectively. This amount represents the difference between the book value of assets held by the joint venture and the Company’s 50% share of the total recorded value of the joint venture’s assets, inclusive of certain adjustments to conform with the Company’s accounting policies. This difference is being amortized over a weighted average remaining useful life of approximately 2.6 years as of September 30, 2021. The Company received dividends of \$20.0 million and \$60.0 million from Americas Styrenics during the three and nine months ended September 30, 2021, respectively, while no dividends were received during the three and nine months ended September 30, 2020.

NOTE 7—INVENTORIES

Inventories consisted of the following:

	September 30,		December 31,	
	2021	2020	2021	2020
Finished goods	\$ 314.0	\$ 132.9	\$ 314.0	\$ 132.9
Raw materials and semi-finished goods	265.5	161.7	265.5	161.7
Supplies	37.8	29.5	37.8	29.5
Total	\$ 617.3	\$ 324.1	\$ 617.3	\$ 324.1

NOTE 8—DEBT

Refer to the Annual Report for definitions of capitalized terms not included herein and further background on the Company’s debt structure discussed below. The Company was in compliance with all debt related covenants as of September 30, 2021 and December 31, 2020.

[Table of Contents](#)

As of September 30, 2021 and December 31, 2020, debt consisted of the following:

	Interest Rate as of September 30, 2021	Maturity Date	September 30, 2021			December 31, 2020		
			Carrying Amount	Unamortized Deferred Financing Fees ⁽¹⁾	Total Debt, Less Unamortized Deferred Financing Fees	Carrying Amount	Unamortized Deferred Financing Fees ⁽¹⁾	Total Debt, Less Unamortized Deferred Financing Fees
Senior Credit Facility								
2024 Term Loan B	2.081%	September 2024	\$ 672.1	\$ (8.7)	\$ 663.4	\$ 677.3	\$ (10.8)	\$ 666.5
2028 Term Loan B	2.584%	May 2028	744.6	(17.6)	727.0	—	—	—
2026 Revolving Facility ⁽²⁾	Various	May 2026	—	—	—	—	—	—
2029 Senior Notes	5.125%	April 2029	450.0	(15.1)	434.9	—	—	—
2025 Senior Notes	5.375%	September 2025	500.0	(5.3)	494.7	500.0	(6.2)	493.8
Accounts Receivable Securitization Facility ⁽³⁾	Various	November 2021	130.0	—	130.0	—	—	—
Other indebtedness	Various	Various	7.0	—	7.0	10.0	—	10.0
Total debt			\$ 2,503.7	\$ (46.7)	\$ 2,457.0	\$ 1,187.3	\$ (17.0)	\$ 1,170.3
Less: current portion ⁽⁴⁾					(149.1)			(12.2)
Total long-term debt, net of unamortized deferred financing fees					\$ 2,307.9			\$ 1,158.1

- (1) This caption does not include deferred financing fees related to the Company's revolving facilities, which are included within "Deferred charges and other assets" on the condensed consolidated balance sheets.
- (2) On May 3, 2021, in conjunction with the PMMA Acquisition, the Company extended its Revolving Facility (previously the "2022 Revolving Facility," now the "2026 Revolving Facility"), originally maturing in September 2022, to May 2026, as described further below. As of September 30, 2021, under the 2026 Revolving Facility, the Company had a capacity of \$375.0 million and funds available for borrowing of \$366.9 million (net of \$8.1 million outstanding letters of credit). Additionally, the Company is required to pay a quarterly commitment fee in respect of any unused commitments under this facility equal to 0.375% per annum.
- (3) On August 27, 2021, in conjunction with the Aristech Surfaces Acquisition, the Company drew \$150.0 million on its Accounts Receivable Securitization Facility, of which \$20.0 million was repaid in September 2021. Further, in September 2021, the Company extended the maturity date of the facility to November 2021. As of September 30, 2021, this facility had a borrowing capacity of \$150.0 million, and the Company had approximately \$20.0 million of funds available for borrowing under this facility, based on the pool of eligible accounts receivable.
- (4) As of September 30, 2021, the current portion of long-term debt was primarily related to a \$130.0 million balance on the Accounts Receivable Securitization Facility and \$14.5 million of the scheduled future principal payments on both the 2024 Term Loan B and 2028 Term Loan B. As of December 31, 2020, the current portion of long-term debt was primarily related to \$7.0 million of the scheduled future principal payments on the 2024 Term Loan B.

2029 Senior Notes

On March 24, 2021, Trinseo Materials Operating S.C.A. and Trinseo Materials Finance, Inc. (together, the "Issuers"), each an indirect, wholly-owned subsidiary of the Company, executed an indenture pursuant to which they issued \$450.0 million aggregate principal amount of 5.125% senior notes due 2029 (the "2029 Senior Notes") in a 144A private transaction exempt from the registration requirements of the Securities Act of 1933, as amended. Interest on the 2029 Senior Notes is payable semi-annually on February 15 and August 15 of each year, commencing on August 15, 2021. The 2029 Senior Notes mature on April 1, 2029. The net proceeds from the 2029 Senior Notes offering were used as a portion of the funding needed for the PMMA Acquisition, in addition to fees and expenses related to the offering and the PMMA Acquisition. The gross proceeds from the 2029 Senior Notes offering were released upon satisfaction of certain escrow release conditions, including closing of the PMMA Acquisition, which was completed on May 3, 2021.

[Table of Contents](#)

At any time prior to April 1, 2024, the Issuers may redeem the 2029 Senior Notes in whole or in part, at their option, at a redemption price equal to 100% of the principal amount of such notes plus the relevant applicable premium as of, and accrued and unpaid interest to, but not including, the redemption date. At any time and from time to time after April 1, 2024, the Issuers may redeem the 2029 Senior Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest, if any, on the notes redeemed to, but not including, the redemption date:

<u>12-month period commencing April 1 in Year</u>	<u>Percentage</u>
2024	102.563 %
2025	101.281 %
2026 and thereafter	100.000 %

At any time prior to April 1, 2024, the Issuers may redeem up to 40% of the aggregate principal amount of the 2029 Senior Notes at a redemption price equal to 105.125%, plus accrued and unpaid interest to, but not including, the redemption date, with the aggregate gross proceeds from certain equity offerings.

The 2029 Senior Notes are the Issuers' senior unsecured obligations and rank equally in right of payment with all of the Issuers' existing and future indebtedness that is not expressly subordinated in right of payment thereto. The 2029 Senior Notes will be senior in right of payment to any future indebtedness that is expressly subordinated in right of payment thereto and effectively junior to (a) the Issuers' existing and future secured indebtedness, including the Company's accounts receivable facility and the Issuers' Credit Facility, to the extent of the value of the collateral securing such indebtedness and (b) all existing and future liabilities of the Issuers' non-guarantor subsidiaries.

The Indenture contains customary covenants, including restrictions on the Issuers' and certain of its subsidiaries' ability to incur additional indebtedness and guarantee indebtedness; pay dividends on, redeem or repurchase capital stock; make investments; prepay certain indebtedness; create liens; enter into transactions with the Issuers' affiliates; designate the Issuers' subsidiaries as Unrestricted Subsidiaries (as defined in the Indenture); and consolidate, merge, or transfer all or substantially all of the Issuers' assets. The covenants are subject to a number of exceptions and qualifications. Certain of these covenants, excluding without limitation those relating to transactions with the Issuers' affiliates and consolidation, merger, or transfer of all or substantially all of the Issuers' assets, will be suspended during any period of time that (1) the 2029 Senior Notes have Investment Grade Status (as defined in the Indenture) and (2) no default has occurred and is continuing under the Indenture. In the event that the 2029 Senior Notes are downgraded to below an Investment Grade Status, the Issuers and certain subsidiaries will again be subject to the suspended covenants with respect to future events. As of September 30, 2021, the Company was in compliance with all debt covenant requirements under the Indenture.

Total fees incurred in connection with the issuance of the 2029 Senior Notes were \$15.9 million, which were capitalized and recorded within "Long-term debt, net of unamortized deferred financing fees" on the condensed consolidated balance sheet, and are being amortized into "Interest expense, net" in the condensed consolidated statements of operations over their eight-year term using the effective interest method.

Senior Credit Facility

On May 3, 2021, the Issuers entered into (i) an amendment to the existing credit agreement dated as of September 6, 2017 in which the Issuers borrowed a new tranche of term loans in an aggregate amount of \$750.0 million senior secured term loan B facility maturing in May 2028 (the "2028 Term Loan B"), used to finance a portion of the purchase price of the PMMA Acquisition, and (ii) an amendment to the existing credit agreement, pursuant to which the existing revolving credit facility has been refinanced with a new revolving credit facility in an aggregate amount of \$375.0 million, with a \$25.0 million swingline subfacility and a \$35.0 million letter of credit subfacility, maturing in May 2026. Amounts under the 2026 Revolving Facility are available in U.S. dollars and euros. The terms under the 2026 Revolving Facility are substantially unchanged from the 2022 Revolving Facility. Refer to the Annual Report for the terms of the 2022 Revolving Facility. As a result of amending the revolving credit facility, during the nine months ended September 30, 2021, the Company recognized a \$0.5 million loss on extinguishment of long-term debt related to the write-off of a portion of the existing unamortized deferred financing fees. This amount has been recorded with "Other expense (income), net" in the condensed consolidated statement of operations.

The 2028 Term Loan B bears an interest rate of LIBOR plus 2.50%, subject to a 0.00% LIBOR floor, and was issued at a 0.5% original issue discount. Further, the 2028 Term Loan B requires scheduled quarterly payments in amounts equal to 0.25% of the original principal amount of the 2028 Term Loan B, with the balance to be paid at maturity.

The 2026 Revolving Facility contains a financial covenant that requires compliance with a springing first lien net leverage ratio test. If the outstanding balance under the 2026 Revolving Facility exceeds 30% of the \$375.0 million borrowing capacity (excluding undrawn letters of credit up to \$10.0 million and cash collateralized letters of credit) at a quarter end, then the Borrowers' first lien net leverage ratio may not exceed 3.50 to 1.00. As of September 30, 2021, the Company was in compliance with all debt covenant requirements under the Senior Credit Facility.

Fees incurred in connection with the issuance of the 2028 Term Loan B were \$18.7 million, which were capitalized and recorded within "Long-term debt, net of unamortized deferred financing fees" on the condensed consolidated balance sheet, and are being amortized into "Interest expense, net" in the condensed consolidated statements of operations over their seven-year term using the effective interest method.

Fees incurred in connection with the 2026 Revolving Facility were \$0.4 million, which were capitalized and recorded within "Deferred charges and other assets" on the condensed consolidated balance sheet, and are being amortized along with the remaining \$0.8 million of unamortized deferred financing fees from the Company's former revolving credit facility ("2022 Revolving Facility") into "Interest expense, net" in the condensed consolidated statements of operations over the five-year term of the facility using the straight-line method.

NOTE 9—GOODWILL

The following table shows changes in the carrying amount of goodwill, by segment, from December 31, 2020 to September 30, 2021:

	Latex Binders	Engineered Materials	Base Plastics	Polystyrene	Feedstocks	Americas Styrenics	Total
Balance at December 31, 2020	\$ 17.1	\$ 16.0	\$ 24.2	\$ 4.8	\$ —	\$ —	\$ 62.1
Acquisitions (Note 3)	—	670.8	—	—	—	—	670.8
Foreign currency impact	(1.0)	(10.5)	(1.3)	(0.2)	—	—	(13.0)
Balance at September 30, 2021	<u>\$ 16.1</u>	<u>\$ 676.3</u>	<u>\$ 22.9</u>	<u>\$ 4.6</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 719.9</u>

NOTE 10—DERIVATIVE INSTRUMENTS

The Company's ongoing business operations expose it to various risks, including fluctuating foreign exchange rates and interest rate risk. To manage these risks, the Company periodically enters into derivative financial instruments, such as foreign exchange forward contracts and interest rate swap agreements. The Company does not hold or enter into financial instruments for trading or speculative purposes. All derivatives are recorded on the condensed consolidated balance sheets at fair value.

Foreign Exchange Forward Contracts

Certain subsidiaries have assets and liabilities denominated in currencies other than their respective functional currencies, which creates foreign exchange risk. The Company's principal strategy in managing its exposure to changes in foreign currency exchange rates is to naturally hedge the foreign currency-denominated liabilities on its balance sheet against corresponding assets of the same currency, such that any changes in liabilities due to fluctuations in exchange rates are offset by changes in their corresponding foreign currency assets. In order to further reduce this exposure, the Company also uses foreign exchange forward contracts to economically hedge the impact of the variability in exchange rates on assets and liabilities denominated in certain foreign currencies. The Company entered into a specific such foreign exchange forward contract in December 2020 in order to economically hedge the euro-denominated purchase

[Table of Contents](#)

price of the Arkema PMMA business, which was acquired on May 3, 2021, as discussed in Note 3. These derivative contracts are not designated for hedge accounting treatment.

As of September 30, 2021, the Company had open foreign exchange forward contracts with a notional U.S. dollar equivalent absolute value of \$1,177.9 million. The following table displays the notional amounts of the most significant net foreign exchange hedge positions outstanding as of September 30, 2021:

Buy / (Sell)	September 30, 2021
Euro	\$ (1,037.4)
Chinese Yuan	\$ (38.6)
Swiss Franc	\$ 32.8
Mexican Peso	\$ (17.8)
Korean Won	\$ (15.3)

Open foreign exchange forward contracts as of September 30, 2021 had maturities occurring over a period of two months.

Foreign Exchange Cash Flow Hedges

The Company also enters into forward contracts with the objective of managing the currency risk associated with forecasted U.S. dollar-denominated raw materials purchases by one of its subsidiaries whose functional currency is the euro. By entering into these forward contracts, which are designated as cash flow hedges, the Company buys a designated amount of U.S. dollars and sells euros at the prevailing market rate to mitigate the risk associated with the fluctuations in the euro-to-U.S. dollar foreign currency exchange rates. The qualifying hedge contracts are marked-to-market at each reporting date and any unrealized gains or losses are included in Accumulated Other Comprehensive Income (“AOCI”) to the extent effective, and reclassified to cost of sales in the period during which the transaction affects earnings or it becomes probable that the forecasted transaction will not occur.

Open foreign exchange cash flow hedges as of September 30, 2021 had maturities occurring over a period of three months, and had a net notional U.S. dollar equivalent of \$24.0 million.

Interest Rate Swaps

On September 6, 2017, the Company issued the 2024 Term Loan B, which currently bears an interest rate of LIBOR plus 2.00%, subject to a 0.00% LIBOR floor. In order to reduce the variability in interest payments associated with the Company’s variable rate debt, during 2017 the Company entered into certain interest rate swap agreements to convert a portion of these variable rate borrowings into a fixed rate obligation. These interest rate swap agreements are designated as cash flow hedges, and as such, the contracts are marked-to-market at each reporting date and any unrealized gains or losses are included in AOCI to the extent effective, and reclassified to interest expense in the period during which the transaction affects earnings or it becomes probable that the forecasted transaction will not occur.

As of September 30, 2021, the Company had open interest rate swap agreements with a net notional U.S. dollar equivalent of \$200.0 million which had an effective date of September 29, 2017 and mature in September 2022. Under the terms of the swap agreements, the Company is required to pay the counterparties a stream of fixed interest payments at a rate of 1.81%, and in turn, receives variable interest payments based on 1-month LIBOR (0.08% as of September 30, 2021) from the counterparties.

Net Investment Hedge

The Company accounts for its cross currency swaps (“CCS”) under the spot method, meaning that changes in the fair value of the hedge included in the assessment of effectiveness (changes due to spot foreign exchange rates) are recorded within AOCI, where they remain until either the sale or substantially complete liquidation of the subsidiary subject to the hedge. Additionally, the initial value of any component excluded from the assessment of effectiveness is recognized in income using a systematic and rational method over the life of the hedging instrument and any difference between the change in the fair value of the excluded component and amounts recognized in income under that systematic and rational method is recognized in AOCI. The Company amortizes any initial excluded component value of a CCS as

[Table of Contents](#)

a reduction of “Interest expense, net” in the condensed consolidated statements of operations using the straight-line method over the remaining term of the related CCS. Additionally, interest receipts and payments are accrued under the terms of the Company’s CCS and are recognized within “Interest expense, net” in the condensed consolidated statements of operations.

The Company entered into a CCS arrangement (the “2017 CCS”) on September 1, 2017, swapping U.S. dollar principal and interest payments of \$500.0 million at an interest rate of 5.375% on its 2025 Senior Notes for euro-denominated payments of €420.0 million at a weighted average interest rate of 3.45% for approximately five years. The 2017 CCS was initially designated under the forward method and then redesignated under the spot method effective April 1, 2018. At the time of redesignation, the 2017 CCS had a cumulative foreign currency translation loss in AOCI of \$38.0 million. The excluded component value related to the 2017 CCS at April 1, 2018 was \$23.6 million, which was being amortized over its remaining term. On February 26, 2020, the Company settled its 2017 CCS and replaced it with a new CCS arrangement (the “2020 CCS”) that carried substantially the same terms as the 2017 CCS. Upon settlement of the 2017 CCS, the Company realized net cash proceeds of \$51.6 million. The remaining \$13.8 million unamortized balance of the initial excluded component related to the 2017 CCS at the time of settlement will remain in AOCI until either the sale or substantially complete liquidation of the relevant subsidiaries. Under the 2020 CCS, the Company notionally exchanged \$500.0 million at an interest rate of 5.375% for €459.3 million at a weighted average interest rate of 3.672% for approximately 2.7 years, with a final maturity of November 3, 2022. The cash flows under the 2020 CCS are aligned with the Company’s principal and interest obligations on its 5.375% 2025 Senior Notes.

[Table of Contents](#)

Summary of Derivative Instruments

The following table presents the effect of the Company's derivative instruments, including those not designated for hedge accounting treatment, on the condensed consolidated statements of operations for the three and nine months ended September 30, 2021 and 2020:

	Location and Amount of Gain (Loss) Recognized in Statements of Operations							
	Three Months Ended September 30, 2021				Three Months Ended September 30, 2020			
	Cost of sales	Interest expense, net	Acquisition purchase price hedge gain (loss)	Other income, net	Cost of sales	Interest expense, net	Acquisition purchase price hedge gain (loss)	Other expense, net
Total amount of income and (expense) line items presented in the statements of operations in which the effects of derivative instruments are recorded	\$ (1,101.0)	\$ (23.0)	\$ —	\$ 0.1	\$ (572.9)	\$ (10.0)	\$ —	\$ (1.2)
The effects of cash flow hedge instruments:								
Foreign exchange cash flow hedges								
Amount of gain (loss) reclassified from AOCI into income	\$ 0.3	\$ —	\$ —	\$ —	\$ (0.7)	\$ —	\$ —	\$ —
Interest rate swaps								
Amount of loss reclassified from AOCI into income	\$ —	\$ (0.9)	\$ —	\$ —	\$ —	\$ (0.8)	\$ —	\$ —
The effects of net investment hedge instruments:								
Cross currency swaps (CCS)								
Amount of gain excluded from effectiveness testing	\$ —	\$ 1.9	\$ —	\$ —	\$ —	\$ 1.6	\$ —	\$ —
Amount of loss recognized in income ⁽¹⁾	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (0.8)
The effects of derivatives not designated as hedge instruments:								
Foreign exchange forward contracts								
Amount of gain (loss) recognized in income	\$ —	\$ —	\$ —	\$ 23.3	\$ —	\$ —	\$ —	\$ (13.2)

	Location and Amount of Gain (Loss) Recognized in Statements of Operations							
	Nine Months Ended September 30, 2021				Nine Months Ended September 30, 2020			
	Cost of sales	Interest expense, net	Acquisition purchase price hedge gain (loss)	Other expense, net	Cost of sales	Interest expense, net	Acquisition purchase price hedge gain (loss)	Other expense, net
Total amount of income and (expense) line items presented in the statements of operations in which the effects of derivative instruments are recorded	\$ (2,951.7)	\$ (56.6)	\$ (22.0)	\$ (8.4)	\$ (1,789.1)	\$ (32.0)	\$ —	\$ (3.0)
Effects of cash flow hedge instruments:								
Foreign exchange cash flow hedges								
Amount of gain reclassified from AOCI into income	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Interest rate swaps								
Amount of loss reclassified from AOCI into income	\$ —	\$ (2.6)	\$ —	\$ —	\$ —	\$ (1.6)	\$ —	\$ —
Effects of net investment hedge instruments:								
Cross currency swaps								
Amount of gain excluded from effectiveness testing ⁽²⁾	\$ —	\$ 5.5	\$ —	\$ —	\$ —	\$ 7.0	\$ —	\$ —
Amount of loss recognized in income ⁽¹⁾	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (0.8)
Effects of derivatives not designated as hedge instruments:								
Foreign exchange forward contracts								
Amount of gain (loss) recognized in income ⁽³⁾	\$ —	\$ —	\$ (22.0)	\$ 43.4	\$ —	\$ —	\$ —	\$ (7.5)

- (1) Amount represents the change in fair value of the portion of the 2020 CCS that was de-designated from hedge accounting for the three and nine months ended September 30, 2020.
- (2) Amounts include the effects on AOCI of both the 2017 CCS through its settlement on February 26, 2020 and the 2020 CCS from when it was entered into on February 26, 2020 through September 30, 2020.
- (3) The \$22.0 million loss incurred from the change in fair value of the forward currency hedge arrangement on the euro-denominated purchase price of the Arkema PMMA business during the nine months ended September 30, 2021 is presented separately in the condensed consolidated statements of operations from the gains recorded on the Company's other foreign exchange forward contracts.

[Table of Contents](#)

The following table presents the effect of cash flow and net investment hedge accounting on AOCI for the three and nine months ended September 30, 2021 and 2020:

	Gain (Loss) Recognized in AOCI on Balance Sheet			
	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Designated as Cash Flow Hedges				
Foreign exchange cash flow hedges	\$ 0.4	\$ (0.3)	\$ 3.1	\$ 0.6
Interest rate swaps	0.8	0.7	2.5	(5.2)
Total	\$ 1.2	\$ 0.4	\$ 5.6	\$ (4.6)
Designated as Net Investment Hedges				
Cross currency swaps (CCS) ⁽¹⁾	\$ 13.1	\$ (24.2)	\$ 32.1	\$ (11.6)
Total	\$ 13.1	\$ (24.2)	\$ 32.1	\$ (11.6)

- (1) Amount for the nine months ended September 30, 2020 includes the effects on AOCI of both the 2017 CCS through its settlement on February 26, 2020 and the 2020 CCS from when it was entered into on February 26, 2020 through September 30, 2020.

	Gain (Loss) Recognized in Other expense, net in Statement of Operation			
	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Settlements and changes in the fair value of forward contracts (not designated as hedges) ⁽¹⁾	\$ 23.3	\$ (13.2)	\$ 43.4	\$ (7.5)
Remeasurement of foreign currency-denominated assets and liabilities	\$ (23.7)	\$ 14.0	\$ (43.0)	\$ 8.9
Total	\$ (0.4)	\$ 0.8	\$ 0.4	\$ 1.4

- (1) Amounts do not include the loss of \$22.0 million recorded from the change in fair value of the forward currency hedge arrangement on the euro-denominated purchase price of the Arkema PMMA business during the nine months ended September 30, 2021.

The Company expects to reclassify in the next twelve months an approximate \$2.5 million net loss from AOCI into earnings related to the Company's outstanding foreign exchange cash flow hedges and interest rate swaps as of September 30, 2021 based on current foreign exchange rates.

The following tables summarize the gross and net unrealized gains and losses, as well as the balance sheet

classification, of outstanding derivatives recorded in the condensed consolidated balance sheets:

September 30, 2021					
Balance Sheet Classification	Foreign Exchange Forward Contracts	Foreign Exchange Cash Flow Hedges	Interest Rate Swaps	Cross Currency Swaps	Total
Asset Derivatives:					
Accounts receivable, net of allowance	\$ 18.6	\$ 0.9	\$ —	\$ 4.2	\$ 23.7
Gross derivative asset position	18.6	0.9	—	4.2	23.7
Less: Counterparty netting	(0.1)	—	—	—	(0.1)
Net derivative asset position	\$ 18.5	\$ 0.9	\$ —	\$ 4.2	\$ 23.6
Liability Derivatives:					
Accounts payable	\$ (0.8)	\$ —	\$ (3.4)	\$ —	\$ (4.2)
Other noncurrent obligations	—	—	—	(33.7)	(33.7)
Gross derivative liability position	(0.8)	—	(3.4)	(33.7)	(37.9)
Less: Counterparty netting	0.1	—	—	—	0.1
Net derivative liability position	\$ (0.7)	\$ —	\$ (3.4)	\$ (33.7)	\$ (37.8)
Total net derivative position	\$ 17.8	\$ 0.9	\$ (3.4)	\$ (29.5)	\$ (14.2)

December 31, 2020					
Balance Sheet Classification	Foreign Exchange Forward Contracts	Foreign Exchange Cash Flow Hedges	Interest Rate Swaps	Cross Currency Swaps	Total
Asset Derivatives:					
Accounts receivable, net of allowance ⁽¹⁾	\$ 8.2	\$ —	\$ —	\$ 5.0	\$ 13.2
Gross derivative asset position	8.2	—	—	5.0	13.2
Less: Counterparty netting	(6.5)	—	—	—	(6.5)
Net derivative asset position	\$ 1.7	\$ —	\$ —	\$ 5.0	\$ 6.7
Liability Derivatives:					
Accounts payable ⁽¹⁾	\$ (8.3)	\$ (2.1)	\$ (3.4)	\$ —	\$ (13.8)
Other noncurrent obligations	—	—	(2.5)	(66.5)	(69.0)
Gross derivative liability position	(8.3)	(2.1)	(5.9)	(66.5)	(82.8)
Less: Counterparty netting	6.5	—	—	—	6.5
Net derivative liability position	\$ (1.8)	\$ (2.1)	\$ (5.9)	\$ (66.5)	\$ (76.3)
Total net derivative position	\$ (0.1)	\$ (2.1)	\$ (5.9)	\$ (61.5)	\$ (69.6)

(1) Balance as of December 31, 2020 includes a \$7.3 million receivable representing the fair value of the forward currency hedge arrangement on the euro-denominated purchase price of the Arkema PMMA business.

Forward contracts, interest rate swaps, and cross currency swaps are entered into with a limited number of counterparties, each of which allows for net settlement of all contracts through a single payment in a single currency in the event of a default on or termination of any one contract. As such, in accordance with the Company's accounting policy, these derivative instruments are recorded on a net basis by counterparty within the condensed consolidated balance sheets.

Refer to Notes 11 and 18 of the condensed consolidated financial statements for further information regarding the fair value of the Company's derivative instruments and the related changes in AOCI.

NOTE 11—FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities measured at fair value are

classified using the following hierarchy, which is based upon the transparency of inputs to the valuation as of the measurement date.

Level 1—Valuation is based upon quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2—Valuation is based upon quoted prices for similar assets and liabilities in active markets, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3—Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

The following table summarizes the basis used to measure certain assets and liabilities at fair value on a recurring basis in the condensed consolidated balance sheets as of September 30, 2021 and December 31, 2020:

Assets (Liabilities) at Fair Value	September 30, 2021			Total
	Quoted Prices in Active Markets for Identical Items (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Foreign exchange forward contracts—Assets	\$ —	\$ 18.5	\$ —	\$ 18.5
Foreign exchange forward contracts—(Liabilities)	—	(0.7)	—	(0.7)
Foreign exchange cash flow hedges—Assets	—	0.9	—	0.9
Interest rate swaps—(Liabilities)	—	(3.4)	—	(3.4)
Cross currency swaps—Assets	—	4.2	—	4.2
Cross currency swaps—(Liabilities)	—	(33.7)	—	(33.7)
Total fair value	\$ —	\$ (14.2)	\$ —	\$ (14.2)

Assets (Liabilities) at Fair Value	December 31, 2020			Total
	Quoted Prices in Active Markets for Identical Items (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Foreign exchange forward contracts—Assets	\$ —	\$ 1.7	\$ —	\$ 1.7
Foreign exchange forward contracts—(Liabilities)	—	(1.8)	—	(1.8)
Foreign exchange cash flow hedges—(Liabilities)	—	(2.1)	—	(2.1)
Interest rate swaps—(Liabilities)	—	(5.9)	—	(5.9)
Cross currency swaps—Assets	—	5.0	—	5.0
Cross currency swaps—(Liabilities)	—	(66.5)	—	(66.5)
Total fair value	\$ —	\$ (69.6)	\$ —	\$ (69.6)

The Company uses an income approach to value its derivative instruments, utilizing discounted cash flow techniques, considering the terms of the contract and observable market information available as of the reporting date, such as interest rate yield curves and currency spot and forward rates. Significant inputs to the valuation for these derivative instruments are obtained from broker quotations or from listed or over-the-counter market data, and are classified as Level 2 in the fair value hierarchy.

Nonrecurring Fair Value Measurements

The Company measured certain financial assets at fair value on a nonrecurring basis during the year ended December 31, 2020, which were still held as of September 30, 2021. These financial assets represent the Company's styrene monomer assets in Boehlen, Germany, which it continues to operate. These assets were measured at fair value using underlying fixed asset records in conjunction with the use of industry experience and available market data, which are classified as Level 3 significant unobservable inputs in the fair value hierarchy. As a result of the fair value measurements performed, the Company recorded impairment charges on the Boehlen styrene monomer assets of \$10.3 million during the first quarter of 2020. During the three and nine months ended September 30, 2021, the Company recorded additional impairment charges of \$0.3 million and \$2.1 million related to capital expenditures at the Boehlen styrene monomer facility that it determined to be impaired, which are also included within "Impairment charges" on the condensed consolidated statements of operations. Refer to the Company's Annual Report for further information. As of September 30, 2021 and December 31, 2020, the value of the Boehlen styrene monomer assets are recorded at \$3.5 million and \$3.7 million, respectively, within the Company's condensed consolidated balance sheets herein.

The Company's polybutadiene rubber ("PBR," specifically nickel and neodymium PBR) assets in Schkopau, Germany, which were mothballed in 2020, had also been measured on a nonrecurring basis during the year ended December 31, 2020, resulting in impairment charges of \$28.0 million being recorded during the first quarter of 2020. However, as the Schkopau PBR assets are part of the Synthetic Rubber business, during the second quarter of 2021 they were classified as held-for-sale and their operating results were classified as discontinued operations for all periods presented, along with the rest of the Synthetic Rubber business. Refer to Note 4 for further information.

There were no other financial assets or liabilities measured at fair value on a nonrecurring basis as of December 31, 2020.

Fair Value of Debt Instruments

The following table presents the estimated fair value of the Company's outstanding debt not carried at fair value as of September 30, 2021 and December 31, 2020:

	As of September 30, 2021	As of December 31, 2020
2029 Senior Notes	\$ 455.5	\$ —
2028 Term Loan B	742.7	—
2025 Senior Notes	509.7	513.5
2024 Term Loan B	670.4	674.0
Total fair value	<u>\$ 2,378.3</u>	<u>\$ 1,187.5</u>

The fair value of the Company's debt facilities above (each Level 2 securities) is determined using over-the-counter market quotes and benchmark yields received from independent vendors. The amount outstanding under the Accounts Receivable Securitization Facility of \$130.0 million as of September 30, 2021 is short-term in nature and thus the Company estimates the carrying value of the obligation approximates its fair value.

There were no other significant financial instruments outstanding as of September 30, 2021 and December 31, 2020.

NOTE 12—PROVISION FOR INCOME TAXES

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Effective income tax rate	6.5 %	40.1 %	14.9 %	126.5 %

Provision for income taxes for the three and nine months ended September 30, 2021 totaled \$5.5 million and \$48.9 million, respectively, resulting in an effective tax rate of 6.5% and 14.9%, respectively. Provision for income taxes for the three and nine months ended September 30, 2020 totaled \$26.9 million and \$16.2 million, respectively, resulting in an effective tax rate of 40.1% and 126.5%, respectively.

The effective income tax rate for the three months ended September 30, 2021 was significantly impacted by the release of a valuation allowance of \$16.3 million, as a result of improvements in actual business operations and projected future results of one of the Company's subsidiaries in China.

The effective income tax rate for the three and nine months ended September 30, 2020 was primarily driven by the Company's overall forecasted jurisdictional mix of earnings, where the tax benefit on losses expected to be generated in lower rate jurisdictions was offset by tax expense on income expected to be generated in higher tax jurisdictions. Also impacting the rate for the nine months ended September 30, 2020 was a tax benefit related to the impairment charges recorded during the period related to the Company's assets in Boehlen, Germany. Refer to Note 11 in the condensed consolidated financial statements for further information.

NOTE 13—COMMITMENTS AND CONTINGENCIES

Environmental Matters

Accruals for environmental matters are recorded when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated based on current law, existing technologies and other information. Pursuant to the terms of the agreement associated with the Company's formation, the pre-closing environmental liabilities were retained by Dow, and Dow agreed, subject to temporal, monetary, and other limitations to indemnify the Company from and against environmental liabilities incurred or relating to the predecessor periods. Other than certain immaterial environmental liabilities assumed as part of the PMMA Acquisition and the Aristech Surfaces Acquisition, no environmental claims have been asserted or threatened against the Company, and the Company is not a potentially responsible party at any Superfund Sites. As of September 30, 2021 the Company had \$5.1 million of accrued obligations for environmental remediation or restoration costs, which were recorded at fair value within the opening balance sheets of the PMMA business and Aristech Surfaces during 2021. The Company had no accrued obligations for environmental remediation or restoration costs as of December 31, 2020.

Inherent uncertainties exist in the Company's potential environmental liabilities primarily due to unknown conditions, whether future claims may fall outside the scope of the indemnity, changing governmental regulations and legal standards regarding liability, and evolving technologies for handling site remediation and restoration. In connection with the Company's existing indemnification, the possibility is considered remote that environmental remediation costs will have a material adverse impact on the condensed consolidated financial statements over the next 12 months.

Purchase Commitments

In the normal course of business, the Company has certain raw material purchase contracts where it is required to purchase certain minimum volumes at current market prices. These commitments range from one to seven years. In certain raw material purchase contracts, the Company has the right to purchase less than the required minimums and pay a liquidated damages fee, or, in case of a permanent plant shutdown, to terminate the contracts. In such cases, these obligations would be less than the annual commitment as disclosed in the Notes to Consolidated Financial Statements included in the Annual Report.

Litigation Matters

From time to time, the Company may be subject to various legal claims and proceedings incidental to the normal conduct of business, relating to such matters as employees, product liability, antitrust/competition, past waste disposal practices and release of chemicals into the environment. While it is impossible at this time to determine with certainty the ultimate outcome of these routine claims, the Company does not believe that the ultimate resolution of these claims will have a material adverse effect on the Company's results of operations, financial condition or cash flow. Legal costs, including those legal costs expected to be incurred in connection with a loss contingency, are expensed as incurred.

European Commission Request for Information

On June 6, 2018, Trinseo Europe GmbH, a subsidiary of the Company, received a Request for Information in the form of a letter from the European Commission Directorate General for Competition (the "European Commission") related to styrene monomer commercial activity in the European Economic Area. The Company subsequently commenced an internal investigation into these commercial activities and discovered instances of inappropriate activity.

On October 28, 2019, a supplemental request for information was received from the European Commission. This

request was limited to historical employment, entity, and organizational structures, along with certain financial, styrene purchasing, and styrene market information, as well as certain spot styrene purchase contracts. The Company has provided this information and continues to fully cooperate with the European Commission.

The proceedings with the European Commission continue and its outcome remains open. Based on its findings, the European Commission may decide to: (i) require further information; (ii) conduct unannounced raids of the Company's premises; (iii) adopt a decision imposing fines, and/or request certain behavioral or structural commitments from the Company; or (iv) in view of defense arguments by the Company close the proceedings. As a result of the above factors, the Company is unable to predict the ultimate outcome of this matter or estimate the range of reasonably possible losses that could be incurred. However, any potential losses incurred could be material to the Company's results of operations, balance sheet, and cash flows for the period in which they are resolved or become probable and reasonably estimable.

NOTE 14—PENSION PLANS AND OTHER POSTRETIREMENT BENEFITS

The components of net periodic benefit costs for all significant plans were as follows:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Defined Benefit Pension Plans (1)				
Service cost	\$ 4.2	\$ 3.3	\$ 12.4	\$ 9.8
Interest cost	0.4	0.8	1.4	2.2
Expected return on plan assets	(0.3)	(0.3)	(0.6)	(0.9)
Amortization of prior service credit	(0.5)	(0.3)	(0.9)	(0.9)
Amortization of net loss	1.6	1.0	4.7	3.1
Settlement and curtailment (gain) loss	(2.3)	1.1	(2.3)	1.1
Net periodic benefit cost	<u>\$ 3.1</u>	<u>\$ 5.6</u>	<u>\$ 14.7</u>	<u>\$ 14.4</u>

(1) All amounts represent components of net periodic benefit costs.

The Company had less than \$0.1 million of net periodic benefit costs for its other postretirement plans for the three and nine months ended September 30, 2021 and 2020.

Service cost related to the Company's defined benefit pension plans and other postretirement plans is included within "Cost of sales" and "Selling, general and administrative expenses," whereas all other components of net periodic benefit cost are included within "Other expense (income), net" in the condensed consolidated statements of operations. As of September 30, 2021 and December 31, 2020, the Company's benefit obligations included primarily in "Other noncurrent obligations" in the condensed consolidated balance sheets were \$298.2 million and \$294.4 million, respectively.

The Company made cash contributions and benefit payments to unfunded plans of approximately \$2.6 million and \$6.1 million during the three and nine months ended September 30, 2021, respectively. The Company expects to make additional cash contributions, including benefit payments to unfunded plans, of approximately \$1.4 million to its defined benefit plans for the remainder of 2021.

NOTE 15—SHARE-BASED COMPENSATION

Refer to the Annual Report for definitions of capitalized terms not included herein and further background on the Company's share-based compensation programs included in the tables below.

[Table of Contents](#)

The following table summarizes the Company's share-based compensation expense for the three and nine months ended September 30, 2021 and 2020, as well as unrecognized compensation cost as of September 30, 2021:

	Three Months Ended		Nine Months Ended		As of	
	September 30,		September 30,		September 30, 2021	
	2021	2020	2021	2020	Unrecognized Compensation Cost	Weighted Average Years
RSUs	\$ 2.1	\$ 1.5	\$ 5.7	\$ 4.9	\$ 13.60	2.0
Options	1.2	0.6	3.5	2.3	4.60	1.5
PSUs	0.7	0.5	1.8	1.5	3.70	1.9
Total share-based compensation expense	\$ 4.0	\$ 2.6	\$ 11.0	\$ 8.7		

The following table summarizes awards granted and the respective weighted average grant date fair value for the nine months ended September 30, 2021:

	Nine Months Ended	
	September 30, 2021	
	Awards Granted	Weighted Average Grant Date Fair Value per Award
RSUs	212,167	\$ 58.59
Options	296,354	22.61
PSUs	49,463	61.06

Option Awards

The following are the weighted average assumptions used within the Black-Scholes pricing model for the Company's option awards granted during the nine months ended September 30, 2021:

	Nine Months Ended
	September 30, 2021
Expected term (in years)	5.50
Expected volatility	48.69 %
Risk-free interest rate	0.78 %
Dividend yield	1.81 %

The expected volatility assumption is determined based on the historical volatility of the Company's publicly traded ordinary shares. The expected term of option awards represents the period of time that option awards granted are expected to be outstanding. For the option awards granted during the nine months ended September 30, 2021, the simplified method was used to calculate the expected term, given the Company's limited historical exercise data. The risk-free interest rate for the periods within the expected term of option awards is based on the U.S. Treasury yield curve in effect at the time of grant. The dividend yield is estimated based on historical and expected dividend activity.

Performance Share Units (PSUs)

The following are the weighted average assumptions used within the Monte Carlo valuation model for PSUs granted during the nine months ended September 30, 2021:

	Nine Months Ended	
	September 30, 2021	
Expected term (in years)		3.00
Expected volatility		58.00 %
Risk-free interest rate		0.20 %
Share price	\$	61.06

Determining the fair value of PSUs requires considerable judgment, including estimating the expected volatility of the price of the Company's ordinary shares, the correlation between the Company's share price and that of its peer companies, and the expected rate of interest. The expected volatility for each grant is determined based on the historical volatility of the Company's ordinary shares. The expected term of PSUs represents the length of the performance period. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for a duration equivalent to the performance period. The share price is the closing price of the Company's ordinary shares on the grant date.

NOTE 16—SEGMENTS

Beginning in the second quarter of 2021, the Company reported the results of the Synthetic Rubber business as discontinued operations in the condensed consolidated statements of operations for all periods presented, and therefore it is no longer presented as a separate reportable segment. Refer to Note 4 for further information. Additionally, as discussed in the Annual Report, the Company realigned its reporting segments effective October 1, 2020, as a result of which the Company's former Performance Plastics segment was reorganized into two standalone reporting segments: Engineered Materials and Base Plastics. There were no changes to the Company's remaining four segments. Refer to the Annual Report for further information on the resegmentation. The information in the tables below has been retroactively adjusted to reflect these changes in reporting segments.

The Latex Binders segment produces styrene-butadiene latex ("SB latex") and other latex polymers and binders, primarily for coated paper and packaging board, carpet and artificial turf backings, as well as a number of performance latex binders applications, such as adhesive, building and construction and the technical textile paper market. The Engineered Materials segment includes the Company's compounds and blends products sold into higher growth and value applications, such as consumer electronics and medical, as well as soft thermoplastic elastomers ("TPEs") products which are sold into markets such as footwear and automotive. Additionally, following the PMMA Acquisition on May 3, 2021 and the Aristech Surfaces Acquisition on September 1, 2021, the Engineered Materials segment also includes PMMA and MMA products, which are sold into a variety of applications including automotive, building & construction, medical, consumer electronics, and wellness, among others. The Base Plastics segment contains the results of the acrylonitrile-butadiene-styrene ("ABS"), styrene-acrylonitrile ("SAN"), and polycarbonate ("PC") businesses, as well as compounds and blends for automotive and other applications. The Polystyrene segment includes a variety of general purpose polystyrenes ("GPPS") and polystyrene that has been modified with polybutadiene rubber to increase its impact resistant properties ("HIPS"). The Feedstocks segment includes the Company's production and procurement of styrene monomer outside of North America, which is used as a key raw material in many of the Company's products, including polystyrene, SB latex, and ABS resins. Lastly, the Americas Styrenics segment consists solely of the operations of the Company's 50%-owned joint venture, Americas Styrenics, a producer of both styrene monomer and polystyrene in North America.

The following table provides disclosure of the Company's segment Adjusted EBITDA, which is used to measure segment operating performance and is defined below, for the three and nine months ended September 30, 2021 and 2020. Asset and intersegment sales information by reporting segment is not regularly reviewed or included with the Company's reporting to the chief operating decision maker. Therefore, this information has not been disclosed below. Refer to Note 5 for the Company's net sales to external customers by segment for the three and nine months ended September 30, 2021 and 2020.

[Table of Contents](#)

Three Months Ended ⁽¹⁾	Latex	Engineered	Base	Polystyrene	Feedstocks	Americas
	Binders	Materials	Plastics			Styrenics
September 30, 2021	\$ 37.1	\$ 32.7	\$ 87.9	\$ 51.2	\$ (27.6)	\$ 17.1
September 30, 2020	\$ 18.7	\$ 9.4	\$ 40.5	\$ 20.4	\$ 10.1	\$ 18.3

Nine Months Ended ⁽¹⁾	Latex	Engineered	Base	Polystyrene	Feedstocks	Americas
	Binders	Materials	Plastics			Styrenics
September 30, 2021	\$ 86.2	\$ 68.5	\$ 235.0	\$ 149.6	\$ 58.5	\$ 70.2
September 30, 2020	\$ 55.4	\$ 22.3	\$ 55.6	\$ 46.4	\$ (10.6)	\$ 42.5

- (1) The Company's primary measure of segment operating performance is Adjusted EBITDA, which is defined as income from continuing operations before interest expense, net; provision for income taxes; depreciation and amortization expense; loss on extinguishment of long-term debt; asset impairment charges; gains or losses on the dispositions of businesses and assets; restructuring charges; acquisition related costs and benefits and other items. Segment Adjusted EBITDA is a key metric that is used by management to evaluate business performance in comparison to budgets, forecasts, and prior year financial results, providing a measure that management believes reflects core operating performance by removing the impact of transactions and events that would not be considered a part of core operations. Other companies in the industry may define segment Adjusted EBITDA differently than the Company, and as a result, it may be difficult to use segment Adjusted EBITDA, or similarly named financial measures, that other companies may use to compare the performance of those companies to the Company's segment performance.

The reconciliation of income from continuing operations before income taxes to segment Adjusted EBITDA is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Income from continuing operations before income taxes	\$ 84.9	\$ 67.1	\$ 327.1	\$ 12.8
Interest expense, net	23.0	10.0	56.6	32.0
Depreciation and amortization	49.8	21.2	111.0	69.8
Corporate Unallocated ⁽²⁾	25.0	16.6	71.3	56.1
Adjusted EBITDA Addbacks ⁽³⁾	15.7	2.5	102.0	40.9
Segment Adjusted EBITDA	<u>\$ 198.4</u>	<u>\$ 117.4</u>	<u>\$ 668.0</u>	<u>\$ 211.6</u>

- (2) Corporate unallocated includes corporate overhead costs and certain other income and expenses.
(3) Adjusted EBITDA addbacks for the three and nine months ended September 30, 2021 and 2020 are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net gain on disposition of businesses and assets	\$ —	\$ —	\$ (0.2)	\$ (0.4)
Restructuring and other charges (Note 17)	0.2	(0.1)	6.8	7.0
Acquisition transaction and integration net costs ^(a)	13.6	—	62.8	(0.3)
Acquisition purchase price hedge loss (Note 10)	—	—	22.0	—
Asset impairment charges or write-offs (Note 11)	1.2	—	3.0	10.3
Other items ^(b)	0.7	2.6	7.6	24.3
Total Adjusted EBITDA Addbacks	<u>\$ 15.7</u>	<u>\$ 2.5</u>	<u>\$ 102.0</u>	<u>\$ 40.9</u>

- (a) Amounts for the three months ended September 30, 2021 include \$10.1 million of total acquisition and integration costs and \$3.5 million related to amortization of the fair-value step-up to inventory associated with the Aristech Surfaces Acquisition. Amounts for the nine months ended September 30, 2021 include \$44.7 million of total acquisition and integration costs, \$13.6 million related to amortization of the fair-value step-up to inventory associated with acquisitions, and \$4.5 million of transfer taxes associated with the PMMA Acquisition. Refer to Note 3 for further information
- (b) Other items for the three and nine months ended September 30, 2021 primarily relate to fees incurred in conjunction with certain of the Company's strategic initiatives, including the ERP upgrade project. Other items for the three and nine months ended September 30, 2020 primarily relate to advisory and professional fees incurred in conjunction with the Company's initiative to transition business services from Dow, including certain administrative services such as accounts payable, logistics, and IT services, which was substantially completed in 2020, as well as fees incurred in conjunction with certain of the Company's strategic initiatives.

NOTE 17—RESTRUCTURING

Refer to the Annual Report for further details regarding the Company's previously announced restructuring activities included in the tables below. Restructuring charges are included within "Selling, general and administrative expenses" in the condensed consolidated statements of operations.

The following table provides detail of the Company's restructuring charges for the three and nine months ended September 30, 2021 and 2020:

	Three Months Ended		Nine Months Ended		Cumulative Life-to-date Charges	Segment
	September 30,		September 30,			
	2021	2020	2021	2020		
<i>Corporate Restructuring Program</i>						
Accelerated depreciation	\$ —	\$ —	\$ (0.4)	\$ 2.5	\$ 2.5	
Employee termination benefits	(0.1)	(0.5)	0.4	3.9	19.9	
Contract terminations	—	—	—	2.4	2.8	
Decommissioning and other	—	0.2	—	0.2	0.2	
Corporate Program Subtotal	\$ (0.1)	\$ (0.3)	\$ —	\$ 9.0	\$ 25.4	N/A ⁽¹⁾
<i>Transformational Restructuring Program</i>						
Employee termination benefits	\$ 0.3	\$ —	\$ 6.4	\$ —	\$ 6.4	N/A ⁽²⁾
Transformational Program Subtotal	\$ 0.3	\$ —	\$ 6.4	\$ —	\$ 6.4	
Other Restructurings	—	0.2	—	0.5		Various
Total Restructuring Charges	\$ 0.2	\$ (0.1)	\$ 6.4	\$ 9.5		

- (1) In November 2019, the Company announced a corporate restructuring program associated with the Company's shift to a global functional structure and business excellence initiatives to drive greater focus on business process optimization and efficiency, which continued through the three and nine months ended September 30, 2021. The Company expects to incur a limited amount of incremental employee termination benefit charges through the end of 2021, and the majority of these benefits are expected to be paid by the end of 2021. As this was identified as a corporate-related activity, the charges related to this restructuring program were not allocated to a specific segment, but rather included within corporate unallocated.
- (2) In May 2021, the Company approved a transformational restructuring program associated with the Company's recent strategic initiatives. In connection with this restructuring program, during the three and nine months

ended September 30, 2021, the Company incurred employee termination benefits charges of \$0.3 million and \$6.4 million, respectively. The Company expects to incur incremental employee termination benefit charges related to impacted employees as of September 30, 2021 of less than \$1.0 million, the majority of which are expected to be paid by June 30, 2022. As this was identified as a corporate-related activity, the charges related to this restructuring program were not allocated to a specific segment, but rather included within corporate unallocated.

The following table provides a roll forward of the liability balances associated with the Company’s restructuring activities as of September 30, 2021. Employee termination benefit and contract termination charges are primarily recorded within “Accrued expenses and other current liabilities” in the condensed consolidated balance sheets.

	Balance at			Balance at
	December 31, 2020	Expenses	Deductions ⁽¹⁾	September 30, 2021
Employee termination benefits	\$ 7.9	\$ 6.8	\$ (5.4)	\$ 9.3
Contract terminations	0.1	—	(0.1)	—
Total	\$ 8.0	\$ 6.8	\$ (5.5)	\$ 9.3

(1) Primarily includes payments made against the existing accrual, as well as immaterial impacts of foreign currency remeasurement.

NOTE 18—ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The components of AOCI, net of income taxes, consisted of:

Three Months Ended September 30, 2021 and 2020	Cumulative	Pension & Other	Cash Flow	Total
	Translation	Postretirement Benefit	Hedges, Net	
	Adjustments	Plans, Net		
Balance as of June 30, 2021	\$ (109.3)	\$ (69.8)	\$ (0.8)	\$ (179.9)
Other comprehensive income (loss)	(1.7)	9.3	0.6	8.2
Amounts reclassified from AOCI to net income ⁽¹⁾	—	(1.2)	0.6	(0.6)
Balance as of September 30, 2021	\$ (111.0)	\$ (61.7)	\$ 0.4	\$ (172.3)
Balance as of June 30, 2020	\$ (97.1)	\$ (54.6)	\$ (4.4)	\$ (156.1)
Other comprehensive income (loss)	(6.7)	0.1	(1.1)	(7.7)
Amounts reclassified from AOCI to net income ⁽¹⁾	—	1.6	1.5	3.1
Balance as of September 30, 2020	\$ (103.8)	\$ (52.9)	\$ (4.0)	\$ (160.7)

Nine Months Ended September 30, 2021 and 2020	Cumulative Translation Adjustments	Pension & Other Postretirement Benefit Plans, Net	Cash Flow Hedges, Net	Total
Balance as of December 31, 2020	\$ (109.0)	\$ (71.9)	\$ (5.2)	\$ (186.1)
Other comprehensive income (loss)	(2.0)	9.3	3.0	10.3
Amounts reclassified from AOCI to net income ⁽¹⁾	—	0.9	2.6	3.5
Balance as of September 30, 2021	<u>\$ (111.0)</u>	<u>\$ (61.7)</u>	<u>\$ 0.4</u>	<u>\$ (172.3)</u>
Balance as of December 31, 2019	\$ (106.7)	\$ (56.3)	\$ 0.6	\$ (162.4)
Other comprehensive income (loss)	2.9	0.7	(6.2)	(2.6)
Amounts reclassified from AOCI to net loss ⁽¹⁾	—	2.7	1.6	4.3
Balance as of September 30, 2020	<u>\$ (103.8)</u>	<u>\$ (52.9)</u>	<u>\$ (4.0)</u>	<u>\$ (160.7)</u>

(1) The following is a summary of amounts reclassified from AOCI to net income (loss) for the three and nine months ended September 30, 2021 and 2020:

AOCI Components	Three Months Ended		Nine Months Ended		Statements of Operations Classification
	September 30,		September 30,		
	2021	2020	2021	2020	
Cash flow hedging items					
Foreign exchange cash flow hedges	\$ (0.3)	\$ 0.7	\$ —	\$ —	Cost of sales
Interest rate swaps	0.9	0.8	2.6	1.6	Interest expense, net
Total before tax	0.6	1.5	2.6	1.6	
Tax effect	—	—	—	—	Provision for income taxes
Total, net of tax	<u>\$ 0.6</u>	<u>\$ 1.5</u>	<u>\$ 2.6</u>	<u>\$ 1.6</u>	
Amortization of pension and other postretirement benefit plan items					
Prior service credit	\$ (0.2)	\$ (0.3)	\$ (0.7)	\$ (0.9)	(a)
Net actuarial loss	1.7	1.2	5.3	3.5	(a)
Net curtailment and settlement (gain) loss	(2.5)	1.1	(2.5)	1.1	(a)
Total before tax	(1.0)	2.0	2.1	3.7	
Tax effect	(0.2)	(0.4)	(1.2)	(1.0)	Provision for income taxes
Total, net of tax	<u>\$ (1.2)</u>	<u>\$ 1.6</u>	<u>\$ 0.9</u>	<u>\$ 2.7</u>	

(a) These AOCI components are included in the computation of net periodic benefit costs (see Note 14).

NOTE 19—EARNINGS PER SHARE

Basic earnings per ordinary share (“basic EPS”) is computed by dividing net income available to ordinary shareholders by the weighted average number of the Company’s ordinary shares outstanding for the applicable period. Diluted earnings per ordinary share (“diluted EPS”) is calculated using net income available to ordinary shareholders divided by diluted weighted average ordinary shares outstanding during each period, which includes unvested RSUs, option awards, and PSUs. Diluted EPS considers the impact of potentially dilutive securities except in periods in which there is a loss from continuing operations because the inclusion of the potential ordinary shares would have an anti-dilutive effect.

[Table of Contents](#)

The following table presents basic EPS and diluted EPS for the three and nine months ended September 30, 2021 and 2020. Amounts have been recast to reflect the Company's classification of its Synthetic Rubber business as discontinued operations for all periods presented.

(in millions, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Earnings:				
Net income (loss) from continuing operations	\$ 79.4	\$ 40.2	\$ 278.2	\$ (3.4)
Net income (loss) from discontinued operations	13.7	65.6	38.0	(55.4)
Net income (loss)	<u>\$ 93.1</u>	<u>\$ 105.8</u>	<u>\$ 316.2</u>	<u>\$ (58.8)</u>
Shares:				
Weighted average ordinary shares outstanding	38.8	38.3	38.7	38.4
Dilutive effect of RSUs, option awards, and PSUs ⁽¹⁾	0.7	0.1	0.9	—
Diluted weighted average ordinary shares outstanding	<u>39.5</u>	<u>38.4</u>	<u>39.6</u>	<u>38.4</u>
Income (loss) per share:				
Income (loss) per share—basic:				
Continuing operations	2.04	1.05	7.19	(0.09)
Discontinued operations	0.35	1.72	0.98	(1.44)
Income (loss) per share—basic	<u>\$ 2.39</u>	<u>\$ 2.77</u>	<u>\$ 8.17</u>	<u>\$ (1.53)</u>
Income (loss) per share—diluted:				
Continuing operations	2.01	1.04	7.03	(0.09)
Discontinued operations	0.35	1.71	0.96	(1.44)
Income (loss) per share—diluted	<u>\$ 2.36</u>	<u>\$ 2.75</u>	<u>\$ 7.99</u>	<u>\$ (1.53)</u>

- (1) Refer to Note 15 for discussion of RSUs, option awards, and PSUs granted to certain Company directors and employees. There were 0.6 million anti-dilutive shares that have been excluded from the computation of diluted earnings per share for the three and nine months ended September 30, 2021. There were 1.6 million anti-dilutive shares that have been excluded from the computation of diluted earnings per share for the three months ended September 30, 2020. As the Company recorded a net loss from continuing operations for the nine months ended September 30, 2020, potential shares related to equity-based awards have been excluded from the calculation of diluted EPS, as doing so would be anti-dilutive.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

2021 Year-to-Date Highlights

During the three and nine months ended September 30, 2021, Trinseo recognized net income from continuing operations of \$79.4 million and \$278.2 million, respectively, and Adjusted EBITDA of \$173.4 million and \$596.7 million, respectively, as the Company’s strong performance from the first half of the year continued into the third quarter, enhanced by the additional results from our acquisitions in the Engineered Materials segment, and despite challenging industry operating conditions that arose during the third quarter including high utility costs and constraints in material, labor and energy. Refer to the discussion below for further information and refer to “Non-GAAP Performance Measures” for discussion of our use of non-GAAP measures in evaluating our performance and a reconciliation of these measures. Other highlights for the year are described below.

Redomiciliation to Ireland

On October 8, 2021, we completed the previously-announced cross-border merger transaction, pursuant to which our former publicly-traded parent company, Trinseo S.A., a Luxembourg limited liability company, was merged with and into Trinseo PLC, an Irish public limited company, as successor issuer to Trinseo S.A. (the “Redomiciliation”). The Redomiciliation was approved by the High Court of Ireland and by Trinseo shareholders at the Company’s annual general meeting. The Redomiciliation is expected to provide Trinseo with a favorable legal and regulatory infrastructure, simplify regulatory requirements, provide dividend withholding tax benefits to shareholders and provide operational efficiencies and reductions in its operating and administrative costs. All references herein to “Trinseo” or the “Company” refer to Trinseo S.A. and its subsidiaries through the effective date of the Redomiciliation, and thereafter refer to Trinseo PLC and its subsidiaries.

In the Redomiciliation, each Trinseo shareholder received an ordinary share of Trinseo PLC for every ordinary share of Trinseo S.A. that they then held, on a one-for-one basis. As a result of the Redomiciliation, the ordinary shares of Trinseo S.A. were suspended from trading on the New York Stock Exchange (“NYSE”) and the ordinary shares of Trinseo PLC were listed on the NYSE under the symbol “TSE.” The treasury shares of Trinseo S.A. were cancelled in conjunction with the Redomiciliation. Following the Redomiciliation, we continue to be subject to SEC reporting requirements and the applicable corporate governance rules of the NYSE, and we continue to report our financial results in U.S. dollars and GAAP. As the Redomiciliation was completed subsequent to September 30, 2021, amounts presented herein represent the results of Trinseo S.A. as of and for the periods ended September 30, 2021 and have not been adjusted for the equity transactions completed in connection with the Redomiciliation on October 8, 2021.

Acquisition of Aristech Surfaces

On September 1, 2021, the Company closed on the previously-announced acquisition of Aristech Surfaces LLC (“Aristech Surfaces”), a leading North America manufacturer and global provider of PMMA continuous cast and solid surface sheets, serving the wellness, architectural, transportation and industrial markets, for a preliminary purchase price of \$449.7 million, subject to customary working capital and other closing adjustments (the “Aristech Surfaces Acquisition”). Aristech Surfaces’ products are used for a variety of applications, including the construction of hot tubs, swim spas, counter tops, signage, bath products and recreational vehicles. The business will become part of the Company’s Engineered Materials segment. The transaction was funded with cash on hand and existing credit facilities. Refer to Note 3 in the condensed consolidated financial statements for more information.

Acquisition of the Arkema PMMA Business

On May 3, 2021, the Company closed on the previously-announced acquisition of the PMMA and MMA businesses (together, referred to herein as the PMMA business) from Arkema for an initial purchase price consideration of \$1,370.7 million, of which \$1,369.0 million was paid during the second quarter of 2021, subject to customary working capital and other closing adjustments (the “PMMA Acquisition”). The PMMA Acquisition was funded primarily using proceeds from new debt financing arrangements, as described below. PMMA is a transparent and rigid plastic with a wide range of end uses, and complements Trinseo’s existing offerings across several end markets including automotive, building & construction, medical and consumer electronics. Refer to Note 3 in the condensed consolidated financial statements for further information.

[Table of Contents](#)

New Financing Arrangements

On March 24, 2021, the Company issued \$450.0 million aggregate principal amount of 5.125% senior notes due 2029 (the “2029 Senior Notes”). Further, on May 3, 2021, in conjunction with the closing of the PMMA Acquisition, the Company entered into \$750.0 million in incremental term loan borrowings (“2028 Term Loan B”) under our existing senior secured credit facility. The net proceeds from the 2029 Senior Notes and the 2028 Term Loan B, as well as available cash, were used to fund the PMMA Acquisition. Refer to Note 8 in the condensed consolidated financial statements for further details on these new financing arrangements.

Divestiture of Synthetic Rubber Business

On May 21, 2021, the Company and Synthos PLC and certain of its subsidiaries (together, “Synthos”) entered into an Asset Purchase Agreement, (the “Purchase Agreement”), pursuant to which the Company agreed to sell our Synthetic Rubber business to Synthos in an all-cash transaction with an initial aggregate purchase price of \$449.4 million, which reflects a reduction of approximately \$41.6 million for the assumption of pension liabilities by Synthos. This initial aggregate purchase price included a working capital target (excluding inventory) of \$47.0 million, which was subject to adjustment based on actual amounts conveyed at closing.

On October 21, 2021, the Company and Synthos entered into an amendment to the Purchase Agreement (the “Amended Purchase Agreement”), whereby net working capital (excluding inventory) will not transfer with the sale of the Synthetic Rubber business and, in exchange, the working capital target of \$47.0 million will be removed from the purchase price. This will result in an amended purchase price of \$402.4 million, subject to certain adjustments related to inventory and the exercise of certain option rights. This amendment had no effect on the intended economics of the sale transaction.

The transaction is expected to close in December of 2021, subject to customary closing conditions. Additionally, Trinseo and Synthos have agreed to enter into a long-term supply agreement, in which we will supply Synthos with certain raw materials used in the Synthetic Rubber business as of the date the transaction closes.

As a result of the above agreements, the assets and liabilities of the Company’s Synthetic Rubber business were classified as held-for-sale starting in the second quarter of 2021 in the condensed consolidated balance sheets and the associated operating results of the Synthetic Rubber business, net of income tax, have been classified as discontinued operations in the condensed consolidated statements of operations and statements of cash flows for all periods presented. Refer to Note 4 in the condensed consolidated financial statements for further information.

Exploration of Divestiture of Styrenics Businesses

Trinseo has begun work to explore the divestiture of the Company’s styrenics businesses and plans to launch a formal sales process in the first quarter of 2022. The scope of this potential divestiture is expected to include the Feedstocks and Polystyrene reporting segments as well as our 50% ownership of Americas Styrenics.

Results of Operations
Results of Operations for the Three and Nine Months Ended September 30, 2021 and 2020

(in millions)	Three Months Ended September 30,				Nine Months Ended September 30,			
	2021	%	2020	%	2021	%	2020	%
Net sales	\$ 1,269.3	100 %	\$ 679.2	100 %	\$ 3,529.0	100 %	\$ 1,976.5	100 %
Cost of sales	1,101.0	87 %	572.9	84 %	2,951.7	84 %	1,789.1	91 %
Gross profit	168.3	13 %	106.3	16 %	577.3	16 %	187.4	9 %
Selling, general and administrative expenses	76.4	6 %	46.3	7 %	230.4	7 %	171.8	9 %
Equity in earnings of unconsolidated affiliates	17.1	1 %	18.3	3 %	70.2	2 %	42.5	2 %
Impairment charges	1.2	— %	—	— %	3.0	— %	10.3	1 %
Operating income	107.8	8 %	78.3	12 %	414.1	11 %	47.8	1 %
Interest expense, net	23.0	2 %	10.0	1 %	56.6	2 %	32.0	2 %
Acquisition purchase price hedge loss	—	— %	—	— %	22.0	1 %	—	— %
Other expense (income), net	(0.1)	— %	1.2	— %	8.4	— %	3.0	— %
Income from continuing operations before income taxes	84.9	6 %	67.1	11 %	327.1	8 %	12.8	1 %
Provision for income taxes	5.5	— %	26.9	4 %	48.9	1 %	16.2	1 %
Net income (loss) from continuing operations	\$ 79.4	6 %	\$ 40.2	7 %	\$ 278.2	7 %	\$ (3.4)	— %
Net income (loss) from discontinued operations, net of income taxes	13.7	1 %	65.6	10 %	38.0	1 %	(55.4)	(3)%
Net income	\$ 93.1	7 %	\$ 105.8	17 %	\$ 316.2	8 %	\$ (58.8)	(3)%

Three Months Ended – September 30, 2021 vs. September 30, 2020

Net Sales

Of the 87% increase in net sales, 61% was attributable to increased selling prices, mainly due to the pass through of higher raw material costs and 24% was due to the contribution from our acquisitions in 2021, including the PMMA Acquisition, which closed on May 3, 2021, and the Aristech Surfaces Acquisition, which closed on September 1, 2021.

Cost of Sales

The 92% increase in cost of sales was primarily attributable to a 57% increase in raw material costs, a 27% increase related to the PMMA Acquisition and Aristech Surfaces Acquisition, and a 5% increase from higher utility costs.

Gross Profit

The increase in gross profit of 58% was primarily attributable to higher margins, due to strong demand and tight supply mainly in polystyrene, ABS, and PC, and higher volume, particularly in Latex Binders, supplemented by contributions from our acquisitions. See the segment discussion below for further information.

Selling, General and Administrative Expenses (SG&A)

The \$30.1 million, or 65%, increase in SG&A was primarily due to an increase in personnel costs of \$12.3 million due to the Company's improved performance during 2021 and the addition of personnel from acquisitions, as well as \$10.1 million of acquisition transaction and integration costs incurred in connection with the PMMA Acquisition and the

[Table of Contents](#)

Aristech Surfaces Acquisition during the period. Also contributing to the increase was a \$2.5 million increase in costs associated with the Company's strategic initiatives.

Equity in Earnings of Unconsolidated Affiliates

The decrease in equity earnings of \$1.2 million was due to lower equity earnings from Americas Styrenics, mainly attributable to headwinds from production issues caused by Hurricane Ida, as well as lower styrene margins.

Impairment Charges

During the three months ended September 30, 2021, the Company recorded impairment charges of \$0.3 million related to our Boehlen styrene monomer assets, as described within Note 11 in the condensed consolidated financial statements, as well as impairment charges of \$0.9 million related to certain long-lived assets in our Base Plastics segment.

Interest Expense, Net

The increase in interest expense, net of \$13.0 million, or 130%, was primarily attributable to the Company's issuance of the 2029 Senior Notes in the first quarter of 2021 and the 2028 Term Loan B during the second quarter of 2021. Refer to Note 8 in the condensed consolidated financial statements for further information.

Other Expense (Income), Net

Other income, net for the three months ended September 30, 2021 was \$0.1 million, which included a \$1.1 million of benefit related to the non-service cost components of net periodic benefit cost, partially offset by foreign exchange transaction losses of \$0.4 million. These net foreign exchange transaction losses included \$23.7 million of foreign exchange transaction losses primarily from the remeasurement of our euro denominated payables due to the relative changes in rates between the U.S. dollar and the euro during the period, almost entirely offset by \$23.3 million of gains from our foreign exchange forward contracts.

Other expense, net for the three months ended September 30, 2020 was \$1.2 million, which included \$2.3 million of expense related to the non-service cost components of net periodic benefit cost, partially offset by foreign exchange transaction gains of \$0.8 million. Net foreign transaction gains included \$14.0 million of gains primarily from the remeasurement of our euro-denominated payables due to the relative changes in rates between the U.S. dollar and the euro during the period, offset by \$13.2 million of losses from our foreign exchange forward contracts.

Provision for Income Taxes

Provision for income taxes for the three months ended September 30, 2021 totaled \$5.5 million, resulting in an effective tax rate of 6.5%. Provision for income taxes for the three months ended September 30, 2020 totaled \$26.9 million, resulting in an effective tax rate of 40.1%.

The decrease in provision for income taxes is primarily driven by the release of a valuation allowance of \$16.3 million in the third quarter of 2021, as a result of improvements in actual business operations and projected future results of one of the Company's subsidiaries in China.

Net Income (Loss) from Discontinued Operations, Net of Income Taxes

Net income from discontinued operations, net of income taxes during the three months ended September 30, 2021 and 2020 was \$13.7 million and \$65.6 million, respectively, and was related the results of our Synthetic Rubber business. Refer to Note 4 in the condensed consolidated financial statements for further information.

Nine Months Ended – September 30, 2021 vs. September 30, 2020

Net Sales

Of the 79% increase in net sales, 56% was attributable to increased selling prices, mainly due to the pass through of higher raw material costs, 14% was due to the contribution from our acquisitions in 2021, including the PMMA

[Table of Contents](#)

Acquisition and the Aristech Surfaces Acquisition. Additionally, there was a 6% increase from higher sales volumes and a 3% increase due to currency impacts as the euro strengthened in comparison to the U.S. dollar during the period.

Cost of Sales

The 65% increase in cost of sales was primarily attributable to a 49% increase in raw material costs, a 15% increase related to the PMMA Acquisition and Aristech Surfaces Acquisition, and a 6% increase due to higher sales volumes. These effects were partially offset by a decrease of 6% due to the impact of inventory revaluation.

Gross Profit

The increase in gross profit of 208% was primarily attributable to higher margins, due to strong demand and tight supply, mainly in styrene, polystyrene, ABS, and PC, and higher volume, particularly in automotive. See the segment discussion below for further information.

Selling, General and Administrative Expenses (SG&A)

The \$58.6 million, or 34%, increase in SG&A was primarily due to an increase in personnel costs of \$25.3 million due to the Company's improved performance during 2021 and the addition of personnel from acquisitions, as well as \$49.2 million of acquisition transaction and integration costs incurred in connection with the PMMA Acquisition and the Aristech Surfaces Acquisition. There was an additional increase of \$7.3 million attributable to foreign exchange rate impacts. These increases were partially offset by a decrease of \$19.3 million from lower advisory and professional fees, mainly related to the Company's transition of business and technical services from Dow in early 2020, a decrease of \$5.9 million from lower costs associated with strategic initiatives, and a decrease of \$5.3 million in bad debt expense.

Equity in Earnings of Unconsolidated Affiliates

The increase in equity earnings of \$27.7 million was due to equity earnings from Americas Styrenics, mainly attributable to increased sales volume and higher styrene margins in North America.

Impairment Charges

During the nine months ended September 30, 2021 and 2020, the Company recorded impairment charges of \$2.1 million and \$10.3 million, respectively, related to our Boehlen styrene monomer assets, as described within Note 11 in the condensed consolidated financial statements. Additionally, during the nine months ended September 30, 2021, the Company recorded \$0.9 million of impairment charges on certain long-lived assets in our Base Plastics segment.

Interest Expense, Net

The increase in interest expense, net of \$24.6 million, or 77%, was primarily attributable to the Company's issuance of the 2029 Senior Notes during the first quarter of 2021 and the 2028 Term Loan B during the second quarter of 2021. Refer to Note 8 in the condensed consolidated financial statements for further information.

Acquisition Purchase Price Hedge Loss

The \$22.0 million acquisition purchase price hedge loss for the nine months ended September 30, 2021 was due to the change in fair value of the Company's forward currency hedge arrangement on the euro-denominated purchase price of the Arkema PMMA business.

Other Expense (Income), Net

Other expense, net for the nine months ended September 30, 2021 was \$8.4 million, which included \$2.3 million of expense related to the non-service cost components of net periodic benefit cost and \$4.5 million of transfer taxes associated with the PMMA Acquisition. These expense amounts were partially offset by foreign exchange transaction gains of \$0.4 million, which included \$43.0 million of foreign exchange transaction losses primarily from the remeasurement of our euro denominated payables due to the relative changes in rates between the U.S. dollar and the euro during the period, offset by \$43.4 million of gains from our foreign exchange forward contracts, excluding the acquisition purchase price hedge.

[Table of Contents](#)

Other expense, net for the nine months ended September 30, 2020 was \$3.0 million, which included \$4.6 million of expense related to the non-service cost components of net periodic benefit cost, partially offset by foreign exchange transaction gains of \$1.4 million. Net foreign transaction gains included \$8.9 million of foreign exchange transaction gains primarily from the remeasurement of our euro-denominated payables due to the relative changes in rates between the U.S. dollar and the euro during the period, offset by \$7.5 million of losses from our foreign exchange forward contracts.

Provision for Income Taxes

Provision for income taxes for the nine months ended September 30, 2021 totaled \$48.9 million, resulting in an effective tax rate of 14.9%. Provision for income taxes for the nine months ended September 30, 2020 totaled \$16.2 million, resulting in an effective tax rate of 126.5%.

The increase in provision for income taxes is primarily driven by the \$314.3 million increase in income from continuing operations before income taxes, partially offset by the release of a valuation allowance of \$16.3 million in the third quarter of 2021, as a result of improvements in actual business operations and projected future results of one of the Company's subsidiaries in China.

Net Income (Loss) from Discontinued Operations, Net of Income Taxes

Net income (loss) from discontinued operations, net of income taxes during the nine months ended September 30, 2021 and 2020 was \$38.0 million and \$(55.4) million, respectively, and was related the results of our Synthetic Rubber business. Refer to Note 4 in the condensed consolidated financial statements for further information.

Outlook

During the third quarter several adverse industry factors have emerged such as high energy prices and multiple supply chain and production challenges including material, shipping container and labor shortages as well as elevated freight costs. Despite these difficult operating and supply conditions, we expect continued strong earnings and cash generation through the end of the year. In addition, we are making significant progress with the integration of our new acquisitions, including the PMMA business and Aristech Surfaces, as discussed above in "2021 Highlights."

Selected Segment Information

The following sections describe net sales, Adjusted EBITDA, and Adjusted EBITDA margin by segment for the three and nine months ended September 30, 2021 and 2020. Inter-segment sales have been eliminated. Refer to Note 16 in the condensed consolidated financial statements for further information on our segments, as well as for a detailed definition of Adjusted EBITDA and a reconciliation of income from continuing operations before income taxes to segment Adjusted EBITDA. Beginning in the second quarter of 2021, the Company reported the results of the Synthetic Rubber business, as discontinued operations in the condensed consolidated statement of operations for all periods presented, and therefore, it is no longer presented as a separate reportable segment. Refer to Note 4 in the condensed consolidated financial statements for further information. Additionally, prior period segment amounts herein have been recast in conjunction with the Company's segment realignment that occurred during the fourth quarter of 2020, as described in Note 16 of the condensed consolidated financial statements.

Latex Binders Segment

Our Latex Binders segment produces styrene-butadiene latex ("SB latex") and other latex polymers and binders primarily for coated paper and packaging board, carpet and artificial turf backings, as well as a broad range of performance latex binders products, including SB latex, styrene-acrylate latex ("SA latex"), and vinylidene chloride latex for coatings, adhesives, sealants, and elastomers ("CASE") applications.

[Table of Contents](#)

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30,		% Change	September 30,		% Change
	2021	2020		2021	2020	
Net sales	\$ 315.6	\$ 183.2	72 %	\$ 877.6	\$ 567.3	55 %
Adjusted EBITDA	\$ 37.1	\$ 18.7	98 %	\$ 86.2	\$ 55.4	56 %
Adjusted EBITDA margin	12 %	10 %		10 %	10 %	

Three Months Ended – September 30, 2021 vs. September 30, 2020

The 72% increase in net sales was primarily due to a 64% increase in pricing from the pass through of raw material costs, mainly styrene and butadiene. Additionally, there was an increase of 7% due to increased sales volume for the period, which was driven by higher sales to CASE and paper applications.

The \$18.4 million, or 98%, increase in Adjusted EBITDA was primarily due to an increase of \$14.7 million, or 79%, attributable to higher margins. The increase was also due to increased sales volume of \$5.2 million, or 28%, as well as an increase of \$0.6 million, or 3%, caused by foreign exchange rate impacts. These increases were partially offset by a decrease of \$1.7 million, or 9%, due to higher fixed costs.

Nine Months Ended – September 30, 2021 vs. September 30, 2020

The 55% increase in net sales was primarily due to a 47% increase in pricing from the pass through of raw material costs, mainly styrene and butadiene. Additionally, there was an increase of 4% due to foreign exchange rate impacts and an increase of 4% due to increased sales volume for the period, which was primarily attributable to higher sales following headwinds in the prior year from COVID-19. Sales volumes to CASE applications increased 23% on a year-to-date basis.

The \$30.8 million, or 56%, increase in Adjusted EBITDA was primarily due to an increase of \$18.7 million, or 34%, from increased sales volume, as noted above, as well as an increase of \$13.9 million, or 25%, due to higher margins. Additionally, foreign exchange rate impacts of \$5.2 million, or 9% contributed to the overall increase. These increases were partially offset by a decrease from higher fixed costs of \$6.2 million, or 11%.

Engineered Materials Segment

Our Engineered Materials segment consists of rigid thermoplastic compounds and blends products sold into high growth and high value applications in markets such as consumer electronics and medical, as well as soft thermoplastic elastomers (“TPEs”) products which are sold into markets such as footwear and automotive. Additionally, following the PMMA Acquisition on May 3, 2021 and the Aristech Surfaces Acquisition on September 1, 2021, the Engineered Materials segment also includes PMMA and MMA products, which are sold into a variety of applications including automotive, building & construction, medical, consumer electronics, and wellness, among others.

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30,		% Change	September 30,		% Change
	2021	2020		2021	2020	
Net sales	\$ 230.8	\$ 50.0	362 %	\$ 477.5	\$ 135.2	253 %
Adjusted EBITDA	\$ 32.7	\$ 9.4	248 %	\$ 68.5	\$ 22.3	207 %
Adjusted EBITDA margin	14 %	19 %		14 %	16 %	

Three Months Ended – September 30, 2021 vs. September 30, 2020

Of the \$180.8 million, or 362%, increase in net sales, \$162.5 million, or 325%, was attributable to the contribution from the PMMA business and the Aristech Surfaces acquisitions. Excluding these acquisitions, sales price, primarily from the pass through of higher raw materials, and sales volumes positively impacted net sales by 29% and 7%, respectively, compared to the prior year.

Adjusted EBITDA increased \$23.3 million, or 248%, of which 291% was attributable to the contribution from the PMMA business and Aristech Surfaces acquisitions. Excluding these acquisitions, there were volume gains of \$1.5

[Table of Contents](#)

million, or 16%, from the legacy portion of the business, which were offset by lower margins of \$4.6 million, or 49%, from higher raw material costs.

Nine Months Ended – September 30, 2021 vs. September 30, 2020

Of the \$342.3 million, or 253%, increase in net sales, \$269.9 million, or 199%, was due to the inclusion of the PMMA business and Aristech Surfaces, following their respective acquisitions during the period. Additionally, there was an increase of 34% from sales volumes, primarily from COVID-19 impacts in the prior year, as well as an increase of 16% due primarily to the pass through of higher raw material costs.

Adjusted EBITDA increased \$46.2 million, or 207%, which was almost entirely due to the contribution from the PMMA business and Aristech Surfaces acquisitions. Increases in Adjusted EBITDA from volume gains following negative COVID-19 impacts in the prior year were fully offset by lower margins from higher raw material costs as well as higher fixed costs.

Base Plastics Segment

Our Base Plastics segment consists of a variety of compounds and blends, the majority of which are for automotive applications. The segment also includes our acrylonitrile-butadiene-styrene (“ABS”), styrene-acrylonitrile (“SAN”), and polycarbonate (“PC”) businesses.

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30,		% Change	September 30,		% Change
	2021	2020		2021	2020	
Net sales	\$ 393.3	\$ 240.1	64 %	\$ 1,119.3	\$ 649.1	72 %
Adjusted EBITDA	\$ 87.9	\$ 40.5	117 %	\$ 235.0	\$ 55.6	323 %
Adjusted EBITDA margin	22 %	17 %		21 %	9 %	

Three Months Ended – September 30, 2021 vs. September 30, 2020

Of the 64% increase in net sales, 61% was due to higher pricing from the pass through of raw material costs, primarily styrene, and commercial excellence actions. Sales volume was relatively flat, contributing an increase of 1% to net sales, as stronger demand in applications such as building & construction were mostly offset by production issues for automotive customers.

The \$47.4 million, or 117%, increase in Adjusted EBITDA was primarily due to higher margins of \$45.8 million, or 113%, particularly in ABS and PC products attributable to commercial excellence initiatives as well as tight supply and strong demand. Also contributing was an increase of \$1.5 million, or 4%, due to foreign exchange rate impacts as well as an increase of \$1.4 million, or 3%, due to higher sales volumes. These effects were partially offset by a decrease of \$1.1 million, or 3% due to higher fixed costs.

Nine Months Ended – September 30, 2021 vs. September 30, 2020

Of the 72% increase in net sales, 55% was due to higher pricing from the pass through of raw material costs, primarily styrene. There was also a 12% increase attributable to higher sales volume in applications like construction and automotive where COVID-19 caused production shutdowns in the prior year, as well as a 6% increase due to foreign exchange rate impacts.

The \$179.4 million, or 323%, increase in Adjusted EBITDA was primarily due to higher margins of \$128.8 million, or 231%, particularly in ABS and PC products. Also contributing was an increase of \$32.8 million, or 59%, due to higher sales volume, an increase of \$13.7 million, or 25%, due to foreign exchange rate impacts, and an increase of \$4.7 million, or 8%, due to lower fixed costs primarily from higher fixed cost absorption in comparison to the prior year.

Polystyrene Segment

Our product offerings in our Polystyrene segment include a variety of general purpose polystyrenes (“GPPS”) and polystyrene that has been modified with polybutadiene rubber to increase its impact resistant properties (“HIPS”). These

[Table of Contents](#)

products provide customers with performance and aesthetics at a low cost across applications, including appliances, packaging, including food packaging and food service disposables, consumer electronics, and building and construction materials. In April 2021, the Company announced our plans to build a full commercial scale polystyrene recycling plant in Tessenderlo, Belgium, which is expected to be operational in 2023.

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30,			September 30,		
	2021	2020	% Change	2021	2020	% Change
Net sales	\$ 274.8	\$ 167.3	64 %	\$ 855.0	\$ 505.9	69 %
Adjusted EBITDA	\$ 51.2	\$ 20.4	151 %	\$ 149.6	\$ 46.4	222 %
Adjusted EBITDA margin	19 %	12 %		17 %	9 %	

Three Months Ended – September 30, 2021 vs. September 30, 2020

Of the 64% increase in net sales, 69% of the increase was due to higher pricing primarily from the pass through of higher styrene costs to our customers. This increase was slightly offset by decreased sales volume of 5%, caused by higher demand in the prior year to COVID-19 essential applications such as packaging.

The \$30.8 million, or 151%, increase in Adjusted EBITDA was primarily due to higher margins resulting from commercial excellence initiatives and very tight market conditions, which resulted in an increase of \$33.1 million, or 162%. These effects were partially offset by a decrease of \$2.0 million, or 10%, from lower sales volume as noted above.

Nine Months Ended – September 30, 2021 vs. September 30, 2020

Of the 69% increase in net sales, 73% of the increase was due to higher pricing primarily from the pass through of higher styrene costs to our customers. This increase was slightly offset by a 4% decrease in sales volume following the high demand in the prior year related to COVID-19 essential applications such as packaging.

The \$103.2 million, or 222%, increase in Adjusted EBITDA was primarily due to higher margins resulting from commercial excellence initiatives, strong market conditions, and favorable net raw material timing, which resulted in an increase of \$109.9 million, or 237%. These effects were partially offset by a \$4.0 million, or 9%, decrease attributable to lower sales volume and a \$2.6 million, or 6%, decrease due to foreign exchange rate impacts.

Feedstocks Segment

The Feedstocks segment includes the Company's production and procurement of styrene monomer outside of North America, which is used as a key raw material for the production of polystyrene, expandable polystyrene, SAN resins, SA latex, SB latex, ABS resins, unsaturated polyethylene resins, and styrene-butadiene rubber.

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30,			September 30,		
	2021	2020	% Change	2021	2020	% Change
Net sales	\$ 54.8	\$ 38.6	42 %	\$ 199.6	\$ 119.0	68 %
Adjusted EBITDA	\$ (27.6)	\$ 10.1	(373)%	\$ 58.5	\$ (10.6)	652 %
Adjusted EBITDA margin	(50)%	26 %		29 %	(9)%	

Three Months Ended – September 30, 2021 vs. September 30, 2020

Of the 42% increase in net sales, 59% was due to higher pricing from the pass through of higher styrene prices. This effect was partially offset by a 16% decrease due to lower styrene-related sales volume.

The decrease of \$37.7 million in Adjusted EBITDA was primarily due to lower margins including the impact of higher utility costs in Europe from very elevated natural gas prices.

[Table of Contents](#)*Nine Months Ended – September 30, 2021 vs. September 30, 2020*

Of the 68% increase in net sales, 75% was due to higher pricing from the pass through of higher styrene prices. This effect was partially offset by a 7% decrease due to lower styrene-related sales volume.

The increase of \$69.1 million in Adjusted EBITDA was primarily due to higher styrene margins in Europe from strong demand and tight supply, partially offset by higher utility costs, which resulted in an increase of \$77.9 million. Partially offsetting this effect was a decrease of \$7.1 million due to foreign exchange rate impacts.

Americas Styrenics Segment

This segment consists solely of the equity earnings from of our 50%-owned joint venture, Americas Styrenics, a producer of both styrene monomer and polystyrene in North America. Styrene monomer is a basic building block of plastics and a key input to many of the Company's products, as well as a key raw material for the production of polystyrene. Major applications for the polystyrene products Americas Styrenics produces include appliances, food packaging, food service disposables, consumer electronics, and building and construction materials.

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30,		% Change	September 30,		% Change
	2021	2020		2021	2020	
Adjusted EBITDA*	\$ 17.1	\$ 18.3	(7)%	\$ 70.2	\$ 42.5	65 %

**The results of this segment are comprised entirely of earnings from Americas Styrenics, our equity method investment. As such, Adjusted EBITDA related to this segment is included within "Equity in earnings of unconsolidated affiliates" in the condensed consolidated statements of operations.*

Three Months Ended – September 30, 2021 vs. September 30, 2020

The decrease in Adjusted EBITDA was mainly due to headwind from production issues caused by Hurricane Ida as well as lower styrene margins.

Nine Months Ended – September 30, 2021 vs. September 30, 2020

The increase in Adjusted EBITDA was mainly due to increased sales volume and higher styrene margins in North America, primarily attributable to stronger demand following COVID-19 impacts in the prior year and industry outages caused by weather related and other events.

Non-GAAP Performance Measures

We present Adjusted EBITDA as a non-GAAP financial performance measure, which we define as income from continuing operations before interest expense, net; provision for income taxes; depreciation and amortization expense; loss on extinguishment of long-term debt; asset impairment charges; gains or losses on the dispositions of businesses and assets; restructuring charges; acquisition related costs and other items. In doing so, we are providing management, investors, and credit rating agencies with an indicator of our ongoing performance and business trends, removing the impact of transactions and events that we would not consider a part of our core operations.

There are limitations to using the financial performance measures such as Adjusted EBITDA. This performance measure is not intended to represent net income or other measures of financial performance. As such, it should not be used as an alternative to net income as an indicator of operating performance. Other companies in our industry may define Adjusted EBITDA differently than we do. As a result, it may be difficult to use this or similarly-named financial measures that other companies may use, to compare the performance of those companies to our performance. We compensate for these limitations by providing a reconciliation of this performance measure to our net income, which is determined in accordance with GAAP.

Adjusted EBITDA is calculated as follows for the three and nine months ended September 30, 2021 and 2020:

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net income (loss)	\$ 93.1	\$ 105.8	\$ 316.2	\$ (58.8)
Net income (loss) from discontinued operations	13.7	65.6	38.0	(55.4)
Net income (loss) from continuing operations	79.4	40.2	278.2	(3.4)
Interest expense, net	23.0	10.0	56.6	32.0
Provision for income taxes	5.5	26.9	48.9	16.2
Depreciation and amortization	49.8	21.2	111.0	69.8
EBITDA ^(a)	<u>\$ 157.7</u>	<u>\$ 98.3</u>	<u>\$ 494.7</u>	<u>\$ 114.6</u>
Net gain on disposition of businesses and assets	—	—	(0.2)	(0.4)
Restructuring and other charges ^(b)	0.2	(0.1)	6.8	7.0
Acquisition transaction and integration net costs ^(c)	13.6	—	62.8	(0.3)
Acquisition purchase price hedge loss ^(d)	—	—	22.0	—
Asset impairment charges or write-offs ^(e)	1.2	—	3.0	10.3
Other items ^(f)	0.7	2.6	7.6	24.3
Adjusted EBITDA	<u>\$ 173.4</u>	<u>\$ 100.8</u>	<u>\$ 596.7</u>	<u>\$ 155.5</u>

- (a) EBITDA is a non-GAAP financial performance measure that we refer to in making operating decisions because we believe it provides our management as well as our investors and credit agencies with meaningful information regarding the Company's operational performance. We believe the use of EBITDA as a metric assists our board of directors, management and investors in comparing our operating performance on a consistent basis. Other companies in our industry may define EBITDA differently than we do. As a result, it may be difficult to use EBITDA, or similarly-named financial measures that other companies may use, to compare the performance of those companies to our performance. We compensate for these limitations by providing reconciliations of our EBITDA results to our net income, which is determined in accordance with GAAP.
- (b) Restructuring and other charges for the three and nine months ended September 30, 2021 primarily relate to the employee termination benefit charges incurred in connection with the Company's transformational restructuring program, announced in the second quarter of 2021. Restructuring and other charges for the three and nine months ended September 30, 2020 primarily relate to employee termination benefit charges as well as contract termination charges incurred in connection with the Company's corporate restructuring program announced in the fourth quarter of 2019. Refer to Note 17 in the condensed consolidated financial statements for further information regarding restructuring activities.
- (c) Amounts for the three months ended September 30, 2021 include \$10.1 million of total acquisition and integration costs and \$3.5 million related to amortization of the fair-value step-up to inventory associated with the Aristech Surfaces Acquisition. Amounts for the nine months ended September 30, 2021 include \$44.7 million of total acquisition and integration costs, \$13.6 million related to amortization of the fair-value step-up to inventory associated with acquisitions, and \$4.5 million of transfer taxes related to the PMMA Acquisition. Refer to Note 3 in the condensed consolidated financial statements for further information.
- (d) Acquisition purchase price hedge loss for the nine months ended September 30, 2021 was due to the change in fair value of the Company's forward currency hedge arrangement on the euro-denominated purchase price of the Arkema PMMA business. Refer to Note 10 in the condensed consolidated financial statements for further information.
- (e) Amounts for the three and nine months ended September 30, 2020 and 2021 primarily relate to the impairment of the Company's styrene monomer assets in Boehlen, Germany, as described within Note 11 in the condensed consolidated financial statements. There were additional impairment charges of \$0.9 million during the three and nine months ended September 30, 2021 recorded on certain long-lived assets in the Base Plastics segment.

- (f) Other items for the three and nine months ended September 30, 2021 primarily relate to fees incurred in conjunction with certain of the Company's strategic initiatives, including our ERP upgrade project. Other items for the three and nine months ended September 30, 2020 primarily relate to advisory and professional fees incurred in conjunction with our initiative to transition business services from Dow, including certain administrative services such as accounts payable, logistics, and IT services, which was substantially completed in 2020, as well as fees incurred in conjunction with certain of the Company's strategic initiatives.

Liquidity and Capital Resources

Cash Flows

The table below summarizes our primary sources and uses of cash for the nine months ended September 30, 2021 and 2020. We have derived the summarized cash flow information from our unaudited financial statements.

(in millions)	Nine Months Ended September 30,	
	2021	2020
Net cash provided by (used in):		
Operating activities - continuing operations	\$ 247.4	\$ 91.2
Operating activities - discontinued operations	(9.2)	36.5
Operating activities	238.2	127.7
Investing activities - continuing operations	(1,885.8)	16.2
Investing activities - discontinued operations	(3.3)	(13.5)
Investing activities	(1,889.1)	2.7
Financing activities	1,272.8	(85.1)
Effect of exchange rates on cash	(3.1)	1.3
Net change in cash, cash equivalents, and restricted cash	<u>\$ (381.2)</u>	<u>\$ 46.6</u>

Operating Activities

Net cash provided by operating activities from continuing operations during the nine months ended September 30, 2021 totaled \$247.4 million, driven by strong earnings, and inclusive of dividends received from Americas Styrenics of \$60.0 million. Partially offsetting these factors was a \$146.0 million reduction in operating cash from net working capital changes during the period, which were primarily attributable to increases in raw material costs. Net cash used in operating activities from discontinued operations during the nine months ended September 30, 2021 totaled \$9.2 million, which was also primarily attributable to raw material cost increases and higher inventory related to discontinued operations.

Net cash provided by operating activities from continuing operations during the nine months ended September 30, 2020 totaled \$91.2 million. This increase in cash was driven by a \$54.6 million increase in operating cash generated from net working capital changes during the period, which were primarily attributable to the Company's liquidity-focused actions during the period, including reduced capital spending, operating expenses, and working capital, as well as the impact of lower raw material prices and sales volumes. Net cash provided by operating activities from discontinued operations during the nine months ended September 30, 2020 totaled \$36.5 million, and was also driven by the Company's liquidity-focused actions during the period.

Investing Activities

Net cash used in investing activities from continuing operations during the nine months ended September 30, 2021 totaled \$1,885.8 million, which was primarily attributable to net cash paid for asset or business acquisitions of \$1,806.6 million (see Note 3), capital expenditures of \$64.7 million, and payments for the settlement of hedging instruments of \$14.7 million (related to the acquisition purchase price hedge – see Note 10). Net cash used in investing activities from discontinued operations during the nine months ended September 30, 2021 totaled \$3.3 million, which was entirely attributable to capital expenditures.

[Table of Contents](#)

Net cash provided by investing activities from continuing operations during the nine months ended September 30, 2020 totaled \$16.2 million, primarily resulting from proceeds from the settlement of hedging instruments of \$51.6 million (see Note 10) as well as proceeds from the sale of businesses and other assets (primarily our land in Livorno, Italy that was sold in January 2020) of \$11.9 million. These impacts were partially offset by capital expenditures of \$47.4 million, which management has taken specific actions to control and reduce in response to COVID-19. Net cash used in investing activities from discontinued operations during the nine months ended September 30, 2020 totaled \$13.5 million, which was entirely attributable to capital expenditures.

Financing Activities

Net cash provided by financing activities during the nine months ended September 30, 2021 totaled \$1,272.8 million. This activity was primarily due to \$746.3 million in proceeds from the issuance of the 2028 Term Loan B, \$450.0 million in proceeds from the issuance of the 2029 Senior Notes, \$120.0 million in net proceeds from a draw on the Accounts Receivable Securitization Facility, and \$10.5 million in proceeds from exercise of option awards. This activity was partially offset by \$35.0 million of deferred financing fees primarily related to the issuance of our 2028 Term Loan, \$11.6 million of net repayments of short-term borrowings, \$9.5 million of dividend payments, and \$7.1 million of net principal payments related to our 2024 Term Loan B and 2028 Term Loan B during the period.

Net cash used in financing activities during the nine months ended September 30, 2020 totaled \$85.1 million. This activity was primarily due to \$46.5 million of dividends paid, \$25.0 million of payments related to the repurchase of ordinary shares, \$8.2 million of net repayments of short-term borrowings, and \$5.2 million of net principal payments related to our 2024 Term Loan B during the period.

Free Cash Flow

We use Free Cash Flow as a non-GAAP measure to evaluate and discuss the Company's liquidity position and results. Free Cash Flow is defined as cash from operating activities, less capital expenditures. We believe that Free Cash Flow provides an indicator of the Company's ongoing ability to generate cash through core operations, as it excludes the cash impacts of various financing transactions as well as cash flows from business combinations that are not considered organic in nature. We also believe that Free Cash Flow provides management and investors with useful analytical indicator of our ability to service our indebtedness, pay dividends (when declared), and meet our ongoing cash obligations.

Free Cash Flow is not intended to represent cash flows from operations as defined by GAAP, and therefore, should not be used as an alternative for that measure. Other companies in our industry may define Free Cash Flow differently than we do. As a result, it may be difficult to use this or similarly-named financial measures that other companies may use, to compare the liquidity and cash generation of those companies to our own. We compensate for these limitations by providing a reconciliation to cash provided by operating activities from continuing operations, which is determined in accordance with GAAP.

(in millions)	Nine Months Ended	
	September 30,	
	2021	2020
Cash provided by operating activities	\$ 238.2	\$ 127.7
Capital expenditures	(68.0)	(60.9)
Free Cash Flow	\$ 170.2	\$ 66.8

Refer to the discussion above for significant impacts to cash provided by operating activities for the nine months ended September 30, 2021 and 2020.

Capital Resources and Liquidity

We require cash principally for day-to-day operations, to finance capital investments and other initiatives, to purchase materials, to service our outstanding indebtedness, and to fund the return of capital to shareholders via dividend payments and ordinary share repurchases, when deemed appropriate. Our sources of liquidity include cash on hand, cash flow from operations from continuing operations, and amounts available under the Senior Credit Facility and the Accounts Receivable Securitization Facility (discussed further below).

[Table of Contents](#)

As of September 30, 2021 and December 31, 2020, we had \$2,503.7 million and \$1,187.3 million, respectively, in outstanding indebtedness and \$703.7 million and \$905.7 million, respectively, in working capital (calculated as current assets from continuing operations less current liabilities from continuing operations). In addition, as of September 30, 2021 and December 31, 2020, we had \$121.4 million and \$172.8 million, respectively, of foreign cash and cash equivalents on our balance sheet, outside of our country of domicile of Luxembourg as of September 30, 2021, all of which is readily convertible into other foreign currencies, including the U.S. dollar. Our intention is not to permanently reinvest our foreign cash and cash equivalents. Accordingly, we record deferred income tax liabilities related to the unremitted earnings of our subsidiaries.

As discussed in Note 8 of the condensed consolidated financial statements, the Company completed a senior note issuance during the first quarter of 2021, and both borrowed a new tranche of term loans and refinanced our revolving credit facility during the second quarter of 2021. Additionally, during the third quarter of 2021, the Company drew on our Accounts Receivable Securitization Facility and extended the maturity of the facility. The results of the changes to our financing arrangements during the nine months ended September 30, 2021 are reflected in the table below.

The following table outlines our outstanding indebtedness as of September 30, 2021 and December 31, 2020 and the associated interest expense, including amortization of deferred financing fees and debt discounts. Effective interest rates for the borrowings included in the table below exclude the impact of deferred financing fee amortization, certain other fees charged to interest expense (such as fees for unused commitment fees during the period), and the impacts of derivatives designated as hedging instruments. For definitions of capitalized terms not included herein, refer to our Annual Report on Form 10-K (“Annual Report”).

(\$ in millions)	As of and for the Nine Months Ended September 30, 2021			As of and for the Year Ended December 31, 2020		
	Balance	Effective Interest Rate	Interest Expense	Balance	Effective Interest Rate	Interest Expense
Senior Credit Facility						
2024 Term Loan B	\$ 672.1	2.1 %	\$ 15.5	\$ 677.3	2.6 %	\$ 23.3
2028 Term Loan B	744.6	2.6 %	9.5	—	—	—
2026 Revolving Facility	—	— %	1.7	—	—	3.7
2029 Senior Notes	450.0	5.1 %	12.8	—	—	—
2025 Senior Notes	500.0	5.4 %	15.6	500.0	5.4 %	19.5
Accounts Receivable Securitization Facility	130.0	2.0 %	1.3	—	—	1.5
Other indebtedness*	7.0	2.2 %	—	10.0	2.4 %	0.1
Total	\$ 2,503.7		\$ 56.4	\$ 1,187.3		\$ 48.1

*For the nine months ended September 30, 2021, interest expense on “Other indebtedness” totaled less than \$0.1 million.

As of September 30, 2021, our Senior Credit Facility included the 2026 Revolving Facility, which is scheduled to mature in May 2026 and had a borrowing capacity of \$375.0 million. As of September 30, 2021, the Company had \$366.9 million of funds available for borrowing (net of \$8.1 million outstanding letters of credit) under the 2026 Revolving Facility. Further, as of September 30, 2021, the Company is required to pay a quarterly commitment fee in respect of any unused commitments under the 2026 Revolving Facility equal to 0.375% per annum.

Also included in our Senior Credit Facility is our 2024 Term Loan B (with original principal of \$700.0 million, maturing in September 2024), and our 2028 Term Loan B (with original principal of \$750.0 million, maturing in May 2028), each of which requires scheduled quarterly payments in amounts equal to 0.25% of the original principal. The stated interest rate on our 2024 Term Loan B is London Interbank Offered Rate (“LIBOR”) plus 2.00% (subject to a 0.00% LIBOR floor). The stated interest rate on our 2028 Term Loan B is LIBOR plus 2.50% (subject to a 0.00% LIBOR floor). The Company made net principal payments of \$5.2 million on the 2024 Term Loan B and net principal payments of \$1.9 million on the 2028 Term Loan B during the nine months ended September 30, 2021, with an additional \$14.5 million of scheduled future payments classified within current debt on the Company’s condensed consolidated balance sheet as of September 30, 2021 related to both the 2024 Term Loan B and 2028 Term Loan B.

[Table of Contents](#)

Our 2025 Senior Notes, as issued under the Indenture executed in 2017, include \$500.0 million aggregate principal amount of 5.375% senior notes that mature on September 1, 2025. Interest on the 2025 Senior Notes is payable semi-annually on May 3 and November 3 of each year, which commenced on May 3, 2018. These Notes may be redeemed prior to their maturity at the option of the Company under certain circumstances at specific redemption prices. Refer to our Annual Report for further information.

Our 2029 Senior Notes, as issued under the Indenture executed in 2021, include \$450.0 million aggregate principal amount of 5.125% senior notes that mature on April 1, 2029. Interest on the 2029 Senior Notes is payable semi-annually on February 15 and August 15 of each year, which commences on August 15, 2021. These Notes may be redeemed prior to their maturity at the option of the Company under certain circumstances at specific redemption prices.

As of September 30, 2021, our Accounts Receivable Securitization Facility had a borrowing capacity of \$150.0 million, outstanding borrowings of \$130.0 million, and approximately \$20.0 million of accounts receivable available to support this facility, based on the pool of eligible accounts receivable. As of September 30, 2021, our Accounts Receivable Securitization Facility was scheduled to mature in November 2021, pursuant to an extension executed in September 2021. Refer to Note 8 for more information.

Our ability to raise additional financing and our borrowing costs may be impacted by short- and long-term debt ratings assigned by independent rating agencies, which are based, in significant part, on our performance as measured by certain credit metrics such as interest coverage and leverage ratios.

We and our subsidiaries, affiliates or significant shareholders may from time to time seek to retire or purchase our outstanding debt through cash purchases in the open market, privately negotiated transactions, exchange transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

Trinseo Materials Operating S.C.A. and Trinseo Materials Finance, Inc. (the “Issuers” of our 2029 Senior Notes and 2025 Senior Notes and “Borrowers” under our Senior Credit Facility) are dependent upon the cash generation and receipt of distributions and dividends or other payments from our subsidiaries and joint venture in order to satisfy their debt obligations. There are no known significant restrictions by third parties on the ability of subsidiaries of the Company to disburse or dividend funds to the Issuers and the Borrowers in order to satisfy these obligations. However, as the Company’s subsidiaries are located in a variety of jurisdictions, the Company can give no assurances that our subsidiaries will not face transfer restrictions in the future due to regulatory or other reasons beyond our control.

The Senior Credit Facility and Indentures also limit the ability of the Borrowers and Issuers, respectively, to pay dividends or make other distributions to Trinseo PLC, which could then be used to make distributions to shareholders. During the nine months ended September 30, 2021, the Company declared dividends of \$0.48 per ordinary share, totaling \$19.0 million, of which \$13.7 million was accrued as of September 30, 2021 and which was paid in October 2021. These dividends are well within the available capacity under the terms of the restrictive covenants contained in the Senior Credit Facility and Indentures. Further, additional capacity continues to be available under the terms of these covenants to support expected future dividends to shareholders, should the Company continue to declare them.

Our ability to generate cash from operations to pay our indebtedness and meet other liquidity needs is subject to certain risks described herein and under Part I, Item 1A-“Risk Factors” of our Annual Report. As of September 30, 2021, we were in compliance with all the covenants and default provisions under our debt agreements. Refer to our Annual Report for further information on the details of the covenant requirements.

Contractual Obligations and Commercial Commitments

During the first and second quarter of 2021, the Company entered into new financing arrangements in connection with our acquisition of Arkema's PMMA business, including the \$450.0 million 2029 Senior Notes issued on March 24, 2021 and the \$750.0 million 2028 Term Loan B entered into on May 3, 2021 upon closing of the transaction. Refer to Notes 3 and 8 of the condensed consolidated financial statements and the "Capital Resources and Liquidity" section of Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations for details on these contractual obligations entered into subsequent to December 31, 2020.

Additionally during the second quarter of 2021, the Company entered into a long-term contract to purchase benzene directly from Dow Europe's facilities for use at the Company's Terneuzen location. This contract has a term of two years with an automatic two-year renewal provision, and contains annual minimum purchase and maximum sale volume commitments.

There have been no other material revisions outside the ordinary course of business to our contractual obligations as described within "Management's Discussion and Analysis of Financial Condition and Results of Operations – Contractual Obligations and Commercial Commitments" within our Annual Report.

Critical Accounting Policies and Estimates

Our unaudited interim condensed consolidated financial statements are based on the selection and application of significant accounting policies. The preparation of unaudited interim condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses at the date of and 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 describe our significant accounting policies in Note 2, Basis of Presentation and Summary of Significant Accounting Policies, in the Notes to Consolidated Financial Statements included in our Annual Report, while we discuss our critical accounting policies and estimates in "Management's Discussion and Analysis of Financial Condition and Results of Operations" within our Annual Report. There have been no material revisions to the significant accounting policies or critical accounting policies and estimates as filed in our Annual Report.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Recent Accounting Pronouncements

We describe the impact of recent accounting pronouncements in Note 2 of our condensed consolidated financial statements, included elsewhere within this Quarterly Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As discussed in "Quantitative and Qualitative Disclosures About Market Risk" within our Annual Report, we are exposed to changes in interest rates and foreign currency exchange rates as well as changes in the prices of certain commodities that we use in production. There have been no material changes in our exposure to market risks from the information provided within our Annual Report.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management is responsible for establishing and maintaining internal controls designed to provide reasonable assurance that information required to be disclosed by us in our reports that we file or submit under the Exchange Act (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended) is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, with the participation of our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. Our management, with the

participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2021. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this Quarterly Report were effective to provide the reasonable level of assurance described above.

Changes in Internal Control over Financial Reporting

As discussed in Note 3 to the condensed consolidated financial statements, in May 2021, the Company completed the acquisition of the Arkema PMMA business and in September 2021, the Company completed the acquisition of Aristech Surfaces. As permitted by the SEC, management has elected to exclude these acquisitions from its assessment of the effectiveness of its internal control over financial reporting as of December 31, 2021. The Company began to integrate each of these businesses into our internal control over financial reporting structure subsequent to the acquisition dates and expects to complete these integrations within one year of the respective acquisitions.

Aside from the acquisition-related changes discussed above, there have been no additional changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the quarter ended September 30, 2021 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

From time to time we may be subject to various legal claims and proceedings incidental to the normal conduct of business, relating to such matters as product liability, antitrust, competition, waste disposal practices, release of chemicals into the environment and other matters that may arise in the ordinary course of our business. We currently believe that there is no litigation pending that is likely to have a material adverse effect on our business. Regardless of the outcome, legal proceedings can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors

Our business faces various risks. Certain important factors may have a material adverse effect on our business prospects, financial condition and results of operations, and you should carefully consider them. Accordingly, in evaluating our business, we encourage you to consider the risk factors related to our ordinary shares as well those risk factors related to our business and industry which have been previously disclosed in Part 1, Item 1A of our Annual Report for the year ended December 31, 2020. Certain material updates to these risk factors are included below.

We encourage you to consider these risks, in their entirety, in addition to other information contained in or incorporated by reference into this Quarterly Report and our other public filings with the SEC. Other events that we do not currently anticipate or that we currently deem immaterial may also affect our business, prospects, financial condition and results of operations. Production at our manufacturing facilities could be disrupted for a variety of reasons. Disruptions could expose us to significant losses or liabilities.

Risks Related to Acquisitions and Dispositions

We may fail to realize the anticipated benefits of the PMMA Acquisition or such benefits may take longer to realize than expected. We may also encounter difficulty integrating the PMMA business into our operations.

On May 3, 2021, we announced the closing of our acquisition from Arkema PLC ("Arkema") of its polymethyl methacrylates ("PMMA") and activated methyl methacrylates ("MMA") businesses (together, referred to herein as the "PMMA business") for a purchase price of €1.137 billion (the "PMMA Acquisition").

Our ability to realize the anticipated benefits of the PMMA Acquisition will depend on our ability to integrate the PMMA business into ours. Combining these businesses will be a complex and time-consuming process. As a result, we expect to devote significant attention and resources preparing for and then integrating the operations, systems, processes, procedures and personnel of the acquired PMMA business. This integration process may be disruptive to our ongoing

business, and, if we fail to effectively integrate, or if integration takes longer or is more costly than expected, we could lose or diminish the expected benefits of the PMMA Acquisition. Even if we are able to integrate the PMMA business successfully, this integration may not result in the realization of the synergies and benefits that we currently expect, nor can we give assurances that these benefits will be achieved when expected or at all.

We also face risks that we fail to meet our financial and strategic goals, due to, among other things, inability to grow and manage growth profitability, maintain relationships with customers or retain key employees. We may also be adversely affected by other economic, business, and/or competitive factors which may not have existed at the time of closing. Such conditions could materially adversely impact our business and results of operations.

We face risks concerning our acquisition of Aristech Surfaces, and may fail to realize the anticipated benefits of the Aristech Surfaces acquisition.

In September 2021, we completed the acquisition of the issued and outstanding membership interests of Aristech Surfaces. We may face difficulties realizing the anticipated benefits of the acquisition. We may fail to realize anticipated cost and revenue synergies from the transaction, reach expected margins, and we may not be successful in expanding or growing the business profitability. We may also fail to maintain relationships with customers or retain and integrate the employees of Aristech Surfaces. Aristech Surfaces may also be adversely affected by other economic, business, and/or competitive factors which may not have existed at the time of closing. Such conditions could materially adversely impact our business and results of operations.

Risks Related to Our Indebtedness

Our current and future level of indebtedness of our subsidiaries, including the incurrence of additional indebtedness to fund the PMMA Acquisition, could adversely affect our financial condition.

As of December 31, 2020, our indebtedness totaled approximately \$1.2 billion. Additionally, as of December 31, 2020, we had \$360.0 million (net of \$15.0 million outstanding letters of credit) of funds available for borrowings under our Senior Credit Facility, as well as \$150.0 million of funds available for borrowings under our accounts receivable securitization facility (the “Accounts Receivable Securitization Facility”).

Additionally, in connection with the PMMA Acquisition, our Trinseo Materials Operating S.C.A. and Trinseo Materials Finance Inc. subsidiaries issued \$450.0 million principal amount of 5.125% Senior Notes due 2029 (the “2029 Senior Notes”) and borrowed an additional \$750.0 million in term loans under our Senior Credit Facility, the proceeds of which were used to pay a portion of the purchase price of the PMMA Acquisition.

Our current level of indebtedness, as well as future borrowings or other indebtedness, could have significant consequences for our business, including but not limited to:

- increasing our vulnerability to economic downturns and adverse industry, competitive, or market conditions;
- requiring a substantial portion of our cash flows from operations to be dedicated to the payment of principal and interest on our indebtedness, therefore reducing our ability to use our cash flow to fund capital expenditures and future business opportunities and returning cash to our shareholders in the form of dividends or share repurchases;
- limiting our ability to obtain additional financing for working capital, capital expenditures, acquisitions, and general corporate or other purposes;
- compromising our flexibility to capitalize on business opportunities or other strategic acquisitions, and to react to competitive pressures, as compared to our competitors, or forcing us to make nonstrategic divestitures;
- placing us at a disadvantage compared to other, less leveraged competitors or competitors with comparable debt at more favorable interest rates; and
- increasing our cost of borrowing.

Although the terms of our senior secured credit agreement (the “Credit Agreement”) governing our senior secured financing facility of up to \$1,075.0 million (the “Senior Credit Facility”), and the note indentures governing the 2029 Senior Notes and our 5.375% senior notes due 2025 (the “Indentures”), contain restrictions on the incurrence of

additional indebtedness, these restrictions are subject to a number of qualifications and exceptions and the indebtedness incurred in compliance with these restrictions could be substantial. Also, we are not prevented from incurring obligations that do not constitute “indebtedness” as defined in the Senior Credit Facility or the Indentures, such as operating leases and trade payables. If new debt is added to our subsidiaries’ current debt levels, the risks related to indebtedness that we now face could intensify.

In addition, a substantial portion of our subsidiaries’ current indebtedness is secured by substantially all of our assets, which may make it more difficult to secure additional borrowings at reasonable costs. If we default or declare bankruptcy, after these obligations are met, there may not be sufficient funds or assets to satisfy our subordinate interests, including those of our shareholders.

The terms of our subsidiaries’ indebtedness may restrict our current and future operations, particularly our ability to respond to change or to take certain actions.

The Indentures and the Credit Agreement governing our Senior Credit Facility contain a number of covenants imposing certain restrictions on our subsidiaries’ businesses. These restrictions may affect our ability to operate our business and may limit our ability to take advantage of business opportunities. These agreements restrict, among other things, our subsidiaries’ ability to:

- sell or assign assets;
- incur additional indebtedness;
- pay dividends to Trinseo PLC;
- make investments or acquisitions;
- incur liens;
- repurchase or redeem capital shares;
- engage in mergers or consolidations;
- materially alter the business they conduct;
- engage in transactions with affiliates; and
- consolidate, merge or transfer all or substantially all of their assets.

The ability of our subsidiaries to comply with the covenants and financial ratios and tests contained in the Indenture and Credit Agreement, to pay interest on indebtedness, fund working capital, and make anticipated capital expenditures depends on our future performance, which is subject to general economic conditions and other factors, some of which are beyond our control. There can be no assurance that our business will generate sufficient cash flow from operations or that future borrowings will be available under our Senior Credit Facility to fund liquidity needs in an amount sufficient to enable them to service their indebtedness. Furthermore, if we need additional capital for general corporate purposes or to execute on an expansion strategy, there can be no assurance that this capital will be available on satisfactory terms or at all.

A failure to repay amounts owed under the Senior Credit Facility, or the notes issued under our Indentures, at maturity would result in a default. In addition, a breach of any of the covenants in the Credit Agreement or Indentures or our inability to comply with the required financial ratios or limits could result in a default. If a default occurs, lenders may refuse to lend us additional funds and the lenders or noteholders could declare all of the debt and any accrued interest and fees immediately due and payable. A default under one of our subsidiaries’ debt agreements may trigger a cross-default under our other debt agreements.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

- (a) Recent sales of unregistered securities
None.
- (b) Use of Proceeds from registered securities
None.
- (c) Purchases of Equity Securities by the Issuer and Affiliated Purchasers

[Table of Contents](#)

Under shareholder authorization granted at our annual generally meeting held on June 9, 2020, the Company is authorized to repurchase up to 3.6 million ordinary shares over the next two years at a price per share of not less than \$1.00 and not more than \$1,000.00. In December 2020, the Company announced our decision to suspend the share repurchase program. There were no share repurchases during the three months ended September 30, 2021. There are 3.6 million ordinary shares available for repurchase under the 2020 share repurchase authorization as of September 30, 2021.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

See Exhibit Index.

EXHIBIT INDEX

Exhibit No.	Description
2.1	Common Draft Terms of Merger dated as of April 23, 2021 between Trinseo S.A., a Luxembourg public company and Trinseo PLC (formerly known as Trinseo Limited), an Irish public limited company (incorporated by reference to Annex A of our definitive proxy statement on Schedule 14A filed on April 27, 2021).
3.1	Memorandum and Articles of Association of Trinseo PLC (incorporated herein by reference to Annex B of our definitive proxy statement on Schedule 14A filed on April 27, 2021).
4.2	Indenture among Trinseo Materials Operating S.C.A., Trinseo Materials Finance, Inc. and The Bank of New York Mellon, as Trustee, dated as of August 29, 2017 (incorporated herein by reference to Exhibit 4.1 to the Current Report on Form 8-K, filed September 5, 2017).
4.3	Indenture among Trinseo Materials Operating S.C.A., Trinseo Materials Finance, Inc. and The Bank of New York Mellon, as Trustee, dated as of March 24, 2021 (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed March 24, 2021).
10.1*†	Form of Indemnification Agreement for Directors and Officers.
10.2*†	Employment Agreement between Trinseo Europe GmbH and Andre Lanning dated October 1, 2021.
10.3*†	Form of Restricted Stock Unit Award Agreement to certain former Arkema employees.
10.4*†	Form of Stock Option Award Agreement to certain former Arkema employees.
10.5†	Amendment Agreement, dated October 21, 2021, to Asset Purchase Agreement, by and between Trinseo PLC, Trinseo Deutschland GmbH, Trinseo Europe GmbH, Trinseo Belgium B.V.B.A., Trinseo Export GmbH, and Synthos PLC, Blitz F21-410 GmbH, and Synthos Dwory 7 dated May 21, 2021.
10.6*	Separation Agreement with Alice Heezen dated October 25, 2021 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed October 27, 2021).
31.1†	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2†	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1†	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2†	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS†	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†	XBRL Taxonomy Extension Schema Document
101.CAL†	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF†	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB†	XBRL Taxonomy Extension Label Linkbase Document
101.PRE†	XBRL Taxonomy Extension Presentation Linkbase Document
104†	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

* Compensatory plan or arrangement.

† Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, duly authorized.

Date: November 8, 2021

TRINSEO PLC

By: /s/ Frank Bozich
Name: Frank Bozich
Title: President, Chief Executive Officer
(Principal Executive Officer)

By: /s/ David Stasse
Name: David Stasse
Title: Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

DEED OF INDEMNIFICATION

This Deed of Indemnification (“Deed”) is made as of **October 8, 2021** by and between **Trinseo PLC**, a public limited company incorporated under the laws of Ireland (the “Company”), and [_____] (“Indemnitee”).

WHEREAS on the date hereof, the re-domiciliation of Trinseo S.A. from Luxembourg to Ireland pursuant to a merger by acquisition under the European Communities (Cross-Border Mergers) Regulations 2008 of Ireland (SI 157/2008), as amended, and the Luxembourg law of 10 August 2015, as amended, was completed (the “Merger”).

WHEREAS pursuant to the Merger, by operation of law and universal succession of title, from the effective time of the Merger (the “Effective Time”) (i) each agreement to which Trinseo S.A. was a party became an agreement between the Company and the counterparty with the same rights, and subject to the same obligations, liabilities and incidents as applied previously, each such agreement to be construed and have effect as if (a) Trinseo PLC had been a party thereto instead of Trinseo S.A. and (b) any references therein to Trinseo S.A. and/ or (as the case may be) its directors, officers, representatives and employees are references to Trinseo PLC and/ or (as the case may be) its directors, officers, representatives and employees; and (ii) Trinseo S.A. was dissolved without going into liquidation. Separately, each director and executive officer of Trinseo S.A. at the Effective Time was appointed as a director of the Company with effect from the Effective Time.

WHEREAS, in light of the litigation costs and risks to directors and executive officers resulting from their service to the Company, and the desire of the Company to attract and retain qualified individuals to serve as directors and executive officers, it is reasonable, prudent and necessary for the Company to indemnify and advance expenses on behalf of its directors and executive officers to the extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern regarding such risks;

WHEREAS, the Company has requested that Indemnitee serve or continue to serve as a director and/or executive officer of the Company and may have requested or may in the future request that Indemnitee serve one or more Entities (as hereinafter defined) as a director, executive officer or in other capacities; and

WHEREAS, Indemnitee may have certain rights to indemnification, advancement of expenses and/or insurance provided by the Company (or its subsidiaries); and with the Company’s acknowledgement of, and agreement to, the foregoing being a material condition to Indemnitee’s willingness to serve as a director and/or executive officer of the Company.

WHEREAS, with effect from the Effective Time, this Deed supersedes and replaces any and all previous agreements between the Company and Indemnitee covering the subject matter of this Deed (including, without limitation, any indemnification agreement entered into by Trinseo S.A. in favor of the Indemnitee, the obligations in respect of which were assumed by the Company under the Terms of the Merger, but subject always to provisions of Section 11(g)). For the avoidance of doubt, the foregoing is without prejudice to or the rights and obligations of Trinseo LLC and the Indemnitee under any separate indemnification agreement between those parties.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

1. Services by Indemnitee. Indemnitee agrees to serve as a director and/or executive officer of the Company. Indemnitee may at any time and for any reason resign from such position (subject to any contractual obligation under any other agreement or any obligation imposed by operation of law).
 2. Indemnification - General. On the terms and subject to the conditions of this Deed, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, all losses, liabilities, judgments, fines, penalties, costs, amounts paid in settlement, Expenses (as hereinafter defined) and other amounts that Indemnitee incurs and that result from, arise in connection with or are by reason of Indemnitee's Corporate Status (as hereinafter defined) and shall advance Expenses to Indemnitee. The obligations of the Company under this Deed (a) shall continue after such time as Indemnitee ceases to serve as a director or an officer of the Company or in any other Corporate Status, and (b) include, without limitation, claims for monetary damages against Indemnitee in respect of any actual or alleged liability or other loss of Indemnitee, to the fullest extent permitted under applicable law as in existence on the date hereof and as amended from time to time.
 3. Proceedings Other Than Proceedings by or in the Right of the Company. If in connection with or by reason of Indemnitee's Corporate Status, Indemnitee was, is, or is threatened to be made, a party to or a participant in any Proceeding (as hereinafter defined) other than a Proceeding by or in the right of the Company to procure a judgment in its favor, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, all Expenses, liabilities, judgments, penalties, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such liabilities, judgments, penalties, fines and amounts paid in settlement) incurred by Indemnitee or on behalf of Indemnitee in connection with such Proceeding or any claim, issue or matter therein.
 4. Proceedings by or in the Right of the Company. If in connection with or by reason of Indemnitee's Corporate Status, Indemnitee was, is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in the Company's favor, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, all Expenses incurred by Indemnitee or on behalf of Indemnitee in connection with such Proceeding or any claim, issue or matter therein.
 5. Mandatory Indemnification in Case of Successful Defense. Notwithstanding any other provision of this Deed, to the extent that Indemnitee is a party to (or a participant in) and is successful, on the merits or otherwise, in defense of any Proceeding or any claim, issue or matter therein (including, without limitation, any Proceeding brought by or in the right of the Company), the Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, all Expenses incurred by Indemnitee or on behalf of Indemnitee in connection therewith. If Indemnitee is not wholly successful in defense of such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee against all Expenses incurred by Indemnitee or on behalf of Indemnitee in connection with each successfully resolved claim, issue or matter. For purposes of this Section 5 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, on substantive or procedural grounds, or settlement of any such claim prior to a final judgment by a court of competent jurisdiction with respect to such Proceeding, shall be deemed to be a successful result as to such claim, issue or matter.
 6. Partial Indemnification. If Indemnitee is entitled under any provision of this Deed or otherwise to indemnification by the Company for some or a portion of the Expenses, liabilities, judgments, penalties, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with
-

or in respect of such liabilities, judgments, penalties, fines and amounts paid in settlement) incurred by Indemnitee or on behalf of Indemnitee in connection with a Proceeding or any claim, issue or matter therein, in whole or in part, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee to the fullest extent to which Indemnitee is entitled to such indemnification.

7. Indemnification for Additional Expenses Incurred to Secure Recovery or as Witness.

(a) The Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, any and all Expenses and, if requested by Indemnitee, shall advance on an as-incurred basis (as provided in Section 8 of this Deed) such Expenses to Indemnitee, which are incurred by Indemnitee in connection with any action or proceeding or part thereof brought by Indemnitee for (i) indemnification or advance payment of Expenses by the Company under this Deed, any other agreement, the Articles of Association as now or hereafter in effect, (ii) recovery under any director and officer liability insurance policies maintained by the Company or any of its subsidiaries.

(b) To the extent that Indemnitee is a witness (or is forced or asked to respond to discovery requests) in any Proceeding to which Indemnitee is not a party, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, and the Company will advance on an as-incurred basis (as provided in Section 8 of this Deed), all Expenses incurred by Indemnitee or on behalf of Indemnitee in connection therewith.

8. Advancement of Expenses. The Company shall, to the fullest extent permitted by law, pay on a current and as-incurred basis all Expenses incurred by Indemnitee in connection with any Proceeding in any way connected with, resulting from or relating to Indemnitee's Corporate Status. Such Expenses shall, to the fullest extent permitted by law, be paid in advance of the final disposition of such Proceeding, without regard to whether Indemnitee will ultimately be entitled to be indemnified for such Expenses and without regard to whether an Adverse Determination (as hereinafter defined) has been or may be made, except as contemplated by the last sentence of Section 9(f) of this Deed. Upon submission of a request for advancement of Expenses pursuant to Section 9(c) of this Deed, Indemnitee shall be entitled to advancement of Expenses as provided in this Section 8, and such advancement of Expenses shall continue until such time (if any) as there is a final non-appealable judicial determination that Indemnitee is not entitled to indemnification. Indemnitee shall repay such amounts advanced if and to the extent that it shall ultimately be determined in a decision by a court of competent jurisdiction from which no appeal can be taken that Indemnitee is not entitled to be indemnified by the Company for such Expenses. Such repayment obligation shall be unsecured and shall not bear interest. The Company shall not impose on Indemnitee additional conditions to advancement or require from Indemnitee additional undertakings regarding repayment.

9. Indemnification Procedures.

(a) Notice of Proceeding. Indemnitee agrees to notify the Company promptly upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses hereunder. Any failure by Indemnitee to notify Company will relieve the Company of its advancement or indemnification obligations under this Deed only to the extent the Company can establish that such omission to notify resulted in actual and material prejudice to it which cannot be reversed or otherwise eliminated without any material negative effect on the Company, and the omission to notify the Company will, in any event, not relieve the Company from any liability which it may have to indemnify Indemnitee otherwise than under this Deed. If, at the time of receipt of any such notice, the Company has director and officer insurance policies in effect, the Company will promptly notify the relevant insurers in accordance with the procedures and requirements of such policies.

(b) Defense; Settlement. Indemnitee shall have the sole right and obligation to control the defense or conduct of any claim or Proceeding with respect to Indemnitee. The Company shall not, without the prior written consent of Indemnitee, which may be provided or withheld in Indemnitee's sole discretion, effect any settlement of any Proceeding against Indemnitee or which could have been brought against Indemnitee or which potentially or actually imposes any cost, liability, exposure or burden on Indemnitee unless (i) such settlement solely involves the payment of money or performance of any obligation by persons other than Indemnitee and includes an

unconditional release of Indemnitee by all relevant parties from all liability on any matters that are the subject of such Proceeding and an acknowledgment that Indemnitee denies all wrongdoing in connection with such matters and (ii) the Company has fully indemnified the Indemnitee with respect to, and held Indemnitee harmless from and against, all Expenses incurred by Indemnitee or on behalf of Indemnitee in connection with such Proceeding. The Company shall not be obligated to indemnify Indemnitee against amounts paid in settlement of a Proceeding against Indemnitee if such settlement is effected by Indemnitee without the Company's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned, unless such settlement solely involves the payment of money or performance of any obligation by persons other than the Company and includes an unconditional release of the Company by any party to such Proceeding other than the Indemnitee from all liability on any matters that are the subject of such Proceeding and an acknowledgment that the Company deny all wrongdoing in connection with such matters.

(c) Request for Advancement; Request for Indemnification.

(i) To obtain advancement of Expenses under this Deed, Indemnitee shall submit to the Company a written request therefor, together with such invoices or other supporting information as may be reasonably requested by the Company and reasonably available to Indemnitee, and, only to the extent required by applicable law which cannot be waived, an unsecured written undertaking to repay amounts advanced. The Company shall make advance payment of Expenses to Indemnitee to the extent permitted by this Deed and applicable law no later than five (5) business days after receipt of the written request for advancement (and each subsequent request for advancement) by Indemnitee. If, at the time of receipt of any such written request for advancement of Expenses, the Company has director and officer insurance policies in effect, the Company will promptly notify the relevant insurers in accordance with the procedures and requirements of such policies. The Company shall thereafter keep such director and officer insurers informed of the status of the Proceeding or other claim and take such other actions, as appropriate to secure coverage of Indemnitee for such claim.

(ii) To obtain indemnification under this Deed, Indemnitee may submit a written request for indemnification hereunder. The time at which Indemnitee submits a written request for indemnification shall be determined by the Indemnitee in the Indemnitee's sole discretion. Once Indemnitee submits such a written request for indemnification (and only at such time that Indemnitee submits such a written request for indemnification), a Determination (as hereinafter defined) shall thereafter be made, as provided in and only to the extent required by Section 9(d) of this Deed. In no event shall a Determination be made, or required to be made, as a condition to or otherwise in connection with any advancement of Expenses pursuant to Section 8 and Section 9(c)(i) of this Deed. If, at the time of receipt of any such request for indemnification, the Company has director and officer insurance policies in effect, the Company will promptly notify the relevant insurers and take such other actions as necessary or appropriate to secure coverage of Indemnitee for such claim in accordance with the procedures and requirements of such policies.

(d) Determination. The Company agrees that Indemnitee shall be indemnified to the fullest extent permitted by law and that no Determination shall be required in connection with such indemnification unless specifically required by applicable law which cannot be waived. In no event shall a Determination be required in connection with indemnification for Expenses pursuant to Section 7 of this Deed or incurred in connection with any Proceeding or portion thereof with respect to which Indemnitee has been successful on the merits or otherwise. Any decision that a Determination is required by law in connection with any other indemnification of Indemnitee, and any such Determination, shall be made within twenty (20) days after receipt of Indemnitee's written request for indemnification pursuant to Section 9(c)(ii) and such Determination shall be made either (i) by the Disinterested Directors (as hereinafter defined), even though less than a quorum, so long as Indemnitee does not request that such Determination be made by Independent Counsel (as hereinafter defined), or (ii) if so requested by Indemnitee, in Indemnitee's sole discretion, by Independent Counsel in a written opinion to the Company and Indemnitee. If a Determination is made that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within five (5) business days after such Determination. Indemnitee shall reasonably cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not

privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such Determination. Any Expenses incurred by Indemnitee in so cooperating with the Disinterested Directors or Independent Counsel, as the case may be, making such determination shall be advanced and borne by the Company (irrespective of the Determination as to Indemnitee's entitlement to indemnification) to the fullest extent permitted by law and the Company is liable to indemnify and hold Indemnitee harmless therefrom. If the person, persons or entity empowered or selected under Section 9(d) of this Deed to determine whether Indemnitee is entitled to indemnification shall not have made a determination within twenty (20) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such twenty (20) day period may be extended for a reasonable time, not to exceed an additional twenty (20) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 9(d) shall not apply if the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 9(e).

(e) Independent Counsel. In the event Indemnitee requests that the Determination be made by Independent Counsel pursuant to Section 9(d) of this Deed, the Independent Counsel shall be selected as provided in this Section 9(e). The Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Board of Directors, in which event the Board of Directors shall make such selection on behalf of the Company, subject to the remaining provisions of this Section 9(e)), and Indemnitee or the Company, as the case may be, shall give written notice to the other, advising the Company or Indemnitee of the identity of the Independent Counsel so selected. The Company or Indemnitee, as the case may be, may, within five (5) days after such written notice of selection shall have been received, deliver to Indemnitee or the Company, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 15 of this Deed, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court of competent jurisdiction has determined that such objection is without merit. If, within ten (10) days after submission by Indemnitee of a written request for indemnification pursuant to Section 9(c)(ii) of this Deed and after a request for the appointment of Independent Counsel has been made, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition a court of competent jurisdiction for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 9(d) of this Deed. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 9(f) of this Deed, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing). Any expenses incurred by or in connection with the appointment of Independent Counsel shall be borne by the Company (irrespective of the Determination of Indemnitee's entitlement to indemnification) to the fullest extent permitted by law and not by Indemnitee.

(f) Consequences of Determination; Remedies of Indemnitee. The Company shall be bound by and shall have no right to challenge a Favorable Determination. If an Adverse Determination is made, or if for any other reason the Company do not make timely indemnification payments or advances of Expenses, Indemnitee shall have the right to commence a Proceeding before a court of competent jurisdiction to challenge such Adverse Determination and/or to require the Company to make such payments or advances (and the Company shall have the right to defend its position in such Proceeding and to appeal any adverse judgment in such Proceeding). Indemnitee shall be entitled to be indemnified for all Expenses incurred in connection with such a Proceeding to the fullest extent permitted by law and to have such Expenses advanced by the Company in accordance with Section 8 of this Deed. If Indemnitee fails to challenge an Adverse Determination within thirty (30) business days, or if Indemnitee challenges an Adverse Determination and such Adverse Determination has been upheld by a final judgment of a

court of competent jurisdiction from which no appeal can be taken, then, to the extent and only to the extent required by such Adverse Determination or final judgment, the Company shall not be obligated to indemnify or advance Expenses to Indemnitee under this Deed.

(g) Presumptions; Burden and Standard of Proof. The parties intend and agree that, to the extent permitted by law, in connection with any Determination with respect to Indemnitee's entitlement to indemnification hereunder by any person, including a court:

(i) it will be presumed that Indemnitee is entitled to indemnification under this Deed (notwithstanding any Adverse Determination), and the Company or any other person or entity challenging such right will have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption;

(ii) the termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that Indemnitee's conduct was unlawful;

(iii) Indemnitee will be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Company, including financial statements, or on information supplied to Indemnitee by the officers, employees, or committees of the board of directors of the Company, or on the advice of legal counsel or other advisors (including financial advisors and accountants) for the Company or on information or records given in reports made to the Company by an independent certified public accountant or by an appraiser or other expert or advisor selected by the Company; and

(iv) the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Company or relevant enterprises will not be imputed to Indemnitee in a manner that limits or otherwise adversely affects Indemnitee's rights hereunder.

The provisions of this Section 9(g) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Deed.

10. Remedies of Indemnitee.

(a) Subject to Section 10(e), in the event that (i) a determination is made pursuant to Section 9(d) of this Deed that Indemnitee is not entitled to indemnification under this Deed, (ii) advancement of Expenses is not timely made pursuant to Section 9(c) of this Deed, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 9(d) of this Deed within twenty (20) days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 5, 6 or 7 of this Deed within five (5) business days after receipt by the Company of a written request therefor, (v) payment of indemnification pursuant to Section 3, 4 or 7 of this Deed is not made within five (5) business days after a determination has been made that Indemnitee is entitled to indemnification, or (vi) in the event that the Company or any other person takes or threatens to take any action to declare this Deed void or unenforceable, or institutes any litigation or other action or Proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to the Indemnitee hereunder, Indemnitee shall be entitled to an adjudication by a court of his entitlement to such indemnification or advancement of Expenses. Alternatively, Indemnitee, at his option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 9(d) of this Deed that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 10 shall be conducted in all respects as a de novo trial, or arbitration, on the merits, in which (i)

Indemnitee shall not be prejudiced by reason of that adverse determination, and (ii) the Company shall bear the burden of establishing that Indemnitee is not entitled to indemnification.

(c) If a determination shall have been made pursuant to Section 9(d) of this Deed that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 10, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) Notwithstanding anything in this Deed to the contrary, no determination as to entitlement of Indemnitee to indemnification under this Deed shall be required to be made prior to the final disposition of the Proceeding.

11. Insurance; Subrogation; Other Rights of Recovery, etc.

(a) The Company shall use its reasonable best efforts to purchase and maintain a policy or policies of insurance with reputable insurance companies with A.M. Best ratings of "A" or better, providing Indemnitee with coverage for any liability asserted against, and incurred by, Indemnitee or on Indemnitee's behalf by reason of Indemnitee's Corporate Status, or arising out of Indemnitee's status as such, whether or not the Company would have the power to indemnify Indemnitee against such liability. Such insurance policies shall have coverage terms and policy limits at least as favorable to Indemnitee as the insurance coverage provided to any other director or officer of the Company. If the Company has such insurance in effect at the time it receives from Indemnitee any notice of the commencement of an action, suit, proceeding or other claim, the Company shall give prompt notice of the commencement of such action, suit, proceeding or other claim to the insurers and take such other actions in accordance with the procedures set forth in the policy as required or appropriate to secure coverage of Indemnitee for such action, suit, proceeding or other claim. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such action, suit, proceeding or other claim in accordance with the terms of such policy. The Company shall continue to provide such insurance coverage to Indemnitee for a period of at least ten (10) years after Indemnitee ceases to serve as a director or an officer or in any other Corporate Status.

(b) In the event of any payment by the Company under this Deed, Indemnitee hereby agrees, as a condition to obtaining any advancement or indemnification from the Company, to assign to the Company all of Indemnitee's rights to obtain from such other entity such amounts to the extent that they have been paid by the Company to or for the benefit of Indemnitee as advancement or indemnification under this Deed and are adequate to indemnify Indemnitee with respect to the costs, Expenses or other items to the full extent that Indemnitee is entitled to indemnification or other payment hereunder; and Indemnitee will (upon request by the Company) execute all papers required and use reasonable best efforts to take all action reasonably necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit or enforce such rights.

(c) The Company hereby unconditionally and irrevocably waives, relinquishes and releases, and covenants and agrees not to exercise (and to cause each of its subsidiaries not to exercise), any rights that the Company may now have or hereafter acquire against the Indemnitee that arise from or relate to the existence, payment, performance or enforcement of the Company's obligations under this Deed or under any other indemnification agreement with any person or entity, including, without limitation, any right of subrogation (whether pursuant to contract or common law), reimbursement, exoneration, contribution or indemnification, or to be held harmless, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from the Indemnitee, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right.

(d) The Company shall not be liable to pay or advance to Indemnitee any amounts otherwise indemnifiable under this Deed or under any other indemnification agreement if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise; provided, however, that the Company hereby agrees that it is the indemnitor of first resort under this Deed and under any other

indemnification agreement (i.e., the Company's obligations to Indemnitee under this Deed or any other agreement or undertaking to provide advancement and/or indemnification to Indemnitee are primary with respect to any insurance that is or may become available to the Indemnitee).

(e) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee in respect of or relating to Indemnitee's service at the request of the Company as a director, officer, employee, fiduciary, trustee, representative, partner or agent of the Company shall be reduced by any amount Indemnitee has actually received as payment of indemnification or advancement of Expenses from such the Company, except to the extent that such indemnification payments and advance payment of Expenses when taken together with any such amount actually received from the Company or under director and officer insurance policies maintained by the Company or its subsidiaries are inadequate to fully pay all costs, Expenses or other items to the full extent that Indemnitee is otherwise entitled to indemnification or other payment hereunder.

(f) Except as provided in Sections 11(c), 11(d) and 11(e) of this Deed, the rights to indemnification and advancement of Expenses as provided by this Deed shall not be deemed exclusive of any other rights to which Indemnitee may at any time, whenever conferred or arising, be entitled under applicable law, under the Company's Articles of Association, or otherwise. Indemnitee's rights under this Deed are present contractual rights that fully vest upon Indemnitee's first service as a director or an officer of the Company. The Parties hereby agree that Sections 11(c), 11(d) and 11(e) of this Deed shall be deemed exclusive and shall be deemed to modify, amend and clarify any right to indemnification or advancement provided to Indemnitee under any other contract, agreement or document with the Company.

(g) In addition to all other obligations hereunder and without limiting any rights of the Indemnitee hereunder, the Company expressly agrees to, and hereby assumes, to the fullest extent permitted by law all indemnification, advancement of Expenses and/or all other obligations of Trinseo S.A. in existence immediately prior to the Effective Time, pursuant to, and upon the terms of, the provisions set forth in any then existing indemnification agreement to which Trinseo S.A. was bound and in the articles of association and organizational regulations of Trinseo S.A. as then in effect and applicable without regard to the effectiveness of the Merger.

(h) No amendment, alteration or repeal of this Deed or of any provision hereof shall limit or restrict any right of Indemnitee under this Deed in respect of any action taken or omitted by such Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal.

12. Employment Rights; Successors.

(a) This Deed shall not be deemed an employment contract between the Company and Indemnitee. This Deed shall continue in force as provided above after Indemnitee has ceased to serve as a director and/or executive officer of the Company or any other Corporate Status.

(b) This Deed shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and Indemnitee's heirs, executors and administrators. If the Company or any of its successors or assigns shall (i) consolidate with or merge into any other corporation, limited liability company or entity and shall not be the continuing or surviving corporation, limited liability company or entity of such consolidation or merger or (ii) transfer all or substantially all of its properties and assets to any individual, corporation or other entity, then, and in each such case, proper provisions shall be made so that the successors and assigns of the Company shall assume all of the obligations set forth in this Deed.

13. Severability. If any provision or provisions of this Deed shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Deed (including without limitation, each portion of any Section of this Deed containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Deed (including, without limitation, each portion of any Section of this Deed

containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

14. Exception to Right of Indemnification or Advancement of Expenses. Notwithstanding any other provision of this Deed and except as provided in Section 7(a) of this Deed or as may otherwise be agreed by the Company, Indemnitee shall not be entitled to indemnification or advancement of Expenses under this Deed with respect to any Proceeding brought by Indemnitee (other than a Proceeding by Indemnitee (i) by way of defense or counterclaim or other similar portion of a Proceeding, (ii) to enforce Indemnitee's rights under this Deed or (iii) to enforce any other rights of Indemnitee to indemnification, advancement or contribution from the Company), unless the bringing of such Proceeding or making of such claim shall have been approved by the Board of Directors of the Company.

15. Definitions. For purposes of this Deed:

(a) "Articles of Association" means the articles of association of Trinseo PLC.

(b) "Board of Directors" means the board of directors of the Company.

(c) "Companies Act" means the Companies Act, 2014 of Ireland, as amended, or any successor or consolidating statute, and references in this Deed to any section of the Companies Act shall be read as references to the corresponding provision of any such amending, succeeding or consolidating statute.

(d) "Company" means Trinseo PLC, public limited company incorporated under the laws of Ireland.

(e) "Corporate Status" describes the status of a person by reason of such person's past, present or future service as a director, officer, employee, fiduciary, trustee, or agent of the Company or any of its subsidiaries (including, without limitation, one who serves at the request of the Company as a director, officer, employee, fiduciary, trustee or agent of any other Trinseo Entity).

(f) "Determination" means a determination that either (x) there is a reasonable basis for the conclusion that indemnification of Indemnitee is proper in the circumstances because Indemnitee met a particular standard of conduct (a "Favorable Determination") or (y) there is no reasonable basis for the conclusion that indemnification of Indemnitee is proper in the circumstances because Indemnitee met a particular standard of conduct (an "Adverse Determination"). An Adverse Determination shall include the decision that a Determination was required in connection with indemnification and the decision as to the applicable standard of conduct.

(g) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee and does not otherwise have an interest materially adverse to any interest of the Indemnitee.

(h) "Expenses" shall mean all direct and indirect costs, fees and expenses of any type or nature whatsoever and shall specifically include, without limitation, all reasonable attorneys' fees, retainers, court costs, transcript costs, fees and costs of experts, witness fees and costs, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Deed, ERISA excise taxes and penalties, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness, in, or otherwise participating in, a Proceeding or an appeal resulting from a Proceeding, including, but not limited to, the premium for appeal bonds, attachment bonds or similar bonds and all interest, assessments and other charges paid or payable in connection with or in respect of any such Expenses, and shall also specifically include, without limitation, all reasonable attorneys' fees and all other expenses incurred by or on behalf of Indemnitee in connection with preparing and submitting any requests or statements for indemnification, advancement, contribution or any other right provided by this Deed. Expenses, however, shall not include amounts of judgments or fines against Indemnitee.

(i) “Trinseo Entity” means the Company and any of its respective subsidiaries and any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise with respect to which Indemnitee serves as a director, officer, employee, partner, representative, fiduciary, trustee, or agent, or in any similar capacity, at the request of the Company.

(j) “Independent Counsel” means, at any time, any law firm, or a member of a law firm, that (a) is experienced in matters of company law and (b) is not, at such time, or has not been in the five years prior to such time, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Deed, or of other indemnities under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Deed. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Deed or its engagement pursuant hereto.

(k) “Proceeding” includes any actual, threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation (formal or informal), inquiry, administrative hearing or any other actual, threatened, pending or completed proceeding, whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative in nature, in which Indemnitee was, is, may be or will be involved as a party, witness or otherwise, by reason of Indemnitee’s Corporate Status or by reason of any action taken by Indemnitee or of any inaction on Indemnitee’s part while acting as director, officer, employees, fiduciary, trustee or agent of the Company (in each case whether or not he is acting or serving in any such capacity or has such status at the time any liability or expense is incurred for which indemnification or advancement of Expenses can be provided under this Deed). If the Indemnitee believes in good faith that a given situation may lead to or culminate in the institution of a Proceeding, this shall be considered a Proceeding under this paragraph.

16. Construction. Whenever required by the context, as used in this Deed the singular number shall include the plural, the plural shall include the singular, and all words herein in any gender shall be deemed to include (as appropriate) the masculine, feminine and neuter genders.

17. Reliance. The Company expressly confirms and agrees that it has entered into this Deed and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director and/or an officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Deed in serving as a director and/or an officer of the Company.

18. Modification and Waiver. No supplement, modification or amendment of this Deed shall be binding unless executed in a writing identified as such by all of the parties hereto. Except as otherwise expressly provided herein, the rights of a party hereunder (including the right to enforce the obligations hereunder of the other parties) may be waived only with the written consent of such party, and no waiver of any of the provisions of this Deed shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

19. Notice Mechanics. All notices, requests, demands or other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee to:

[]

[]

[]

(b) If to the Company, to:

c/o Trinseo PLC
1000 Chesterbrook Boulevard
Suite 300
Berwyn, PA 19312
Attn: Legal Department

or to such other address as may have been furnished (in the manner prescribed above) as follows: (a) in the case of a change in address for notices to Indemnitee, furnished by Indemnitee to the Company and (b) in the case of a change in address for notices to the Company, furnished by the Company to Indemnitee.

20. Governing Law; Submission to Jurisdiction. This Deed and the legal relations among the parties shall, to the fullest extent permitted by law, be governed by, and construed and enforced in accordance with, the laws of Ireland. [The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Deed shall be brought only in the courts of Ireland, and not in any other state or federal court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Irish courts for purposes of any action or proceeding arising out of or in connection with this Deed, (iii) waive any objection to the laying of venue of any such action or proceeding in the Irish courts, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Irish courts has been brought in an improper or otherwise inconvenient forum.

21. Headings. The headings of the paragraphs of this Deed are inserted for convenience only and shall not be deemed to constitute part of this Deed or to affect the construction thereof.

22. Counterparts. This Deed may be executed in one or more counterparts, each of which when executed and delivered shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Deed.

23. Limitation of Indemnification. The terms of this Deed shall have effect to the fullest extent permitted by applicable law, but shall not extend to any matter which would render them void pursuant to applicable law (including, without limitation, the provisions of section 235 of the Companies Act), provided however, that, to the extent Irish applicable law changes after the date of this Deed so that the Company may, under such law, at the applicable time, indemnify the Indemnitee to an extent greater than provided in this Deed (as a result of the restrictions contained herein or current law), the Company shall indemnify the Indemnitee to the fullest extent permitted under applicable law at such time, as so changed.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Deed on the day and year first above written.

**The common seal of
TRINSEO PLC
was affixed to this deed and this deed was delivered in
the presence of:**

Director

Signed and delivered as a Deed by:

Name:
Date:

Witness name:

TRINSEO EUROPE GMBH

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement"), dated as of October 1, 2021, is among Trinseo Europe GmbH, a Swiss limited liability company (Gesellschaft mit beschränkter Haftung) (the "Company"), and Andre Lanning of Seestrasse 79C 8800 Thalwil, Switzerland (the "Executive"); which amends and restates the previous employment agreement entered into between the parties.

WITNESSETH

WHEREAS, the Company desires to continue to employ the Executive as Senior Vice President, Corporate Development & Marketing Communications of the Company and to pay all of the Executive's compensation and other benefits described in this Agreement; and

WHEREAS, the Company and the Executive desire to update the terms and conditions of such employment by entering into this Agreement which shall define the terms of the Executive's employment with the Company.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. POSITION AND DUTIES.

(a) During the Employment Term (as defined in Section 2 hereof), the Executive shall serve as Senior Vice President, Corporate Development & Marketing Communications of the Company and its ultimate parent company, Trinseo S.A. ("Parent"). In this capacity, the Executive shall have the duties, authorities and responsibilities commensurate with the duties, authorities and responsibilities of persons in similar capacities in similarly sized companies, and such other executive duties, authorities and responsibilities as may reasonably be assigned to the Executive that are not inconsistent with the Executive's position as Senior Vice President, Corporate Development & Marketing Communications of the Company and the Parent. The Executive's principal place of employment with the Company shall be in Horgen, Switzerland, or such other location in Switzerland within 75 kilometers from Horgen as the Company may designate. However, the Executive is aware and accepts that he/she will be required to travel frequently for business purposes. The Executive shall report directly to the President and Chief Executive Officer or a named executive officer of the Parent.

(b) During the Employment Term, the Executive shall devote all of the Executive's business time, energy, business judgment, knowledge and skill and the Executive's reasonable best efforts to the performance of the Executive's duties with the Company and the Parent, provided that the foregoing shall not prevent the Executive from (i) serving on the boards of directors of non-profit organizations and, with the prior written approval of the Board of the Parent (the "Board"), other for profit companies, (ii) participating in charitable, civic, educational, professional, community or industry affairs, and (iii) managing the Executive's passive personal investments so long as such

activities in the aggregate do not violate Section 10 hereof, interfere or conflict with the Executive's duties hereunder or create a business or fiduciary conflict. Any overtime worked by the Executive is fully compensated by the Base Salary (as defined in Section 3).

2. EMPLOYMENT TERM. The Company agrees to employ the Executive pursuant to the terms of this Agreement commencing on the date written above (the "Effective Date"). Either party may terminate this Agreement by giving six months' advance written notice. Notwithstanding the foregoing, the Executive's employment hereunder may be earlier terminated in accordance with Section 6 hereof, subject to Section 7 hereof. The period of time between the Effective Date and the termination of the Executive's employment hereunder shall be referred to herein as the "Employment Term." No trial period shall apply to the employment. This Agreement may be conditioned on any, or all of, the Executive: (i) passing a background check; (ii) passing a screening for illegal and controlled substances; and (iii) confirming employment eligibility; and (iv) providing the Company with the results of a recent physical examination or other evidence showing the absence of any conditions that would preclude the Executive from fulfilling the obligations contemplated in this Agreement.

3. BASE SALARY. During the Employment Term, the Company agrees to pay the Executive an annual base salary of not less than 458,192 CHF (Swiss francs) gross per annum, payable in accordance with the regular payroll practices of the Company, but not less frequently than monthly. The Executive's base salary shall be subject to annual review by the Board (or a committee thereof) during the first ninety (90) days of each calendar year, and the base salary in respect of such calendar year may be increased above, but not decreased below, its level for the preceding calendar year, by the Board. The base salary as determined herein and adjusted from time to time shall constitute "Base Salary" for purposes of this Agreement.

4. ANNUAL BONUS.

(a) During the Employment Term, the Executive shall be eligible for an annual discretionary cash performance bonus (an "Annual Bonus") in respect of each calendar year that ends during the Employment Term, to the extent earned based on performance against objective performance criteria. The performance criteria for any particular calendar year shall be determined in good faith by the Board, no later than ninety (90) days after the commencement of such calendar year. The Executive's targeted Annual Bonus for a calendar year shall equal 50% of the Executive's Base Salary for such calendar year (the "Target Bonus") if target levels of performance for such year are achieved, with greater or lesser amounts (including zero) paid for performance above and below target (such greater and lesser amounts to be determined by a formula established by the Board for such year when it establishes the targets and performance criteria for such year); provided that the Executive's maximum Annual Bonus for any calendar year during the Employment Term shall equal 200% of the Target Bonus for such calendar year.

(b) The Executive's Annual Bonus for a calendar year shall be determined by, and is subject to the discretion of, the Board after the end of the applicable calendar year based on the level of achievement of the applicable performance criteria, and shall be paid to the Executive in the calendar year following the calendar year to which such Annual Bonus relates at the same time annual bonuses are paid to other senior executives of the Company, subject to continued employment at the time of payment (except as otherwise provided in Section 7 hereof).

5. EMPLOYEE BENEFITS.

(a) **BENEFIT PLANS.** During the Employment Term, the Executive shall be entitled to participate in any employee benefit plan that the Company has adopted or may adopt, maintain or contribute to and which benefit any of the senior executives of the Company, on a basis no less favorable than that applicable to any such senior executives, subject to satisfying the applicable eligibility requirements, except to the extent such plans are duplicative of the benefits otherwise provided hereunder. The Executive's participation in any such employee benefit plan shall be subject to the terms of the applicable plan documents and generally applicable Company policies. Notwithstanding the foregoing, the Company may modify or terminate any employee benefit plan at any time, if and to the extent allowed pursuant to the terms of such plan, provided that any such amendment may have no more adverse effect on

the Executive than on any other participant in such plan. The Company may provide perquisites to the Executive at the discretion of the Board.

(b) **VACATIONS.** During the Employment Term, the Executive shall be entitled to paid vacation in accordance with the Company's policy on accrual and use applicable to employees as in effect from time to time, currently calculated as twenty-seven (27) days annually for the Executive.

(c) **BUSINESS EXPENSES.** Upon presentation of reasonable substantiation and documentation as the Company may specify from time to time, the Executive shall be reimbursed in accordance with the Company's expense reimbursement policies as in effect from time to time, for all reasonable out-of-pocket business expenses incurred and paid by the Executive during the Employment Term and in connection with the performance of the Executive's duties hereunder.

6. TERMINATION. Notwithstanding Section 2 above, the Executive's employment and the Employment Term shall terminate on the first of the following to occur:

(a) **DEATH.** Automatically upon the date of death of the Executive.

(b) **CAUSE.** Immediately upon written notice by the Company to the Executive of a termination for cause ("*wichtiger Grund*") as provided for in Swiss employment law ("Cause"). For the sake of clarity, to the extent not already provided for in Swiss law, Cause shall also include the following behaviors: (i) continued failure to follow the lawful and reasonable directives of the Board after written notice from the Board and a period of no less than thirty (30) days to cure such failure; (ii) willful misconduct or gross negligence in the performance of the Executive's duties; (iii) conviction of, or pleading of guilty or nolo contendere to, a non-vehicular felony; (iv) material violation of a material written Company or Parent policy that is not cured within fifteen (15) days of written notice from the Board; (v) performance of any material act of theft, embezzlement, fraud or misappropriation of or in respect of the Company's property; (vi) continued failure to cooperate in any audit or investigation of financial or business practices of the Company or Parent after written request for cooperation from the Board and a period of no less than ten (10) days to cure such failure; (vii) commission of any criminal act or other act involving moral turpitude, sexual harassment or drug violations (after an independent investigation concludes that such acts occurred and Executive has been presented with opportunity to participate in the investigation); (viii) commission of any willful act which brings public disrepute, contempt, scandal, or ridicule, or which shocks or offends the community or any group or class thereof, or which reflects unfavorably upon Company or Parent and, as a result of such act or involvement, reduces the commercial value of Company's or Parent's association with Executive; (ix) willful actions (other than legal action or arbitration arising out of this Agreement) or making or authorizing statements in derogation of Company or Parent or their products and such actions or statements become public during the Term that result in damage to the business of the Company; or (x) breach of any of the restrictive covenants set forth in Section 10 hereof or in any other written agreement between the Executive and the Company and/or its Affiliate that causes material and demonstrable harm to the Company or Parent and that is not cured within fifteen (15) days of written notice from the Board.

For purposes of this Section 6(b), no act, or failure to act, on the part of the Executive shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company.

7. CONSEQUENCES OF TERMINATION.

(a) **DEATH.** In the event that the Executive's employment and the Employment Term ends on account of the Executive's death, the Executive or the Executive's estate, as the case may be, shall be entitled to the following (with the amounts due under Sections 7(a)(i) through 7(a)(v) hereof to be paid, unless otherwise provided below, within sixty (60) days following termination of employment, or such earlier date as may be required by applicable law):

(i) any unpaid Base Salary through the date of termination;

(ii) any Annual Bonus earned but unpaid with respect to the calendar year ending on or preceding the date of termination;

(iii) an amount equal to the pro-rata portion of the Executive's Target Bonus for the calendar year of termination (determined by multiplying the Target Bonus for the year of termination by a fraction, the numerator of which is the number of days during the calendar year of termination that the Executive is employed by the Company and the denominator of which is 365);

(iv) reimbursement for any unreimbursed business expenses incurred through the date of termination;

(v) payment in respect of any accrued but unused vacation time in accordance with Company policy;

(vi) all other payments, benefits or fringe benefits to which the Executive shall be entitled under the terms of any applicable compensation arrangement or benefit, or fringe benefit plan or program or grant or this Agreement (collectively, Sections 7(a)(i) through 7(a)(vi) hereof shall be hereafter referred to as the "Accrued Benefits") and

(vii) if the Executive is survived by a spouse, a registered partner, children who are minors or, in the absence of such heirs, other persons to whom he/she had a duty to provide support, the Base Salary for one month or, if the Executive had completed more than five years of service, for two months;

(b) TERMINATION FOR CAUSE BY THE COMPANY; TERMINATION BY THE EXECUTIVE. If the Executive's employment is terminated (x) by the Company for Cause or (y) by the Executive for whatsoever reason, the Company shall pay to the Executive the Accrued Benefits; except for Section 7(a)(iii). If the Executive terminates the Agreement, then the Company may elect to: (i) accelerate the Executive's termination date which shall not be considered a termination by the Company without Cause; and (ii) transition Executive's duties and responsibilities to others during the notice period. However, in the event that the Executive terminates the Agreement and the Company elects to accelerate the Executive's termination date, then the Executive will continue to receive Base Salary through the expiration of the notice period.

(c) TERMINATION WITHOUT CAUSE. If the Executive's employment by the Company is terminated by the Company other than for Cause, the Company shall pay or provide the Executive with the following, subject to the provisions of Section 24 hereof:

(i) the Accrued Benefits;

(ii) subject to the Executive's not engaging in a Material Covenant Violation as defined hereinafter or any other breach of Section 10 hereof that is not cured within fifteen (15) days of written notice from the Board (a "Material Cooperation Violation"), the Executive shall be entitled to an amount equal to one of the following (the applicable amount determined below to be referred to herein as the "Severance Amount"):

an amount equal to one and one-half (1.5) multiplied by the sum of the Executive's then current annual Base Salary and Target Bonus for the year of termination, paid in equal monthly installments for a period of eighteen (18) months following such termination. Payments and benefits provided in this Section 7(c) shall be offset by Base Salary payments made during (i) any notice period as defined in Section 2 where the Executive has been relieved of responsibilities, and (ii) any monthly extension that corresponds to the number of months by which the notice period is extended based art. 336c CO, provided that the aggregate severance benefits payable hereunder shall be no less than as required by applicable law.

A “Material Covenant Violation” shall mean a breach of any of the restrictive covenants set forth in Section 10 hereof or in any other written agreement between the Executive and the Company and/or any of the Company’s or Parent’s direct or indirectly controlled subsidiaries (each an “Affiliate”) that causes material and demonstrable harm to the Company and/or any Affiliate.

(d) CHANGE IN CONTROL.

(i) This Section 7(d) shall apply if the Executive’s employment by the Company is terminated (x) by the Company other than for Cause, or (y) by the Executive for good reason as defined in art. 340c para 2 CO, in either case, during the two (2)-year period commencing upon a Change in Control. Subject to the Executive’s not engaging in a Material Covenant Violation or a Material Cooperation Violation, upon a termination described in the preceding sentence, the Executive shall receive the benefits set forth in Section 7(c) hereof, except that in lieu of receiving the Severance Amount in installments as contemplated under Section 7(c)(ii) hereof, the Executive shall receive a lump sum payment equal to the Severance Amount on the date of such termination.

(ii) For purposes of this Agreement, the term “Change in Control” shall mean the consummation off the first transaction following the Effective Date, whether in a single transaction or in a series of related transactions, in which any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the U.S. Securities Exchange Act of 1934, as amended) (A) acquires (whether by merger, consolidation, or transfer or issuance of equity interests or otherwise) equity interests of the Parent (or any surviving or resulting entity) representing more than fifty percent (50%) of the outstanding voting securities or economic value of the Parent (or any surviving or resulting entity), or (B) acquires assets constituting all or substantially all (more than eighty percent (80%)) of the assets of the Parent and its subsidiaries (as determined on a consolidated basis).

8. OTHER OBLIGATIONS. Upon any termination of the Executive’s employment with the Company and at any time before at the request of the Board, the Executive shall promptly resign from any other position as an officer, director or fiduciary of the Company, Parent and any Affiliate.

9. RELEASE; NO MITIGATION; NO SET-OFF. Any and all amounts payable and benefits or additional rights provided pursuant to this Agreement beyond the Accrued Benefits shall only be payable if the Executive signs and delivers to the Company a general release of claims in favor of the Company in substantially the form of Exhibit A attached hereto not earlier than 1 month and 1 day, but not later than 60 days after his employment has ended and does not revoke such General Release. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement, nor shall the amount of any payment hereunder be reduced by any compensation earned by the Executive as a result of employment by a subsequent employer. The Company’s obligations to pay the Executive amounts hereunder shall not be subject to set-off, counterclaim or recoupment of amounts owed by the Executive to the Company or any Affiliates.

10. RESTRICTIVE COVENANTS.

(a) **CONFIDENTIALITY.** During the course of the Executive’s employment with the Company, the Executive will learn confidential information regarding the Company. The Executive agrees that the Executive shall not, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of the Executive’s assigned duties and for the benefit of the Company, either during the period of the Executive’s employment or at any time thereafter, any business and technical information or trade secrets, nonpublic, proprietary or confidential information, knowledge or data relating to the Company or any Affiliate, or received from third parties subject to a duty on the Company’s or any Affiliates’ part to maintain the confidentiality of such information and to use it only for certain limited purposes, in each case which shall have been obtained by the Executive during the Executive’s employment by the Company. The foregoing shall not apply to information that (i) was known to the public prior to its disclosure to the Executive; (ii) becomes generally known to the public subsequent to disclosure to the Executive through no wrongful act of the Executive or any representative of the Executive; or (iii) the Executive is required to disclose by applicable law, regulation or legal process (provided that the Executive provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its

expense in seeking a protective order or other appropriate protection of such information). The Executive shall keep the terms and conditions of this Agreement strictly confidential, and the Executive hereby agrees not to disclose the terms and conditions hereof to any person or entity, other than immediate family members, legal advisors or personal tax or financial advisors, or prospective future employers solely for the purpose of disclosing the limitations on the Executive's conduct imposed by the provisions of this Section 10 who, in each case, shall be instructed by the Executive to keep such information confidential.

(b) **NONCOMPETITION.** The Executive acknowledges that the Executive performs services of a unique nature for the Company that are irreplaceable, and that the Executive's performance of such services to a competing business will result in irreparable harm to the Company. Accordingly, during the Executive's employment hereunder and for a period of twenty-four (24) months (this period referred to herein as the "Restricted Period"), the Executive agrees that the Executive will not, directly or indirectly, own, manage, operate, control, be employed by (whether as an employee, consultant, independent contractor or otherwise, and whether or not for compensation) or render services to any person, firm, corporation or other entity, in whatever form, engaged in competition with any material business of the Company or any Affiliate or in any other material business in which the Company or any Affiliate has taken material steps and has material plans, on or prior to the date of termination, to be engaged in on or after such date, in any locale of any country in which the Company or any Affiliate conducts business. Notwithstanding the foregoing, nothing herein shall prohibit the Executive from being a passive owner of not more than one percent (1%) of the equity securities of a publicly traded corporation engaged in a business that is in competition with the Company or any of its affiliates, so long as the Executive has no active participation in the business of such corporation.

(c) **NONSOLICITATION; NONINTERFERENCE.** During the Executive's employment with the Company and for the Restricted Period, the Executive agrees that the Executive shall not, except in the furtherance of the Executive's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, (i) solicit, aid or induce any customer of the Company or an Affiliate to purchase goods or services then sold by the Company or any Affiliate from another person, firm, corporation or other entity or assist or aid any other persons or entity in identifying or soliciting any such customer, (ii) solicit, aid or induce any employee, representative or agent of the Company or any Affiliate to leave such employment or retention or, in the case of employees, to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or any Affiliate, or hire or retain any such employee, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, or (iii) interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company or any Affiliate and any of their respective vendors, joint ventures or licensors. An employee, representative or agent shall be deemed covered by this Section 10(c) while so employed or retained and for a period of six (6) months thereafter. Notwithstanding the foregoing, the provisions of this Section 10(c) shall not be violated by general advertising or solicitation not specifically targeted at Company or Affiliate-related individuals or entities.

(d) **INTELLECTUAL PROPERTY RIGHTS.** (i) The rights to inventions and designs made or conceived by the Executive individually or jointly while performing his employment activity and in performance of his contractual duties belong to the Company regardless of whether they are legally protected.

(ii) The rights to inventions and designs, made or conceived by the Executive while performing his employment activity, but not during the performance of his contractual duties, shall be assigned by the Executive to the Company as of their inception, regardless of whether they are legally protected. The Executive is obliged to inform the Company in writing of any such inventions or designs. The Company is entitled to grant the rights to these inventions and designs to the Executive. Should the Company retain such rights the Executive will be entitled to a special reasonable compensation.

(iii) Other rights to any work products and any know-how, which the Executive creates or in which creation he participates while performing his employment activity belong exclusively to the Company. To the extent that work products (e.g., software, reports, documentations) are protected by copyrights, the Executive hereby assigns to the Company any and all rights related to such work products, particularly the copyright and any and all rights of use, including the rights of production and duplication, of publishing, to use, to license or to sell, to distribute over data or online media, to modify and develop further as well to develop new products on the basis of the work product of the Executive or on the basis of parts of such work product.

(e) **RETURN OF COMPANY PROPERTY.** On the date of the Executive's termination of employment with the Company for any reason (or at any time prior thereto at the Company's request), the Executive shall return all property belonging to the Company or any Affiliate (including, but not limited to, any Company-provided laptops, computers, cell phones, wireless electronic mail devices or other equipment, or documents and property belonging to the Company). Any retention right is excluded.

(f) **REASONABLENESS OF COVENANTS.** In signing this Agreement, the Executive gives the Company assurance that the Executive has carefully read and considered all of the terms and conditions of this Agreement, including the restraints imposed under this Section 10. The Executive agrees that these restraints are necessary for the reasonable and proper protection of the Company and the Company and any Affiliate's trade secrets and confidential information and that each and every one of the restraints is reasonable in respect to subject matter, length of time and geographic area, and that these restraints, individually or in the aggregate, will not prevent the Executive from obtaining other suitable employment during the period in which the Executive is bound by the restraints. The Executive acknowledges that each of these covenants has a unique, very substantial and immeasurable value to the Company and its Affiliates and that the Executive has sufficient assets and skills to provide a livelihood while such covenants remain in force. It is also agreed that the Affiliates will have the right to enforce all of the Executive's obligations to such Affiliates under this Agreement, including without limitation pursuant to this Section 10.

(g) **REFORMATION.** If it is determined by a court of competent jurisdiction in any state that any restriction in this Section 10 is excessive in duration or scope or is unreasonable or unenforceable under applicable law, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by the laws of that state.

(h) **SURVIVAL OF PROVISIONS.** The obligations contained in Sections 10 and 11 hereof shall survive the termination or expiration of the Employment Term and the Executive's employment with the Company and shall be fully enforceable thereafter.

11. COOPERATION. Upon the receipt of reasonable notice from the Company (including through outside counsel), the Executive agrees that while employed by the Company and thereafter (to the extent it does not materially interfere with the Executive's employment or other business activities after employment by the Company), the Executive will respond and provide information with regard to matters in which the Executive has knowledge as a result of the Executive's employment with the Company, and will provide reasonable assistance to the Company, the Affiliates and their respective representatives in defense of all claims that may be made against the Company or the Affiliates, and will assist the Company and the Affiliates in the prosecution of all claims that may be made by the Company or the Affiliates, to the extent that such claims may relate to the period of the Executive's employment with the Company. The Executive also agrees to promptly inform the Board (to the extent that the Executive is legally permitted to do so) if the Executive is asked to assist in any investigation of the Company or the Affiliates (or their actions), regardless of whether a lawsuit or other proceeding has then been filed against the Company or Affiliates with respect to such investigation, and shall not do so unless legally required. Upon presentation of appropriate documentation, the Company shall pay or reimburse the Executive for all reasonable out-of-pocket travel, duplicating, telephonic, counsel and other expenses incurred by the Executive in complying with this Section 11.

12. EQUITABLE RELIEF AND OTHER REMEDIES. The Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Section 10 hereof or Section 11 hereof would be inadequate and, in recognition of this fact, the Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company shall be entitled to obtain equitable relief in the form of specific performance (*Realerfüllung*), a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available. In the event of a Material Covenant Violation or a Material Cooperation Violation by the Executive, any severance being paid to the Executive pursuant to this Agreement or otherwise shall immediately cease unless otherwise prohibited by applicable law. In case of a breach by the Executive of any of the covenants contained in Section 10 or Section 11 hereof (i) any Severance Amount payable by the Company, if any, shall be forfeited and (ii) the Executive shall pay to the Company a contractual penalty in an amount equal to (i) the Executive's last annual Base Salary for each individual breach of Sections 10(a), 10(b) and 10(c)(i), (ii) one twelfth (1/12th) of the Executive's last annual Base salary for each individual breach of Sections

10(c)(ii), 10(c)(iii) and 11 and CHF 10,000 for each individual breach of Sections 10(e). In addition, the Executive shall have to compensate the Company for any damages and financial losses directly arising out of or relating to such breach. The Executive cannot disburden himself from the aforementioned prohibitions by the payment of the contractual penalty and/or damages.

13. NO ASSIGNMENTS. This Agreement is personal to each of the parties hereto. Except as provided in this Section 13 hereof, no party may assign or delegate any rights or obligations hereunder without first obtaining the written consent of the other party hereto. The Company shall assign this Agreement to any successor to all or substantially all of the business and/or assets of the Company or Parent, provided that the Company shall require such successor to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place, and provided that the Company agrees to perform such obligations if such successor fails to do so in a timely manner. As used in this Agreement, "Company" shall mean the Company and any successor to all or substantially all of its business and/or assets, which assumes and agrees to perform the duties and obligations of the Company under this Agreement by operation of law or otherwise.

14. NOTICES. For purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given (a) on the date of delivery, if delivered by hand, (b) on the date of transmission, if delivered by confirmed facsimile or electronic mail, (c) on the first business day following the date of deposit, if delivered by guaranteed overnight delivery service, or (d) on the fourth business day following the date delivered or mailed with a national postal carrier by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

At the address (or to the facsimile number) shown
in the books and records of the Company.

If to the Company:

Trinseo Europe GmbH
c/o Trinseo LLC
Chief Legal Officer
1000 Chesterbrook Boulevard, Suite 300
Berwyn, Pennsylvania 19312

And

With a copy (which shall not constitute notice hereunder) to:

Trinseo Europe GmbH

Chief Human Resources Officer
Zugerstrasse 231
Horgen, CH-8810, Switzerland

or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

15. SECTION HEADINGS; INCONSISTENCY. The section headings used in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement. In the event of any inconsistency between the terms of this Agreement (including the Exhibits hereto) and any form, award, plan or policy of the Company, the terms of this Agreement shall govern and control.

16. SEVERABILITY. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof which shall be replaced by such valid and enforceable provision that best reflects the Parties original intent.

17. SUPREMECY & COUNTERPARTS. This Agreement supersedes and replaces all prior agreements and understandings, whether oral or written, in connection with the subject matter hereof; including, but not limited to, the Employment Contract having an effective date of April 1, 2018. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

18. INDEMNIFICATION. The Company hereby agrees to indemnify the Executive and hold the Executive harmless to the fullest extent allowable under applicable law against and in respect of any and all actions, suits, proceedings, claims, demands, judgments, costs, expenses (including attorney's fees, and the advancement of such fees subject to any legally required repayment undertaking), losses, and damages resulting from the Executive's performance of the Executive's duties and obligations with the Company. This obligation shall survive the termination of the Executive's employment with the Company.

19. LIABILITY INSURANCE. The Company shall cover the Executive under directors' and officers' liability insurance both during and, while potential liability exists, after the Employment Term in the same amount and to the same extent as the Company covers its other officers and directors.

20. GOVERNING LAW. This Agreement, the rights and obligations of the parties hereto, and any claims or disputes relating thereto, shall exclusively be governed by and construed in accordance with the substantive laws of Switzerland.

21. DISPUTE RESOLUTION. Each of the parties agrees that any dispute between the parties shall be resolved only in the courts of Switzerland, in accordance with art. 34 of the Swiss Code of Civil Procedure.

22. MISCELLANEOUS. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and such officer or director as may be designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. This Agreement together with all exhibits hereto sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes any and all prior agreements or understandings between the Executive and the Company with respect to the subject matter hereof, whether written or oral. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

23. REPRESENTATIONS; ACTIONS BY PRIOR EMPLOYERS. The Executive represents and warrants to the Company that (a) the Executive has used the Executive's best efforts to provide the Company with (i) each agreement with a predecessor employer which may have any bearing on the Executive's legal right to enter into this Agreement and to perform all of the obligations on the Executive's part to be performed hereunder in accordance with its terms, or (ii) a summary of the applicable provisions of each such agreement which the Executive may not provide to the Company due to an existing confidentiality obligation, and (b) other than the agreements referenced in the preceding clause (a), the Executive is not a party to any agreement or understanding, whether written or oral, and is not subject to any restriction (including, without limitation, any non-competition restriction from a prior employer), which, in either case, could prevent the Executive from entering into this Agreement or performing all of the Executive's duties and obligations hereunder. The Executive understands that the foregoing representations are a material inducement to the Company entering into this Agreement, and to the extent that either of such representations is untrue in any material respect at any time or for any reason, this Agreement shall be voidable by the Company such that the parties hereunder shall be relieved of all of their respective duties and obligations hereunder; provided that any termination of the Executive's employment resulting from the Company exercising its rights pursuant to this sentence shall have the same consequences, especially financial consequences, as a termination of employment by the Executive without good reason as defined in art. 340c para 2 CO. If any prior employer of the Executive, or any affiliate of any such prior employer, challenges the Executive's right to enter into this Agreement and to perform all of the Executive's obligations hereunder (whether by action against the Executive, the Company, Parent and/or an Affiliate), the Company (on behalf of itself, Parent and all Affiliates) and the Executive each agree to use their reasonable best efforts to defend against such challenge.

24. WITHHOLDING. The Company will deduct from the Employee's gross remuneration as provided for in this Agreement the applicable Employee contributions, respectively premiums to social security schemes (AHV/IV, EO, ALV), the premiums for the pension fund (BVG), as well as applicable taxes, if any in accordance with the respective laws, regulations and plan documents.

25. FURTHER ASSURANCES. The parties hereto shall cooperate with each other and do, or procure the doing of, all acts and things, and execute, or procure the execution of, all documents, as may reasonably be required to give full effect to this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

Trinseo Europe GmbH	Executive
Signature #1: /s/ Alice Heezen	Signature: /s/ Andre Lanning
Name: Alice Heezen	Name: Andre Lanning
Title: Senior Vice President, Chief Human Resources Officer	
Date: 21 October 2021	Date: 10/19/2021
Signature #2: /s/ James Mingyu Ni	
Name: James Mingyu Ni	
Title: Senior Vice President Latex Binders	
Date: 21 October 2021	

EXHIBIT A

GENERAL RELEASE

I, CANDIDATE NAME, in consideration of and subject to the performance by Trinseo Europe GmbH. (together with its Affiliates, the "Company"), of its obligations under the Employment Agreement, dated as of [●] (the "Agreement"), do hereby release and forever discharge as of the date hereof the Company and its respective Affiliates and all present, former and future directors, officers, employees, successors and assigns of the Company and its Affiliates and direct or indirect owners (collectively, the "Released Parties") to the extent provided below. The Released Parties are intended third-party beneficiaries of this General Release, and this General Release may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such Released Parties hereunder. Terms used herein but not otherwise defined shall have the meanings given to them in the Agreement.

1. I understand that any payments or benefits paid or granted to me under Section 7 of the Agreement represent, in part, consideration for signing this General Release and are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive certain of the payments and benefits specified in Section 7 of the Agreement. Such payments and benefits will not be considered compensation for purposes of any employee benefit plan, program, policy or arrangement maintained or hereafter established by the Company or its affiliates.

2. Except as provided in paragraphs 1 above and 5 below and except for the provisions of the Agreement which expressly survive the termination of my employment with the Company, I knowingly and voluntarily (for myself, my heirs, executors, administrators and assigns) release and forever discharge the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys' fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company or any of the Released Parties which I, my spouse, or any of my heirs, executors, administrators or assigns, may have, which arise out of or are connected with my employment with, or my separation or termination from, the Company (all of the foregoing collectively referred to herein as the "Claims").

3. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action, or other matter covered by paragraph 2 above.

4. I agree that this General Release does not waive or release any rights or claims that I may have which arise after the date I execute this General Release. I acknowledge and agree that my separation from employment with the Company in compliance with the terms of the Agreement shall not serve as the basis for any claim or action.

5. I agree that I hereby waive all rights to sue or obtain equitable, remedial or punitive relief from any or all Released Parties of any kind whatsoever in respect of any Claim, including, without limitation, reinstatement, back pay, front pay, and any form of injunctive relief. Notwithstanding the above, I further acknowledge that I am not waiving and am not being required to waive any right that cannot be waived under law at the time I sign this General Release, including the right to file an administrative charge or participate in an administrative investigation or proceeding; provided, however, that I disclaim and waive any right to share or participate in any monetary award resulting from the prosecution of such charge or investigation or proceeding. Additionally, I am not waiving any right to the Accrued Benefits or indemnity.

6. In signing this General Release, I acknowledge and intend that it shall be effective as a bar to each and every one of the Claims hereinabove mentioned or implied. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state or local statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims

hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to the terms of the Agreement. I further agree that in the event I should bring a Claim seeking damages against the Company, or in the event I should seek to recover against the Company in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims to the maximum extent permitted by law. I further agree that I am not aware of any pending claim of the type described in paragraph 2 above as of the execution of this General Release.

7. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by the Company, any Released Party or myself of any improper or unlawful conduct.

8. I agree that if I violate this General Release by suing the Company or the other Released Parties, I will pay all costs and expenses of defending against the suit incurred by the Released Parties, including reasonable attorneys' fees.

9. I agree that this General Release and the Agreement are confidential and agree not to disclose any information regarding the terms of this General Release or the Agreement, except to my immediate family and any tax, legal or other counsel I have consulted regarding the meaning or effect hereof or as required by law, and I will instruct each of the foregoing not to disclose the same to anyone. The Company agrees to disclose any such information only to any tax, legal or other counsel of the Company as required by law.

10. Any non-disclosure provision in this General Release does not prohibit or restrict me (or my attorney) from responding to any inquiry about this General Release or its underlying facts and circumstances by the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), any other self-regulatory organization or any governmental entity.

11. I represent that I am not aware of any claim by me other than the claims that are released by this General Release. I acknowledge that I may hereafter discover claims or facts in addition to or different than those which I now know or believe to exist with respect to the subject matter of the release set forth in paragraph 2 above and which, if known or suspected at the time of entering into this General Release, may have materially affected this General Release and my decision to enter into it.

12. Notwithstanding anything in this General Release to the contrary, this General Release shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of the Agreement after the date hereof.

13. Whenever possible, each provision of this General Release shall be interpreted in, such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein and if possible under applicable law, replaced by such valid, legal and enforceable provision that best reflects the intent of the invalid, illegal or unenforceable provision.

14. This General release is subject to the substantive laws of Switzerland.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

1. I HAVE READ IT CAREFULLY;
2. I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS;

3. I VOLUNTARILY CONSENT TO EVERYTHING IN IT;
4. I HAVE SIGNED THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY; AND
5. I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE COMPANY AND BY ME.

SIGNED: _____

DATED: _____

Name:	/SParticipantName\$/
Number of Restricted Stock Units subject to Award:	/SAwardsGranted\$/
Date of Grant:	/SGrantDate\$/

TRINSEO S.A.

AMENDED & RESTATED 2014 OMNIBUS INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT

This agreement (this "Agreement") evidences an award (the "Award") of restricted stock units (the "Restricted Stock Units") granted by Trinseo S.A. (the "Company") to the undersigned (the "Grantee") pursuant to the Trinseo S.A. 2014 Omnibus Incentive Plan (as amended from time to time, the "Plan"), which is incorporated herein by reference.

1. Grant of Restricted Stock Units. On the date of grant set forth above (the "Grant Date") the Company granted to the Grantee an award consisting of the right to receive, on the terms provided herein and in the Plan, one share of Stock with respect to each Restricted Stock Unit forming part of the Award, in each case, subject to adjustment pursuant to Section 7 of the Plan in respect of transactions occurring after the date hereof.

The grant of the Restricted Stock Units is a one-time benefit and does not create any contractual or other right for the Grantee to receive a grant of restricted stock units or benefits in lieu of restricted stock units in the future.

The Award shall not be interpreted to bestow upon the Grantee any equity interest or ownership in the Company or any Affiliate prior to the date on which the Company delivers shares of Stock to the Grantee (if any). The Grantee is not entitled to vote any shares of Stock by reason of the granting of this Award or to receive or be credited with any dividends declared and payable on any share of Stock prior to the date on which any such share is delivered to the Grantee hereunder. The Grantee shall have the rights of a shareholder only as to those shares of Stock, if any, that are delivered under this Award.

2. Meaning of Certain Terms. Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

3. Dividend Equivalents. During the period beginning on the Grant Date and ending on the date that shares of Stock are issued in settlement of vested Restricted Stock Units, the Grantee will accrue dividend equivalents on the Restricted Stock Units equal to any cash dividend or cash distribution that would have been paid on the Restricted Stock Unit had that Restricted Stock Unit been an issued and outstanding share of Stock on the record date for the dividend or distribution. Such accrued dividend equivalents (i) will vest and become payable upon the same terms and at the same time of settlement as the Restricted Stock Unit to which they relate (and will be payable with respect to any shares of Stock that are issued or that are withheld pursuant to Section 8 in order to satisfy Grantee's Tax-Related Items), (ii) will be denominated and payable solely in cash and paid in such manner as the Company deems appropriate, and (iii) will not bear or accrue interest. Dividend equivalent payments, at settlement, will be net of applicable federal, state, local

and foreign income and social insurance withholding taxes as provided in Section 8. Upon the forfeiture of the Restricted Stock Units, any accrued dividend equivalents attributable to such Restricted Stock Units will also be forfeited.

4. Vesting, etc.

- (a) The Award shall vest in full as to 100% of the Restricted Stock Units subject to the Award on the third anniversary of the Grant Date ("Vesting Date"), subject to the Grantee's continued Employment with the Company through such date. Except as provided in sections (b) and (c) below, if the Grantee's Employment with the Company terminates for any reason prior to the Vesting Date, the Award will be automatically and immediately forfeited upon such termination.
- (b) If the Grantee's Employment terminates due to his or her death or is terminated by the Company other than for Cause or due to his or her Permanent Disability, in each case, prior to the Vesting Date, the Award, to the extent then outstanding, will be treated as follows:
 - i. If the Grantee's Employment is terminated due to his or her death or by the Company due to his or her Permanent Disability, upon such termination, the Award will immediately vest in full as to the total number of Restricted Stock Units subject to the Award.
 - ii. If the Grantee's Employment is terminated by the Company other than for Cause in connection with a restructuring or redundancy, as determined by the Company, upon such termination, the Award will immediately vest in full as to the total number of Restricted Stock Units subject to the Award.
- (c) If, within the twenty-four (24)-month period following the occurrence of a Change in Control (as defined below), (A) the Grantee's Employment is terminated by the Company other than for Cause or, (B) if the Grantee is a current member of the Company's executive leadership team and is subject to an effective employment or other individual agreement with the Company that provides the Grantee with the ability to terminate his or her employment for "good reason" (with such term having the meaning ascribed thereto in the employment or other individual agreement, if any, between the Grantee and the Company for so long as such agreement is in effect), upon such termination and in lieu of the treatment provided for in Section 4(b)(ii) above, the Award, to the extent then outstanding, will immediately vest in full as to the total number of Restricted Stock Units subject to the Award.
 - i. For purposes of this Agreement, "Change in Control" means the first to occur of any of the following events:
 - 1. an event in which any "person," as such term is used in Sections 13(d) and 14(d) of the U.S. Securities Exchange Act of 1934, as amended (the "1934 Act") (other than (A) the Company, (B) any subsidiary of the Company, (C) any trustee or other fiduciary holding securities under an employee benefit plan of the Company or of any subsidiary of the Company, and (D) any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), is or becomes the "beneficial owner" (as defined in Section 13(d) of the 1934 Act), together with all affiliates and associates (as such terms are used in Rule 12b-2 of the General Rules and Regulations under the 1934 Act) of such person, directly or indirectly, of securities of the Company representing 40% or more of the combined voting power of the Company's then

outstanding securities;

2. the consummation of the merger or consolidation of the Company with any other company, other than (i) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation and (ii) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) after which no "person" "beneficially owns" (with the determination of such "beneficial ownership" on the same basis as set forth in clause (1) of this definition) securities of the Company or the surviving entity of such merger or consolidation representing 50% or more of the combined voting power of the securities of the Company or the surviving entity of such merger or consolidation; or
3. the complete liquidation of the Company or the sale or disposition by the Company of all or substantially all of the Company's assets.

Notwithstanding the foregoing, to the extent any amount constituting "nonqualified deferred compensation" subject to Section 409A would become payable under the Award by reason of a Change in Control, it shall become payable only if the event or circumstances constituting the Change in Control would also constitute a change in the ownership or effective control of the Company, or a change in the ownership of a substantial portion of the Company's assets, within the meaning of subsection (a)(2)(A)(v) of Section 409A and the Treasury Regulations thereunder.

5. Delivery of Stock. Subject to Section 9(b), the Company shall, as soon as practicable upon the vesting of the Restricted Stock Units or any portion thereof as provided in Section 4(a), (b) or (c) of this Agreement (but in no event later than thirty (30) days following the date on which such Restricted Stock Units, or any portion thereof, vest) effect delivery of the Stock with respect to such vested Restricted Stock Units, or any portion thereof, to the Grantee (or, in the event of the Grantee's death, to the Grantee's beneficiary, which for purposes hereunder shall be (a) if permitted by the Administrator, the person(s) who has been designated by the Grantee in writing in a form and manner acceptable to the Administrator to receive the Award in the event of the Grantee's death or (b) in the event no beneficiary designation has been made by the Grantee, the Grantee's estate). No Stock will be issued pursuant to this Award unless and until all legal requirements applicable to the issuance or transfer of such Stock have been complied with to the satisfaction of the Administrator, including, for the avoidance of doubt to the extent required by Luxembourg law, the payment by the Grantee to the Company of an amount in cash equal to the aggregate par value of the shares of Stock to be delivered in respect of the vested Restricted Stock Units on, or within thirty (30) days of, the vesting of the Restricted Stock Units. The actual amount the Grantee will be required to pay will be determined at the time that the Award vests based on the par value of the Company's Stock on the Vesting Date.

6. Forfeiture; Recovery of Compensation. By accepting the Award the Grantee expressly acknowledges and agrees that his or her rights (and those of any permitted transferee) under the Award or to any Stock acquired under the Award or any proceeds from the disposition thereof, are subject to Section 6(a)(5) of the Plan (including any successor provision). Nothing in the preceding sentence shall be construed as limiting the general application of Section 11 of this Agreement.

7. Nontransferability. Neither the Award nor the Restricted Stock Units may be transferred except at death in accordance with Section 6(a)(3) of the Plan.

8. Responsibility for Taxes & Withholding. Regardless of any action the Company or any of its Affiliates takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("Tax-Related Items"), the Grantee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and may exceed the amount actually withheld by the Company or any of its Affiliates. The Grantee further acknowledges that the Company and/or its Affiliates (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect to the Restricted Stock Units, including, but not limited to, the grant, vesting or settlement of the Restricted Stock Units, the issuance of Stock upon settlement of the Restricted Stock Units, the subsequent sale of Stock acquired pursuant to such issuance and the receipt of any dividends and/or dividend equivalents; and (b) do not commit to and are under no obligation to structure the terms of any Award to reduce or eliminate Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Grantee becomes subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, the Grantee acknowledges that Company and/or its Affiliates may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, the Grantee will pay or make adequate arrangements satisfactory to the Company and/or its Affiliates to satisfy all Tax-Related Items. In this regard, the Grantee authorizes the Company and/or its Affiliates, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from the Grantee's wages/salary or other cash compensation paid to the Grantee by the Company and/or its Affiliates; or

(ii) withholding from proceeds of the Stock acquired upon vesting/settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee's behalf pursuant to this authorization); or

(iii) withholding in Stock to be issued upon vesting/settlement of the Restricted Stock Units provided, however, that if the Grantee is a Section 16 officer of the Company under the 1934 Act, then the Company will withhold in shares of Stock upon the relevant taxable or tax withholding event, as applicable, unless the use of such withholding method is problematic under applicable tax or securities law or has materially adverse accounting consequences, in which case, the obligation for Tax-Related Items may be satisfied by one or a combination of methods (i) and (ii) above.

To avoid negative accounting treatment, the Company and/or its Affiliates may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the obligation for Tax-Related Items is satisfied by withholding in Stock, for tax purposes, the Grantee is deemed to have been issued the full number of shares of Stock attributable to the vested Restricted Stock Units, notwithstanding that a number of share are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Grantee's participation in the Plan.

The Grantee shall pay to the Company and/or its Affiliates any amount of Tax-Related Items that the Company and/or its Affiliates may be required to withhold or account for as a result of the Grantee's participation in the Plan that will not for any reason be satisfied by the means previously described. The Company may refuse to issue or deliver the Stock or the proceeds of the sale of Stock if the Grantee fails to comply with the Grantee's obligations in connection with the Tax-Related Items.

By accepting this grant of Restricted Stock Units, the Grantee expressly consents to the methods of withholding Tax-Related Items by the Company and/or its Affiliates as set forth herein, including the withholding of Stock and the withholding from the Grantee's wages/salary or other amounts payable to the Grantee. All other Tax-Related Items related to the Restricted Stock Units and any Stock delivered in satisfaction thereof are the Grantee's sole responsibility.

9. Other Tax Matters.

- (a) The Grantee expressly acknowledges that because this Award consists of an unfunded and unsecured promise by the Company to deliver Stock in the future, subject to the terms hereof, it is not possible to make a so-called “83(b) election” under U.S. federal tax laws with respect to the Award.
- (b) If, at the time of the Grantee’s termination of employment, the Grantee is a “specified employee,” as defined below, to the extent required by Section 409A, any and all amounts payable on account of the Grantee’s separation from service that constitute deferred compensation and would (but for this provision) be payable within six (6) months following the date of termination, shall instead be paid on the next business day following the expiration of such six (6) month period or, if earlier, upon the Grantee’s death. For purposes of this Agreement, all references to “termination of employment” and correlative phrases shall be construed to require a “separation from service” (as defined in Treasury Regulations section 1.409A-1(h) after giving effect to the presumptions contained therein), and the term “specified employee” means an individual determined by the Company to be a specified employee under Treasury Regulation section 1.409A-1(i). Each payment made under this Agreement shall be treated as a separate payment and the right to a series of installment payments under this Agreement is to be treated as a right to a series of separate payments.

10. Effect on Employment. Neither the grant of the Restricted Stock Units, nor the delivery of Stock upon vesting of any portion thereof, will give the Grantee any right to be retained in the employ or service of the Company or any of its Affiliates, affect the right of the Company or any of its Affiliates to discharge or discipline such Grantee at any time, or affect any right of such Grantee to terminate his or her Employment at any time.

11. Acknowledgements. By accepting the Award, the Grantee agrees to be bound by, and agrees that the Award and the Restricted Stock Units are subject in all respects to, the terms of the Plan. The Grantee further acknowledges and agrees that (i) this Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument, (ii) this agreement may be executed and exchanged using facsimile, portable document format (PDF) or electronic signature, which, in each case, shall constitute an original signature for all purposes hereunder and (iii) such signature by the Company will be binding against the Company and will create a legally binding agreement when this Agreement is countersigned by the Grantee.

12. Authorization to Release and Transfer Necessary Personal Information. The Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her personal data by and among, as applicable, the Company and the Affiliates for the exclusive purpose of implementing, administering and managing the Grantee’s participation in the Plan. The Grantee understands that the Company and the Affiliates may hold certain personal information about the Grantee including, but not limited to, the Grantee’s name, home address and telephone number, date of birth, social security number (or any other social or national identification number), salary, nationality, job title, number of Restricted Stock Units and/or Stock held and the details of all Restricted Stock Units or any other entitlement to Stock awarded, cancelled, vested, unvested or outstanding for the purpose of implementing, administering and managing the Grantee’s participation in the Plan (the “Data”). The Grantee understands that the Data may be transferred to the Company or any of the Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Grantee’s country or elsewhere, and that any recipient’s country (e.g., the United States) may have different data privacy laws and protections than the Grantee’s country. The Grantee understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of Restricted Stock Units under the Plan or with whom Stock acquired pursuant to the vesting of the Restricted Stock Units or cash from the sale of such Stock may be deposited. Furthermore, the Grantee acknowledges and understands that the transfer of the Data to the Company or the Affiliates or to any third parties is necessary for his or her participation in the Plan. The

Grantee understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan. The Grantee understands that he or she may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting his or her local human resources representative in writing. The Grantee further acknowledges that withdrawal of consent may affect his or her ability to vest in or realize benefits from the Restricted Stock Units, and his or her ability to participate in the Plan. For more information on the consequences of refusal to consent or withdrawal of consent, the Grantee understands that he or she may contact his or her local human resources representative.

Finally, upon request of the Company or the Grantee's employer (the "Employer"), the Grantee agrees to provide an executed data privacy consent form (or any other agreements or consents that may be required by the Company and/or the Employer) that the Company and/or the Employer may deem necessary to obtain from the Grantee for the purpose of administering the Grantee's participation in the Plan in compliance with the data privacy laws in the Grantee's country, either now or in the future. The Grantee understands and agrees that the Grantee will not be able to participate in the Plan if the Grantee fails to provide any such consent or agreement requested by the Company and/or the Employer.

13. Electronic Delivery and Execution. The Grantee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, plan documents, prospectus and prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other Award made or offered under the Plan. The Grantee understands that, unless revoked by the Grantee by giving written notice to the Company pursuant to the Plan, this consent will be effective for the duration of the Agreement. The Grantee also understands that he or she will have the right at any time to request that the Company deliver written copies of any and all materials referred to above. The Grantee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agree that his or her electronic signature is the same as, and will have the same force and effect as, his or her manual signature. The Grantee consents and agrees that any such procedures and delivery may be affected by a third party engaged by the Company to provide administrative services related to the Plan.

14. Appendix. Notwithstanding any provision of the Agreement to the contrary, this Restricted Stock Unit grant and the Stock acquired under the Plan shall be subject to any and all special terms and provisions as set forth in the Appendix, if any, for the Grantee's country of residence (and country of employment, if different). Moreover, if the Grantee relocates to one of the countries included in the Appendix, the additional terms and conditions for such country will apply to the Grantee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of the Agreement.

15. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

[Signature page follows.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer.

TRINSEO S.A.

By:



Name: Frank Bozich

Title: President and Chief Executive Officer

Dated: /\$CurrentDate\$

Acknowledged and Agreed: By:

/\$ParticipantName\$

Signature Page to Restricted Stock Unit Agreement

COUNTRY APPENDIX

ADDITIONAL TERMS AND CONDITIONS TO RESTRICTED STOCK UNIT AGREEMENT

This Country Appendix (“Appendix”) includes the following additional terms and conditions that govern the Grantee’s Restricted Stock Unit Award for all the Grantees that reside and/or work outside of the United States.

Notifications

This Appendix also includes information regarding exchange controls and certain other issues of which the Grantee should be aware with respect to the Grantee’s participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of **December 2020**. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Grantee not rely on the information in this Appendix as the only source of information relating to the consequences of the Grantee’s participation in the Plan because the information may be out of date at the time that the Restricted Stock Units vest, or Stock is delivered in settlement of the Restricted Stock Units, or the Grantee sells any Stock acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Grantee’s particular situation, and none of the Company, its Affiliates, nor the Administrator is in a position to assure the Grantee of a particular result. Accordingly, the Grantee is advised to seek appropriate professional advice as to how the relevant laws in the Grantee’s country of residence and/or work may apply to the Grantee’s situation.

Finally, if the Grantee transfers employment after the Grant Date, or is considered a resident of another country for local law purposes following the Grant Date, the notifications contained herein may not be applicable to the Grantee, and the Administrator shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to the Grantee.

Terms and Conditions Applicable to All Non-U.S. Jurisdictions

English Language. The Grantee acknowledges and agrees that it is the Grantee’s express intent that this Agreement, the Plan and all other documents, rules, procedures, forms, notices and legal proceedings entered into, given or instituted pursuant to the Restricted Stock Unit Award, be drawn up in English. If the Grantee has received this Agreement, the Plan or any other rules, procedures, forms or documents related to the Restricted Stock Unit Award translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

Compliance with Law. Notwithstanding any other provision of the Plan or this Agreement, unless there is an exemption from any registration, qualification or other legal requirement applicable to the Stock, the Company shall not be required to deliver any shares issuable upon settlement of the Restricted Stock Unit prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission (“SEC”) or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Grantee understands that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares. Further, the Grantee agrees that the Company shall have unilateral authority to amend the Agreement without the Grantee’s consent to the extent necessary to comply with securities or other laws applicable to issuance of shares of Stock.

Insider Trading/Market Abuse. The Grantee acknowledges that, depending on the Grantee’s or his or her broker’s country or where the shares of Stock are listed, the Grantee may be subject to insider trading restrictions and/or market abuse laws which may affect the Grantee’s ability to accept, acquire, sell or otherwise dispose of shares of Stock, rights to shares of Stock (*e.g.*, Restricted Stock Units) or rights linked to the value of shares of Stock (*e.g.*, phantom awards, futures) during such times the Grantee is considered to have “inside information” regarding the Company as defined in the laws or regulations in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Grantee placed before the Grantee possessed

inside information. Furthermore, the Grantee could be prohibited from (i) disclosing the inside information to any third party (other than on a “need to know” basis) and (ii) “tipping” third parties or causing them otherwise to buy or sell securities. Keep in mind third parties includes fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. The Grantee is responsible for complying with any restrictions and should speak to his or her personal advisor on this matter.

Exchange Control, Foreign Asset/Account and/or Tax Reporting. Depending upon the country to which laws the Grantee is subject, the Grantee may have certain foreign asset/account and/or tax reporting requirements that may affect the Grantee’s ability to acquire or hold shares of Stock under the Plan or cash received from participating in the Plan (including from any dividends or dividend equivalents or sale proceeds arising from the sale of shares of Stock) in a brokerage or bank account outside the Grantee’s country of residence. The Grantee’s country may require that the Grantee reports such accounts, assets or transactions to the applicable authorities in his or her country. The Grantee also may be required to repatriate cash received from participating in the Plan to the Grantee’s country within a certain period of time after receipt. The Grantee is responsible for knowledge of and compliance with any such regulations and should speak with his or her personal tax, legal and financial advisors regarding same.

Commercial Relationship. The Grantee expressly recognizes that the Grantee’s participation in the Plan and the Company’s Award grant does not constitute an employment relationship between the Grantee and the Company. The Grantee has been granted Restricted Stock Units as a consequence of the commercial relationship between the Company and the Employer, and the Employer is the Grantee’s sole employer. Based on the foregoing, (a) the Grantee expressly recognizes the Plan and the benefits the Grantee may derive from participation in the Plan do not establish any rights between the Grantee and the Affiliate that employs the Grantee, (b) the Plan and the benefits the Grantee may derive from participation in the Plan are not part of the employment conditions and/or benefits provided by the Affiliate that employs the Grantee, and (c) any modifications or amendments of the Plan by the Company or the Administrator, or a termination of the Plan by the Company, shall not constitute a change or impairment of the terms and conditions of the Grantee’s employment with the Affiliate that employs the Grantee.

Private Placement. The grant of the Award is not intended to be a public offering of securities in the Grantee’s country of residence and/or employment but instead is intended to be a private placement. As a private placement, the Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the grant of the Restricted Stock Unit Award is not subject to the supervision of the local securities authorities.

Additional Acknowledgements. The **GRANTEE** also acknowledges and agrees to the following:

- The Plan is established voluntarily by the Company, it is discretionary in nature, and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan.
 - All decisions with respect to future Awards or other grants, if any, will be at the sole discretion of the Company.
 - The future value of the underlying Stock is unknown, undeterminable and cannot be predicted with certainty.
 - The Award and the Stock subject to the Award, and the income and value of same, are not part of normal or expected compensation or salary for any purpose and are not intended to replace any pension rights or compensation.
 - The Grantee's participation in the Plan is voluntary.
 - No claim or entitlement to compensation or damages arises from the forfeiture of the Award or any of the Restricted Stock Units, the termination of the Plan, or the diminution in value of the Restricted Stock Units or Stock, and the Grantee irrevocably releases the Company, its Affiliates, the Administrator and their affiliates from any such claim that may arise.
-

- The Restricted Stock Unit and the Stock subject to the Restricted Stock Unit, and the income and value of same, are not part of normal or expected compensation for purposes of, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments.
 - Unless otherwise agreed with the Company in writing, the Award and the Stock subject to the Restricted Stock Unit, and the income and value of same, are not granted as consideration for, or in connection with, any service the Grantee may provide as a director of the Company or its Affiliates.
 - Neither the Company nor its Affiliates shall be liable for any foreign exchange rate fluctuation between the Grantee's local currency and the U.S. Dollar that may affect the value of the Restricted Stock Units or of any amounts due to the Grantee pursuant to the settlement of the Restricted Stock Units or the subsequent sale of any Stock acquired upon settlement.
 - None of the Company, its Affiliates, nor the Administrator is providing any tax, legal or financial advice or making any recommendations regarding the Grantee's participation in the Plan, the grant, vesting or settlement of the Grantee's Restricted Stock Units, or the Grantee's acquisition or sale of the Stock delivered in settlement of the Restricted Stock Units. The Grantee is hereby advised to consult with his own personal tax, legal and financial advisors regarding his participation in the Plan before taking any action related to the Plan.
-

EUROPEAN UNION (“EU”) / EUROPEAN ECONOMIC AREA (“EEA”) / SWITZERLAND / UNITED KINGDOM

Terms and Conditions

Employee Data Privacy. If the Grantee resides and/or works in the EU/EEA, Switzerland or the United Kingdom, the following provisions replace Section 12 of the Agreement in its entirety:

The Company, with its registered address at 1000 Chesterbrook Boulevard, Suite 300, Berwyn, PA 19312, USA, is the controller responsible for the processing of the Grantee’s personal data by the Company and the third parties noted below, and its representative in Italy for privacy purposes is A.P.I. Applicazioni Plastiche Industriali S.p.A. with its registered address at Via Dante Alighieri n. 27, 36065 Mussolente (VI) Italy.

(a) Data Collection and Usage. Pursuant to applicable data protection laws, the Grantee is hereby notified that the Company collects, processes and uses certain personally-identifiable information about the Grantee for the legitimate interest of implementing, administering and managing the Plan and generally administering equity awards; specifically, including the Grantee’s name, home address, email address and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any shares of Stock or directorships held in the Company, and details of all Restricted Stock Units, any other entitlement to Shares awarded, canceled, exercised, vested, or outstanding in the Grantee’s favor, which the Company receives from the Grantee or the Grantee’s employer (“Personal Data”). In granting the Restricted Stock Units under the Plan, the Company will collect Personal Data for purposes of allocating Shares and implementing, administering and managing the Plan. The Company’s legal basis for the collection, processing and use of Personal Data is the necessity of the processing for the Company to perform its contractual obligations under the Agreement and the Plan and the Company’s legitimate business interests of managing the Plan, administering employee equity awards and complying with its contractual and statutory obligations.

(b) Stock Plan Administration Service Provider. The Company transfers Personal Data to Merrill Lynch and its affiliates, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share Personal Data with another company that serves in a similar manner. The Company’s service provider will open an account for the Grantee to receive and trade Shares. The Grantee will be asked to agree on separate terms and data processing practices with the service provider, which is a condition to the Grantee’s ability to participate in the Plan. The processing of Personal Data will take place through both electronic and non-electronic means. Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering and operating the Plan.

(c) International Data Transfers. The Company and its service providers are based in the United States or elsewhere throughout the world. The Grantee’s country or jurisdiction may have different data privacy laws and protections than the United States. The Company’s legal basis for the transfer of the Grantee’s Personal Data to the United States is to satisfy its contractual obligations under the terms and conditions of this Agreement.

(d) Data Retention. The Company will use Personal Data only as long as is necessary to implement, administer and manage the Grantee’s participation in the Plan or as required to comply with legal or regulatory obligations, including tax and securities laws. When the Company no longer needs Personal Data, the Company will remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company’s legal basis would be for compliance with relevant laws or regulations.

(e) Data Subject Rights. The Grantee may have a number of rights under data privacy laws in the Grantee's country. For example, the Grantee's rights may include the right to (i) request access or copies of Personal Data the Company processes, (ii) request rectification of incorrect Personal Data, (iii) request deletion of Personal Data, (iv) place restrictions on processing of Personal Data, (v) lodge complaints with competent authorities in the Grantee's country, and/or (vi) request a list with the names and addresses of any potential recipients of Personal Data. To receive clarification regarding the Grantee's rights or to exercise the Grantee's rights, the Grantee may contact his or her local partner or human resources representative.

BELGIUM

Notifications

Foreign Asset / Account Reporting Information. If Grantee is a Belgian resident, Grantee is required to report any taxable income attributable to the grant of the Restricted Stock Units on his or her annual tax return. In addition, the Grantee is required to report any securities (e.g., Stock) or bank accounts opened and maintained outside Belgium on his or her annual tax return. In a separate report, certain details regarding such foreign accounts (including the account number, bank name and country in which such account was opened) must be provided to the Central Contact Point of the National Bank of Belgium. The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium (www.nbb.be) under the caption *Kredietcentrales / Centrales des crédits*.

FRANCE

Terms and Conditions

Use of English Language. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

Notifications

Award Not French Qualified. The Grantee understands and acknowledges that the Restricted Stock Units granted under this Agreement are not intended to qualify for specific tax and social security treatment pursuant to Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 and L. 22-10-60 of the French Commercial Code, as amended.

Exchange Control Information. Grantee must declare to the customs and excise authorities any cash or securities he or she imports or exports without the use of a financial institution when the value of the cash or securities is equal to or exceeds €10,000.

Foreign Account / Assets Reporting Information. If the Grantee is a French resident and retains Stock acquired under the Plan outside of France or maintains a foreign bank account, the Grantee is required to report such to the French tax authorities when filing the Grantee's annual tax return. Failure to comply could trigger significant penalties.

GERMANY

Notifications

Exchange Control Information. Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. If the Grantee uses a German bank to transfer a cross-border payment in excess of €12,500 in connection with the sale of the Stock acquired under the Plan, the bank will make the report for the

Grantee. Grantee is responsible for satisfying any applicable reporting obligation.

HONG KONG

Terms and Conditions

Settlement of Restricted Stock Units. In the event that any of the Restricted Stock Units are settled within six (6) months of the Grant Date, the Grantee agrees that the Grantee (or his / her beneficiary) will not sell or otherwise dispose of any such Shares prior to the six (6)-month anniversary of the Grant Date.

Wages. The Restricted Stock Unit Award and Shares underlying the Restricted Stock Unit Award do not form part of the Grantee's wages for the purposes of calculating any statutory or contractual payments under Hong Kong law. The Company specifically intends that the Plan will not be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance.

Notifications

Securities Law Information. Warning: *The Restricted Stock Unit Award and any Stock issued pursuant to the settlement of the Restricted Stock Units do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company and its Affiliates. The Agreement, the Plan, and any rules, procedures, forms or other incidental communication materials have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong, nor have the documents been reviewed by any regulatory authority in Hong Kong. The Award and any related documentation are intended only for the personal use of each eligible employee of the Company or its Affiliates and may not be distributed to any other person. If the Grantee is in any doubt about any of the contents of the Agreement, the Plan, or any rules, procedures or forms, the Grantee should obtain independent professional advice.*

INDIA

Notifications

Exchange Control Information. The Grantee understands that he or she must repatriate any proceeds from the sale of Stock and any cash dividends or dividend equivalents acquired under the Plan to India and convert the proceeds into local currency within 90 days or 180 days of receipt, respectively or such other period of time as may be required under applicable regulations. The Grantee will receive a foreign inward remittance certificate ("FIRC") from the bank where the Grantee deposits the foreign currency. The Grantee should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation. The Grantee is responsible for complying with applicable exchange control laws in India.

Foreign Account / Assets Reporting Information. The Grantee is required to declare any foreign bank accounts and any foreign financial assets (including Stock acquired under the Plan) in Grantee's annual tax return. It is Grantee's responsibility to comply with this reporting obligation and he or she should consult his or her personal tax advisor in this regard.

INDONESIA

Notifications

Exchange Control Information. Foreign exchange activity is subject to certain reporting requirements. For foreign currency transactions exceeding USD 25,000, the underlying document of that transaction will have to be submitted to the relevant local bank. If the Grantee repatriates funds (e.g., proceeds from the sale of Stock)

into Indonesia, the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of Indonesia.

For transactions of USD 10,000 or more (or its equivalent in other currency), a more detailed description of the transaction must be included in the report and the Grantee may be required to provide information about the transaction to the bank in order to complete the transaction.

Foreign Account / Assets Reporting Information. Indonesian residents have the obligation to report their worldwide assets (including foreign accounts and Stock acquired under the Plan) in their annual individual income tax return. In addition, if there is a change of position of any of the foreign asset the Grantee holds (including Stock acquired under the Plan), the Grantee must report this change in position (i.e., sale of Stock) to the Bank of Indonesia no later than the 15th day of the month following the change in position.

IRELAND

Notifications

Director Notification Obligation. Directors, shadow directors and secretaries of an Irish Subsidiary or other affiliate of the Company whose interest in the Company represents more than 1% of the Company's voting share capital must notify the Irish Subsidiary or other affiliate of the Company in writing when acquiring or disposing of their interest in the Company (e.g., Restricted Share Units, Shares, etc.), when becoming aware of the event giving rise to the notification requirement, or when becoming a director or secretary if such an interest exist at the time. This notification requirement also applies to any rights or shares acquired by the director's spouse or children under the age of 18 (whose interests will be attributed to the director, shadow director or secretary).

ITALY

Terms and Conditions

Plan Document Acknowledgment. The Grantee further acknowledges that he or she has read and specifically and expressly approves the Data Privacy section above as well as the following sections of the Agreement Section 1 ("Grant of Restricted Stock Units"); Section 4 ("Vesting"); Section 5 ("Delivery of Stock"), Section 6 ("Forfeiture; Recovery of Compensation"); Section 7 ("Nontransferability"); Section 8 ("Responsibility for Taxes & Withholding"); Section 13 ("Imposition of Other Requirements"); Appendix ("English Language"; "Additional Acknowledgements").

Notifications

Foreign Asset / Account Reporting Information. The Grantee understands that if the Grantee is an Italian resident and at any time during the fiscal year the Grantee holds foreign financial assets (including cash and Stock) which may generate income taxable in Italy, the Grantee is required to report these assets on the Grantee's annual tax return (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to Italian residents who are the beneficial owners of foreign financial assets, even if the Grantee does not directly hold investments abroad or foreign assets.

Tax on Foreign Financial Assets. Individuals resident in Italy are subject to a tax on the value of financial assets held outside of Italy. The taxable amount will be the fair market value of the financial assets (including Stock) on December 31 or on the last day the Stock were held (the tax is levied in proportion to the number of days the shares were held during the calendar year). The tax is assessed as part of the annual tax return.

NETHERLANDS

Waiver of Termination Rights. In consideration of the grant of the Restricted Stock Units, the Grantee agrees that he or she waives any and all rights to compensation or damages as a result of any termination of employment for any reason whatsoever, insofar as those rights result or may result from (a) the loss or diminution in value of such rights or entitlements under the Plan, or (b) the Grantee ceases to have rights under, or ceasing to be entitled to any awards under the Plan as a result of such termination.

SINGAPORE

Terms and Conditions

Restriction on Sale of Shares. To the extent the Restricted Stock Units vest within six (6) months of the Grant Date, the Grantee may not dispose of the Stock issued upon settlement of the Restricted Stock Units, or otherwise offer the Stock to the public, prior to the six (6)-month anniversary of the Grant Date, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the Securities and Futures Act (Chap. 289, 2006 Ed.) (“SFA”) and in accordance with any other applicable provision of the SFA.

Notifications

Securities Law Information. The Restricted Stock Units are being granted pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the SFA, under which it is exempt from the prospectus and registration requirements and is not made with a view to the underlying shares being subsequently offered for sale to any other part. The Plan has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore.

Director Notification. If the Grantee is a director (including alternate director, substitute associate and shadow director) of a Singapore subsidiary, the Grantee must notify the Singapore subsidiary in writing within two (2) business days of (i) becoming the registered holder of or acquiring an interest (e.g., Restricted Stock Units, Stocks, etc.) in the Company or any of its subsidiary, or becoming the alternate director, substitute director or shadow director (as the case may be), whichever occurs last, or (ii) any change in a previously disclosed interest (e.g., sale of Stock). If the Grantee is the chief executive officer (“CEO”) of a Singapore subsidiary and the above notification requirements are determined to apply to CEO of a Singapore subsidiary, the above notification requirements also may apply to the Grantee.

SPAIN

Terms and Conditions

Nature of Award. In accepting the grant of Restricted Stock Units, the Grantee acknowledges that he or she consents to participation in the Plan and has received a copy of the Plan.

The Grantee understands that the Company has unilaterally, gratuitously and discretely decided to grant Restricted Stock Units under the Plan to individuals who may be employees of the Company or its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Affiliates over and above the specific terms of the Plan. Consequently, the Grantee understands that the Restricted Stock Units are granted on the assumption and condition that the Restricted Stock Units and the Stock acquired upon lapse of the restrictions relating to the Restricted Stock Units shall not become a part of any employment contract

(either with the Company or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever.

Further, the Grantee understands and agrees that, unless otherwise expressly provided for by the Company or set forth in the Agreement, the Restricted Stock Units will be cancelled without entitlement to any Stock if the Grantee ceases to be an eligible participant for any reason, including, but not limited to: resignation, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without good cause (*i.e.*, subject to a “*despido improcedente*”), material modification of the terms of employment under Article 41 of the Workers’ Statute, relocation under Article 40 of the Workers’ Statute, Article 50 of the Workers’ Statute, or under Article 10.3 of Royal Decree 1382/1985. The Company, in its sole discretion, shall determine the date when the Grantee’s status as an eligible participant has terminated for purposes of the Restricted Stock Units.

In addition, the Grantee understands that this grant would not be made to the Grantee but for the assumptions and conditions referred to above; thus, the Grantee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of Restricted Stock Units shall be null and void.

Notifications

Securities Law Information. No “offer of securities to the public,” within the meaning of Spanish law, has taken place or will take place in the Spanish territory in connection with the Plan or Restricted Stock Unit. The Plan, the Agreement (including this Appendix) and any other documents evidencing the grant of the Restricted Stock Units have not been, nor will they be, registered with the *Comisión Nacional del Mercado de Valores* (the Spanish securities regulator), and none of those documents constitutes a public offering prospectus.

Exchange Control Information. In the event that the Grantee is a Spanish resident and acquires Stock under the Plan, he or she must declare such acquisition to the *Spanish Dirección General de Comercio e Inversiones* (the “DGCI”), the Bureau for Commerce and Investments, which is a department of the Ministry of Economy and Competitiveness. If the Grantee acquires Stock through the use of a Spanish financial institution, the institution will automatically make the declaration with the DGCI for the Grantee. The Grantee must also declare ownership or sale of any Stock by filing a Form D-6 with the Directorate of Foreign Transactions each January while the Stock is owned. However, if the value of the Stock acquired or sold during the year exceeds the applicable threshold (currently €1,502,530), the filing is due within one month after the acquisition or sale, as applicable.

Spanish residents are required to electronically declare to the Bank of Spain any securities accounts (including brokerage accounts held abroad), as well as the securities (including Stock acquired at vesting of the Restricted Stock Units) held in such accounts, and any transactions carried out with non-residents, if the value of the transactions for all such accounts during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceeds €1,000,000.

Foreign Asset / Account Reporting Information. Spanish residents holding rights or assets (*e.g.*, Stock, cash, etc.) in a bank or brokerage account outside of Spain with a value in excess of €50,000 per type of right or asset as of December 31 each year are required to report information on such rights and assets on his or her tax return for such year. Stock acquired under the Plan constitute securities for purposes of this requirement, but unvested rights (*e.g.*, Restricted Stock Units) are not considered assets or rights for purposes of this requirement. After such shares or accounts are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously reported shares or accounts increases by more than €20,000 as of each subsequent December 31, or if the Grantee sells Stock or cancels bank accounts that were previously reported.

SWITZERLAND

Notifications

Securities Law Information. Neither this document nor any other materials relating to the grant of Restricted Stock Units (i) constitutes a prospectus according to articles 35 *et seq.* of the Swiss Federal Act on Financial Services (“FinSA”) (ii) may be publicly distributed nor otherwise made publicly available in Switzerland to any person other than an employee of the Company or (iii) have been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 of FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority (FINMA).

TAIWAN

Notifications

Securities Law Information. The offer of participation in the Plan is available only for employees of the Company and its Affiliates and is not a public offer of securities by a Taiwanese company.

Exchange Control Information. The Grantee may acquire and remit foreign currency (including proceeds from the sale of Stock) up to US\$5,000,000 per year without justification. If the transaction amount is TWD500,000 or more in a single transaction, the Grantee must submit a Foreign Exchange Transaction Form. If the transaction amount is US\$500,000 or more in a single transaction, the Grantee must also provide supporting documentation to the satisfaction of the remitting bank.

TURKEY

Notifications

Securities Law Information. Under Turkish law, the Grantee is not permitted to sell any Stock under the Plan in Turkey. The Stock is currently traded on the New York Stock Exchange (NYSE), which is located outside Turkey, under the ticker symbol “TSE” and the Stock may be sold through this exchange.

In certain circumstances, you are permitted to acquire and sell securities on a non-Turkish stock exchange only through a financial intermediary licensed in Turkey. Therefore, the Grantee may be required to appoint a Turkish broker to assist with the sale of Stock acquired under the Plan. *The Grantee should consult his or her personal legal advisor before selling any Stock acquired under the Plan to confirm the applicability of this requirement.*

UNITED KINGDOM

Terms and Conditions

Tax Withholding and National Insurance Contributions Acknowledgement. Notwithstanding any provisions in the Agreement, the Grantee agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company, the Employer, or by Her Majesty’s Revenue and Customs (“HMRC”) or any other tax authority or other relevant authority. The Grantee also agrees to indemnify and keep indemnified the Company and the Employer against any Tax-Related Items that they are required to pay or withhold, or have paid or will pay, to HMRC (or any other tax authority or other relevant authority) on the Grantee’s behalf.

Notwithstanding the foregoing, if the Grantee is a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities Exchange Act of 1934, as amended), the terms of the immediately foregoing provision may not apply to the Grantee if the indemnification is viewed as a loan. In this case, if the amount of any income tax due is not collected from or paid by the Grantee within ninety

(90) days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute an additional benefit to the Grantee on which additional income tax and national insurance contributions (“NICs”) may be payable. The Grantee will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying to the Company or the Employer, as applicable, any employee NICs due on this additional benefit, which the Company or the Employer may recover from the Grantee by any of the means referred to in Section 8 of the Agreement.

Exclusion of Claim. The Grantee acknowledges and agrees that the Grantee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Grantee’s ceasing to have rights under or to be entitled to the Restricted Stock Units, whether or not as a result of termination of Grantee’s Employment (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the Restricted Stock Units. Upon the grant of the Restricted Stock Units, the Grantee shall be deemed to have waived irrevocably any such entitlement.

Name:	/\$ParticipantName\$/
Number of Shares of Stock subject to Stock Option:	/\$AwardsGranted\$/
Exercise Price Per Share:	/\$GrantPrice\$/
Date of Grant:	/\$GrantDate\$/

TRINSEO S.A.

AMENDED & RESTATED 2014 OMNIBUS INCENTIVE PLAN

NON-STATUTORY STOCK OPTION AGREEMENT

This agreement (this "Agreement") evidences an award (the "Award") of a stock option (the "Stock Option") granted by Trinseo S.A. (the "Company") to the undersigned (the "Optionee") pursuant to and subject to the terms of the Trinseo S.A. 2014 Omnibus Incentive Plan (as amended from time to time, the "Plan").

1. Grant of Stock Option. The Company grants to the Optionee on the date set forth above (the "Date of Grant") a Stock Option to purchase, on the terms provided herein and in the Plan, up to the number of shares of Stock set forth above (the "Shares") with an exercise price per Share as set forth above, in each case subject to adjustment pursuant to Section 7 of the Plan in respect of transactions occurring after the date hereof.

The Stock Option evidenced by this Agreement is a non-statutory option (that is, an option that does not qualify as an incentive stock option under Section 422 of the Code) and is granted to the Optionee in connection with the Optionee's employment by or service to the Company and its qualifying subsidiaries. For purposes of the immediately preceding sentence, "qualifying subsidiary" means a subsidiary of the Company as to which the Company has a "controlling interest" as described in Treas. Regs. §1.409A-1(b)(5)(iii)(E)(1).

The grant of the Stock Option is a one-time benefit and does not create any contractual or other right for the Optionee to receive a grant of stock options or benefits in lieu of stock options in the future.

2. Meaning of Certain Terms. Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

3. Vesting; Method of Exercise; Treatment of the Stock Option Upon Termination of Employment.

(a) Vesting. As used herein with respect to the Stock Option or any portion thereof, the term "vest" means to become exercisable and the term "vested" as applied to any outstanding Stock Option (or any portion thereof) means that the Stock Option is then exercisable, subject in each case to the terms of the Plan. Unless earlier terminated, forfeited, relinquished or expired, the Stock Option shall vest as to one-third (1/3) of the Shares subject to the Stock Option on each of the first, second and third anniversaries of the Date of Grant (each, a "vesting anniversary date" and the third anniversary of the Date of Grant, the "final vesting anniversary date"). The number of Shares that vest on any of the foregoing dates will be rounded down to the nearest whole Share, with the Stock Option becoming vested as to 100% of the Shares on the final vesting anniversary date. Notwithstanding the foregoing, Shares subject to the Stock Option shall not vest on any vesting anniversary date unless the Optionee has remained in continuous Employment from the Date of Grant through such vesting anniversary date.

(b) Exercise of the Stock Option. No portion of the Stock Option may be exercised until such portion vests. Each election to exercise any vested portion of the Stock Option will be subject to the terms and conditions of the Plan and shall be in writing or by electronic

notice, signed (including electronic signature in form acceptable to the Administrator) by the Optionee or a transferee (if permitted by the Administrator), if any (or in such other form as is acceptable to the Administrator). Each such exercise election must be received by the Company at its principal office or by such other party as the Administrator may prescribe and be accompanied by payment in full as provided in the Plan, including, for the avoidance of doubt to the extent required by Luxembourg law, the payment by the Optionee to the Company of an additional amount in cash equal to the aggregate par value of the shares of Stock to be delivered in respect of the portion of the Stock Option so exercised at the time of the exercise of the Stock Option. The exercise price may be paid (i) by cash or check acceptable to the Administrator, (ii) to the extent permitted by the Administrator, through a broker-assisted cashless exercise program acceptable to the Administrator, (iii) by such other means, if any, as may be acceptable to the Administrator, or (iv) by any combination of the foregoing permissible forms of payment. In the event that the Stock Option is exercised by a person other than the Optionee, the Company will be under no obligation to deliver Shares hereunder unless and until it is satisfied as to the authority of such person to exercise the Stock Option and compliance with applicable securities laws. The latest date on which the Stock Option or any portion thereof may be exercised will be the 9th anniversary of the Date of Grant (the "Final Exercise Date"); provided, however, if at such time the Optionee is prohibited by applicable law or written Company policy applicable to similarly situated employees from engaging in any open-market sales of Stock, the Final Exercise Date will be automatically extended to thirty (30) days following the date the Optionee is no longer prohibited from engaging in such open-market sales. If the Stock Option is not exercised by the Final Exercise Date, the Stock Option or any remaining portion thereof will thereupon immediately terminate.

- (c) Treatment of the Stock Option Upon Termination of Employment. Except as provided in clauses (i)-(iv) below and Section 3(d) of this Agreement, if the Optionee's Employment terminates, the Stock Option, to the extent not already vested, will be immediately forfeited upon such termination. Following termination of the Optionee's Employment, any vested portion of the Stock Option that is then outstanding, including for the avoidance of doubt any portion of the Stock Option that vests as provided in clauses (ii)-(iv) below or Section 3(d) of this Agreement, will be treated as follows:

(i) General. Subject to clauses (ii) through (v) below and Sections 3(d) and 4 of this Agreement, the Stock Option, to the extent vested immediately prior to the termination of the Optionee's Employment, will remain exercisable until the earlier of (A) the date that is three months following the date of such termination of Employment, or (B) the Final Exercise Date, and except to the extent previously exercised as permitted by this Section 3(c)(i) will thereupon immediately terminate.

(ii) Retirement. Subject to clause (v) below and Section 4 of this Agreement, if the Optionee's Employment terminates due to the Optionee's Retirement (as defined below), the Stock Option that was vested as of immediately prior to the termination of the Optionee's Employment due to the Optionee's Retirement, will remain exercisable until the earlier of (A) five (5) years following the date of such termination of employment and, or (B) the Final Exercise Date, and except to the extent previously exercised as permitted by this Section 3(c)(ii) will thereupon immediately terminate. For purposes hereunder, "Retirement" means a retirement from active Employment after the Optionee has remained in continuous Employment through the final vesting anniversary date, and has attained age fifty-five (55) with at least ten (10) years of continuous service with the Company or Arkema S.A., or any of their subsidiaries, or as defined in the Optionee's employment or other agreement with the Company.

(iii) Death; Permanent Disability. Subject to clause (v) below and Section 4 of this Agreement, if the Optionee's Employment is terminated due to his or her death or by the Company due to his or her Permanent Disability, the Stock Option, to the extent then unvested, shall immediately vest as to all of the then unvested Shares. Any portion of the Stock Option that vests in accordance with this Section 3(c)(iii), together with the portion of the Stock Option, if any, that was vested as of immediately prior to the termination of the Optionee's Employment due to his or her death or by the Company due to his or her Permanent Disability, will remain exercisable until the earlier of (A) the first anniversary of the Optionee's death or the first anniversary of the date the Optionee's Employment is terminated due to his or her Permanent Disability, as applicable or (B) the Final Exercise Date, and except to the extent previously exercised as permitted by this Section 3(c)(iii) will thereupon immediately terminate.

(iv) By the Company Other than For Cause. Subject to clause (v) below and Sections 3(d) and 4 of this Agreement, if the Optionee's Employment is terminated by the Company other than for Cause in connection with a restructuring or redundancy, as determined by the Company, the Stock Option, to the extent then unvested, will not terminate and will remain outstanding and eligible to vest in accordance with the provisions of Section 3(a) hereof as if the Optionee had remained in continuous Employment with the Company through each vesting anniversary date. Any Stock Option that vests in accordance with this Section 3(c)(iv), together with the portion of the Stock Option, if any, that was vested as of immediately prior to the termination of the Optionee's Employment, will remain exercisable until the earlier of (A) the later of (i) three months following the date of such termination of employment and (ii) the date that is three months following the final vesting anniversary date or (B) the Final Exercise Date, and except to the extent previously exercised as permitted by this Section 3(c)(iv) will thereupon immediately terminate.

(v) For Cause. If the Optionee's Employment is terminated by the Company or its subsidiaries in connection with an act or failure to act constituting Cause (as the Administrator, in its sole discretion, may determine), or such termination occurs in circumstances that in the determination of the Administrator would have entitled the Company or its subsidiaries to terminate the Optionee's Employment for Cause, the Stock Option (whether or not vested) will immediately terminate and be forfeited upon such termination.

(d) Treatment of the Stock Option Following a Change in Control. If, within the twenty-four (24)-month period following the occurrence of a Change in Control (as defined below), (A) the Optionee's Employment is terminated by the Company other than for Cause or, (B) if the Optionee is a current member of the Company's executive leadership team and is subject to an effective employment or other individual agreement with the Company that provides the Optionee with the ability to terminate his or her employment for "good reason", by the Optionee for "good reason" (with such term having the meaning ascribed thereto in the employment or other individual agreement, if any, between the Optionee and the Company for so long as such agreement is in effect), upon such termination and in lieu of the treatment provided for in Section 3(c)(iii) above, the Stock Option, to the extent then outstanding and unvested, shall immediately vest as to all of the then unvested Shares. Any Stock Option that vests in accordance with this Section 3(d), together with the portion of the Stock Option, if any, that was vested as of immediately prior to the termination of the Optionee's Employment, will remain exercisable until the earlier of (A) the date that is six months following the date of the Optionee's termination of Employment, or (B) the Final Exercise Date, and except to the extent previously exercised as permitted by this Section 3(d) will thereupon immediately terminate.

(i) For purposes of this Agreement, "Change in Control" means the first to occur of any of the following events:

- (A) an event in which any “person,” as such term is used in Sections 13(d) and 14(d) of the U.S. Securities Exchange Act of 1934, as amended (the “1934 Act”) (other than (I) the Company, (II) any subsidiary of the Company, (III) any trustee or other fiduciary holding securities under an employee benefit plan of the Company or of any subsidiary of the Company, and (IV) any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), is or becomes the “beneficial owner” (as defined in Section 13(d) of the 1934 Act), together with all affiliates and associates (as such terms are used in Rule 12b-2 of the General Rules and Regulations under the 1934 Act) of such person, directly or indirectly, of securities of the Company representing 40% or more of the combined voting power of the Company’s then outstanding securities;
- (B) the consummation of the merger or consolidation of the Company with any other company, other than (i) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation and (ii) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) after which no “person” “beneficially owns” (with the determination of such “beneficial ownership” on the same basis as set forth in clause (A) of this definition) securities of the Company or the surviving entity of such merger or consolidation representing 50% or more of the combined voting power of the securities of the Company or the surviving entity of such merger or consolidation; or
- (C) the complete liquidation of the Company or the sale or disposition by the Company of all or substantially all of the Company’s assets.

4. Forfeiture: Recovery of Compensation.

- (a) The Administrator may cancel, rescind, withhold or otherwise limit or restrict the Stock Option at any time if the Optionee is not in compliance with all applicable provisions of this Agreement and the Plan.
- (b) By accepting the Stock Option, the Optionee expressly acknowledges and agrees that his or her rights, and those of any transferee permitted by the Administrator of the Stock Option, under the Stock Option, including to any Stock acquired under the Stock Option or proceeds from the disposition thereof, are subject to Section 6(a)(5) of the Plan (including any successor provision). Nothing in the preceding sentence shall be construed as limiting the general application of Section 8 of this Agreement.

5. Transfer of Stock Option. The Stock Option may not be transferred except as expressly permitted under Section 6(a)(3) of the Plan.

6. Responsibility for Taxes & Withholding. Regardless of any action the Company or any of its Affiliates takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Optionee’s participation in the Plan and legally applicable

to the Optionee (“Tax-Related Items”), the Optionee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Optionee’s responsibility and may exceed the amount actually withheld by the Company or any of its Affiliates. The Optionee further acknowledges that the Company and/or its Affiliates (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect to the Stock Option, including, but not limited to, the grant, vesting or exercise of the Stock Option, the transfer of Stock upon exercise of the Stock Option, the subsequent sale of Shares acquired pursuant to such transfer and the receipt of any dividends; and (b) do not commit to and are under no obligation to structure the terms of any Award to reduce or eliminate Optionee’s liability for Tax-Related Items or achieve any particular tax result. Further, if the Optionee becomes subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, the Optionee acknowledges that Company and/or its Affiliates may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, the Optionee will pay or make adequate arrangements satisfactory to the Company and/or its Affiliates to satisfy all Tax-Related Items. In this regard, the Optionee authorizes the Company and/or its Affiliates, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from the Optionee’s wages/salary or other cash compensation paid to the Optionee by the Company and/or its Affiliates; or

(ii) withholding from proceeds of the Shares acquired upon exercise of the Stock Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Optionee’s behalf pursuant to this authorization); or

(iii) withholding in Shares to be transferred upon exercise of the Stock Option provided, however, that if the Optionee is a Section 16 officer of the Company under the 1934 Act, then the Company will withhold in Shares upon the relevant taxable or tax withholding event, as applicable, unless the use of such withholding method is problematic under applicable tax or securities law or has materially adverse accounting consequences, in which case, the obligation for Tax-Related Items may be satisfied by one or a combination of methods (i) and (ii) above.

To avoid negative accounting treatment, the Company and/or its Affiliates may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the obligation for Tax- Related Items is satisfied by withholding in Shares, for tax purposes, the Optionee is deemed to have been transferred the full number of Shares attributable to the Stock Option at exercise, notwithstanding that a number of share are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Optionee’s participation in the Plan.

The Optionee shall pay to the Company and/or its Affiliates any amount of Tax- Related Items that the Company and/or its Affiliates may be required to withhold or account for as a result of the Optionee’s participation in the Plan that will not for any reason be satisfied by the means previously described. The Company may refuse to transfer the Shares or the proceeds of the sale of Shares if the Optionee fails to comply with the Optionee’s obligations in connection with the Tax-Related Items.

By accepting this grant of Stock Option, the Optionee expressly consents to the methods of withholding Tax-Related Items by the Company and/or its Affiliates as set forth herein, including the withholding of Shares and the withholding from the Optionee’s wages/salary or other amounts payable to the Optionee. All other Tax-Related Items related to the Stock Option and any Shares transferred in satisfaction thereof are the Optionee’s sole responsibility.

7. Effect on Employment. Neither the grant of the Stock Option, nor the issuance of Shares upon exercise of the Stock Option, will give the Optionee any right to be retained in the employ or service of the Company or any of its Affiliates, affect the right of the Company or any of its Affiliates to discharge or discipline such Optionee at any time, or affect any right of such Optionee to terminate his or her Employment at any time.

8. Provisions of the Plan. This Agreement is subject in its entirety to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the Date of Grant has been furnished to the Optionee. By acceptance of the Stock Option, the Optionee agrees to be bound by the terms of the Plan and this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan shall control.

9. Acknowledgements. The Optionee acknowledges and agrees that (i) this Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument, (ii) this agreement may be executed and exchanged using facsimile, portable document format (PDF) or electronic signature, which, in each case, shall constitute an original signature for all purposes hereunder and (iii) such signature by the Company will be binding against the Company and will create a legally binding agreement when this Agreement is countersigned by the Optionee.

10. Authorization to Release and Transfer Necessary Personal Information. The Optionee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her personal data by and among, as applicable, the Company and the Affiliates for the exclusive purpose of implementing, administering and managing the Optionee's participation in the Plan. The Optionee understands that the Company and the Affiliates may hold certain personal information about the Optionee including, but not limited to, the Optionee's name, home address and telephone number, date of birth, social security number (or any other social or national identification number), salary, nationality, job title, number of Stock Options and/or Shares held and the details of all Stock Options or any other entitlement to Shares awarded, cancelled, vested, unvested or outstanding for the purpose of implementing, administering and managing the Optionee's participation in the Plan (the "Data"). The Optionee understands that the Data may be transferred to the Company or any of the Affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Optionee's country or elsewhere, and that any recipient's country (e.g., the United States) may have different data privacy laws and protections than the Optionee's country. The Optionee understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Optionee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of the Stock Option under the Plan or with whom Stock acquired pursuant to the exercise of the Stock Option or cash from the sale of such Stock may be deposited. Furthermore, the Optionee acknowledges and understands that the transfer of the Data to the Company or the Affiliates or to any third parties is necessary for his or her participation in the Plan. The Optionee understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan. The Optionee understands that he or she may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein by contacting his or her local human resources representative in writing. The Optionee further acknowledges that withdrawal of consent may affect his or her ability to vest in, exercise or realize benefits from the Stock Option, and his or her ability to participate in the Plan. For more information on the consequences of refusal to consent or withdrawal of consent, the Optionee understands that he or she may contact his or her local human resources representative.

Finally, upon request of the Company or the Optionee's employer (the "Employer"), the Optionee agrees to provide an executed data privacy consent form (or any other agreements or consents that may be required by the Company and/or the Employer) that the Company and/or the Employer may deem necessary to obtain from the Optionee for the purpose of administering the Optionee's participation in the Plan in compliance with the data privacy laws in the Optionee's country, either now or in the future. The Optionee understands and agrees that the Optionee will not be able to participate in the Plan if the Optionee fails to provide any such consent or agreement requested by the Company and/or the Employer.

11. Electronic Delivery and Execution. The Optionee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, plan documents, prospectus and prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection

with this and any other Award made or offered under the Plan. The Optionee understands that, unless revoked by the Optionee by giving written notice to the Company pursuant to the Plan, this consent will be effective for the duration of the Agreement. The Optionee also understands that he or she will have the right at any time to request that the Company deliver written copies of any and all materials referred to above. The Optionee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agree that his or her electronic signature is the same as, and will have the same force and effect as, his or her manual signature. The Optionee consents and agrees that any such procedures and delivery may be affected by a third party engaged by the Company to provide administrative services related to the Plan.

12. Appendix. Notwithstanding any provision of the Agreement to the contrary, this Stock Option grant and the Shares acquired under the Plan shall be subject to any and all special terms and provisions as set forth in the Appendix, if any, for the Optionee's country of residence (and country of employment, if different). Moreover, if the Optionee relocates to one of the countries included in the Appendix, the additional terms and conditions for such country will apply to the Optionee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of the Agreement.

13. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

[Signature page follows]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer.

TRINSEO S.A.

By:



Name: Frank Bozich

Title: President and Chief Executive Officer

Dated: /\$CurrentDate\$

Acknowledged and Agreed: By:

/\$ParticipantName\$

Signature Page to Non-Statutory Stock Option Agreement

COUNTRY APPENDIX
ADDITIONAL TERMS AND CONDITIONS TO NON-STATUTORY STOCK OPTION AGREEMENT

This Country Appendix (“Appendix”) includes the following additional terms and conditions that govern the Optionee’s Stock Option for all Optionees that reside and/or work outside of the United States.

Notifications

This Appendix also includes information regarding exchange controls and certain other issues of which the Optionee should be aware with respect to the Optionee’s participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of **December 2020**. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Optionee does not rely on the information in this Appendix as the only source of information relating to the consequences of the Optionee’s participation in the Plan, because the information may be out of date at the time that the Stock Option or portions thereof vest, or Shares are transferred upon exercise of the Stock Option, or the Optionee sells any Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Optionee’s particular situation, and none of the Company, its Affiliates, nor the Administrator is in a position to assure the Optionee of a particular result. Accordingly, the Optionee is advised to seek appropriate professional advice as to how the relevant laws in the Optionee’s country of residence and/or work may apply to the Optionee’s situation.

Finally, if the Optionee transfers employment after the Grant Date, or is considered a resident of another country for local law purposes following the Grant Date, the notifications contained herein may not be applicable to the Optionee, and the Administrator shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to the Optionee.

Terms and Conditions Applicable to All Non-U.S. Jurisdictions

English Language. The Optionee acknowledges and agrees that it is the Optionee’s express intent that this Agreement, the Plan and all other documents, rules, procedures, forms, notices and legal proceedings entered into, given or instituted pursuant to the Stock Option, be drawn up in English. If the Optionee has received this Agreement, the Plan or any other rules, procedures, forms or documents related to the Stock Option translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

Compliance with Law. Notwithstanding any other provision of the Plan or this Agreement, unless there is an exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any shares issuable upon exercise of the Stock Option prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission (“SEC”) or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Optionee understands that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares. Further, the Optionee agrees that the Company shall have unilateral authority to amend the Agreement without the Optionee’s consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares.

Insider Trading/Market Abuse. The Optionee acknowledges that, depending on the Optionee’s or his or her

broker's country or where the Shares are listed, the Optionee may be subject to insider trading restrictions and/or market abuse laws which may affect the Optionee's ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., Stock Options) or rights linked to the value of Shares (e.g., phantom awards, futures) during such times the Optionee is considered to have "inside information" regarding the Company as defined in the laws or regulations in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Optionee placed before the Optionee possessed inside information. Furthermore, the Optionee could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Keep in mind third parties includes fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. The Optionee is responsible for complying with any restrictions and should speak to his or her personal advisor on this matter.

Exchange Control, Foreign Asset/Account and/or Tax Reporting. Depending upon the country to which laws the Optionee is subject, the Optionee may have certain foreign asset/account and/or tax reporting requirements that may affect the Optionee's ability to acquire or hold Shares under the Plan or cash received from participating in the Plan (including from any dividends or dividend equivalents or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside the Optionee's country of residence. The Optionee's country may require that the Optionee reports such accounts, assets or transactions to the applicable authorities in his or her country. The Optionee also may be required to repatriate cash received from participating in the Plan to the Optionee's country within a certain period of time after receipt. The Optionee is responsible for knowledge of and compliance with any such regulations and should speak with his or her personal tax, legal and financial advisors regarding same.

Commercial Relationship. The Optionee expressly recognizes that the Optionee's participation in the Plan and the Company's Stock Option grant does not constitute an employment relationship between the Optionee and the Company. The Optionee has been granted a Stock Option as a consequence of the commercial relationship between the Company and the Employer, and the Employer is the Optionee's sole employer. Based on the foregoing, (a) the Optionee expressly recognizes the Plan and the benefits the Optionee may derive from participation in the Plan do not establish any rights between the Optionee and the Affiliate that employs the Optionee, (b) the Plan and the benefits the Optionee may derive from participation in the Plan are not part of the employment conditions and/or benefits provided by the Affiliate that employs the Optionee, and (c) any modifications or amendments of the Plan by the Company or the Administrator, or a termination of the Plan by the Company, shall not constitute a change or impairment of the terms and conditions of the Optionee's employment with the Affiliate that employs the Optionee.

Private Placement. The grant of the Stock Option is not intended to be a public offering of securities in the Optionee's country of residence and/or employment but instead is intended to be a private placement. As a private placement, the Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the grant of the Stock Option is not subject to the supervision of the local securities authorities.

Additional Acknowledgements. The **OPTIONEE** also acknowledges and agrees to the following:

- The Plan is established voluntarily by the Company, it is discretionary in nature, and it may be modified, amended, suspended, or terminated by the Company at any time, to the extent permitted by the Plan.
 - All decisions with respect to future Awards or other grants, if any, will be at the sole discretion of the Company.
 - The future value of the underlying Share is unknown, undeterminable and cannot be predicted with certainty.
 - If the underlying Share does not increase in value after the Date of Grant, the Stock Option will
-

have no value.

- If the Optionee exercises the Stock Option and acquire Shares, the value of such Shares may increase or decrease in value, even below the exercise price.
 - The Award and the Shares subject to the Award, and the income and value of same, are not part of normal or expected compensation or salary for any purpose and are not intended to replace any pension rights or compensation.
 - The Optionee's participation in the Plan is voluntary.
 - No claim or entitlement to compensation or damages arises from the forfeiture of the Award on the Stock Option, the termination of the Plan, or the diminution in value of the Stock Option or Shares, and the Optionee irrevocably releases the Company, its Affiliates, the Administrator and their affiliates from any such claim that may arise.
 - The Stock Option and the Share subject to the Stock Option, and the income and value of same, are not part of normal or expected compensation for purposes of, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments.
 - Unless otherwise agreed with the Company in writing, the Award and the Shares subject to the Stock Option, and the income and value of same, are not granted as consideration for, or in connection with, any service the Optionee may provide as a director of the Company or its Affiliates.
 - Neither the Company nor its Affiliates shall be liable for any foreign exchange rate fluctuation between the Optionee's local currency and the U.S. Dollar that may affect the value of the Stock Option or Shares or of any amounts due to the Optionee pursuant to the settlement of the Stock Option or the subsequent sale of Shares acquired upon settlement.
 - None of the Company, its Affiliates, nor the Administrator is providing any tax, legal or financial advice or making any recommendations regarding the Optionee's participation in the Plan, the grant, vesting or settlement of the Optionee's Stock Option, or the Optionee's acquisition or sale of the Shares transferred upon exercise of the Stock Option. The Optionee is hereby advised to consult with his own personal tax, legal and financial advisors regarding his participation in the Plan before taking any action related to the Plan.
-

EUROPEAN UNION (“EU”) / EUROPEAN ECONOMIC AREA (“EEA”) / SWITZERLAND / UNITED KINGDOM

Terms and Conditions

Employee Data Privacy. If the Optionee resides and/or works in the EU/EEA, Switzerland or the United Kingdom, the following provisions replace Section 10 of the Agreement in its entirety:

The Company, with its registered address at 1000 Chesterbrook Boulevard, Suite 300, Berwyn, PA 19312, USA, is the controller responsible for the processing of the Optionee’s personal data by the Company and the third parties noted below.

(a) Data Collection and Usage. Pursuant to applicable data protection laws, the Optionee is hereby notified that the Company collects, processes and uses certain personally-identifiable information about the Optionee for the legitimate interest of implementing, administering and managing the Plan and generally administering equity awards; specifically, including the Optionee’s name, home address, email address and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all Stock Options, any other entitlement to Shares awarded, canceled, exercised, vested, or outstanding in the Optionee’s favor, which the Company receives from the Optionee or the Optionee’s employer (“Personal Data”). In granting the Stock Options under the Plan, the Company will collect Personal Data for purposes of allocating Shares and implementing, administering and managing the Plan. The Company’s legal basis for the collection, processing and use of Personal Data is the necessity of the processing for the Company to perform its contractual obligations under the Agreement and the Plan and the Company’s legitimate business interests of managing the Plan, administering employee equity awards and complying with its contractual and statutory obligations.

(b) Stock Plan Administration Service Provider. The Company transfers Personal Data to Merrill Lynch and its affiliates, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share Personal Data with another company that serves in a similar manner. The Company’s service provider will open an account for the Optionee to receive and trade Shares. The Optionee will be asked to agree on separate terms and data processing practices with the service provider, which is a condition to the Optionee’s ability to participate in the Plan. The processing of Personal Data will take place through both electronic and non-electronic means. Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering and operating the Plan.

(c) International Data Transfers. The Company and its service providers are based in the United States or elsewhere throughout the world. The Optionee’s country or jurisdiction may have different data privacy laws and protections than the United States. The Company’s legal basis for the transfer of the Optionee’s Personal Data to the United States is to satisfy its contractual obligations under the terms and conditions of this Agreement.

(d) Data Retention. The Company will use Personal Data only as long as is necessary to implement, administer and manage the Optionee’s participation in the Plan or as required to comply with legal or regulatory obligations, including tax and securities laws. When the Company no longer needs Personal Data, the Company will remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company’s legal basis would be for compliance with relevant laws or regulations.

(e) Data Subject Rights. The Optionee may have a number of rights under data privacy laws in the Optionee’s country. For example, the Optionee’s rights may include the right to (i) request access or copies of Personal Data the Company processes, (ii) request rectification of incorrect Personal Data, (iii) request deletion of Personal Data, (iv) place restrictions on processing of Personal Data, (v) lodge complaints with

competent authorities in the Optionee's country, and/or (vi) request a list with the names and addresses of any potential recipients of Personal Data. To receive clarification regarding the Optionee's rights or to exercise the Optionee's rights, the Optionee may contact his or her local partner or human resources representative.

BELGIUM

Terms and Conditions

Timing of Acceptance. The Optionee agrees that he or she will not accept the Option until a date that is on or after the 61st day on which it is offered to the Optionee. The date of offer is the date on which the Company communicates the material terms (*i.e.*, the exercise price and number of Shares subject to the Stock Option) to the Optionee. Any acceptance inadvertently given by the Optionee before the 61st day following the offer date shall be considered effective as of the 61st day following the offer date.

Notifications

Foreign Asset / Account Reporting Information. If Optionee is a Belgian resident, Optionee is required to report any taxable income attributable to the grant of the Stock Option on his or her annual tax return. In addition, the Optionee is required to report any securities (e.g., Shares) or bank accounts opened and maintained outside Belgium on his or her annual tax return. In a separate report, certain details regarding such foreign accounts (including the account number, bank name and country in which such account was opened) must be provided to the Central Contact Point of the National Bank of Belgium. The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium (www.nbb.be) under the caption *Kredietcentrales / Centrales des crédits*.

GERMANY

Notifications

Exchange Control Information. Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. If the Optionee uses a German bank to transfer a cross-border payment in excess of €12,500 in connection with the sale of the Shares acquired under the Plan, the bank will make the report for the Optionee. Optionee is responsible for satisfying any applicable reporting obligation.

HONG KONG

Terms and Conditions

Exercise of Stock Option. In the event that the Stock Option is settled within six (6) months of the Grant Date, the Optionee agrees that the Optionee (or his / her beneficiary) will not sell or otherwise dispose of any such Shares prior to the six (6)-month anniversary of the Grant Date.

Wages. The Stock Option and Shares underlying the Stock Option do not form part of the Optionee's wages for the purposes of calculating any statutory or contractual payments under Hong Kong law. The Company specifically intends that the Plan will not be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance.

Notifications

Securities Law Information. Warning: *The Stock Option and any Shares transferred pursuant to the exercise of the Stock Option do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company and its Affiliates. The Agreement, the Plan, and any rules, procedures, forms or other incidental communication materials have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong, nor have the documents been reviewed by any regulatory authority in Hong Kong. The Stock Option and any related documentation are intended only for the personal use of each eligible employee of the Company or its Affiliates and may not be distributed to any other person. If the Optionee is in any doubt about any of the contents of the Agreement, the Plan, or any rules, procedures or forms, the Optionee should obtain independent professional advice.*

IRELAND

Notifications

Director Notification Obligation. Directors, shadow directors and secretaries of an Irish Subsidiary or other affiliate of the Company whose interest in the Company represents more than 1% of the Company’s voting share capital must notify the Irish Subsidiary or other affiliate of the Company in writing when acquiring or disposing of their interest in the Company (e.g., Restricted Share Units, Shares, etc.), when becoming aware of the event giving rise to the notification requirement, or when becoming a director or secretary if such an interest exist at the time. This notification requirement also applies to any rights or shares acquired by the director’s spouse or children under the age of 18 (whose interests will be attributed to the director, shadow director or secretary).

ITALY

Terms and Conditions

Plan Document Acknowledgment. The Optionee further acknowledges that he or she has read and specifically and expressly approves the Data Privacy section above as well as the following sections of the Agreement Section 1 (“Grant of Stock Options”); Section 3 (“Vesting; Method of Exercise; Treatment of the Stock Option Upon Termination of Employment”); Section 4 (“Forfeiture; Recovery of Compensation”); Section 5 (“Transfer of Stock Option”); Section 6 (“Responsibility for Taxes & Withholding”); Section 11 (“Imposition of Other Requirements”); Country Appendix (“English Language”; “Additional Acknowledgements”).

Notifications

Foreign Asset / Account Reporting Information. The Optionee understands that if the Optionee is an Italian resident and at any time during the fiscal year the Optionee holds foreign financial assets (including cash and Shares) which may generate income taxable in Italy, the Optionee is required to report these assets on the Optionee’s annual tax return (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to Italian residents who are the beneficial owners of foreign financial assets, even if the Optionee does not directly hold investments abroad or foreign assets.

Tax on Foreign Financial Assets. Individuals resident in Italy are subject to a tax on the value of financial assets held outside of Italy. The taxable amount will be the fair market value of the financial assets (including Shares) on December 31 or on the last day the Shares were held (the tax is levied in proportion to the number of days the shares were held during the calendar year). The tax is assessed as part of the annual tax return.

NETHERLANDS

Notifications

Waiver of Termination Rights. In consideration of the grant of the Stock Option, the Optionee agrees that he or she waives any and all rights to compensation or damages as a result of any termination of employment for any reason whatsoever, insofar as those rights result or may result from (a) the loss or diminution in value of such rights or entitlements under the Plan, or (b) the Optionee ceases to have rights under, or ceasing to be entitled to any awards under the Plan as a result of such termination.

SWITZERLAND

Notifications

Securities Law Information. Neither this document nor any other materials relating to the grant of Stock Options (i) constitutes a prospectus according to articles 35 *et seq.* of the Swiss Federal Act on Financial Services (“FinSA”) (ii) may be publicly distributed nor otherwise made publicly available in Switzerland to any person other than an employee of the Company or (iii) have been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 of FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority (FINMA).

UNITED KINGDOM

Terms and Conditions

Tax Withholding and National Insurance Contributions Acknowledgement. Notwithstanding any provisions in the Agreement, the Optionee agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company, the Employer, or by Her Majesty’s Revenue and Customs (“HMRC”) or any other tax authority or other relevant authority. The Optionee also agrees to indemnify and keep indemnified the Company and the Employer against any Tax-Related Items that they are required to pay or withhold, or have paid or will pay, to HMRC (or any other tax authority or other relevant authority) on the Optionee’s behalf.

Notwithstanding the foregoing, if the Optionee is a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities Exchange Act of 1934, as amended), the terms of the immediately foregoing provision may not apply to the Optionee if the indemnification is viewed as a loan. In this case, if the amount of any income tax due is not collected from or paid by the Optionee within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute an additional benefit to the Optionee on which additional income tax and national insurance contributions (“NICs”) may be payable. The Optionee will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying to the Company or the Employer, as applicable, any employee NICs due on this additional benefit, which the Company or the Employer may recover from the Optionee by any of the means referred to in Section 6 of the Agreement.

Exclusion of Claim. The Optionee acknowledges and agrees that the Optionee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Optionee’s ceasing to have rights under or to be entitled to the Stock Options, whether or not as a result of termination of Optionee’s Employment (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the Stock Options. Upon the grant of the Stock Options, the Optionee shall be deemed to have waived irrevocably any such entitlement.



R e c o r d e d

at Frankfurt am Main, on 21 October 2021

Before me, the undersigned notary in the district of
the Higher Regional Court of Frankfurt am Main,

Dr Bernhard Schütz

with official place of business at
60325 Frankfurt am Main, Bockenheimer Landstraße 13-15,

appeared today, all identified by their valid official photo-identification documents:

1. Ms Lara Stelmach, attorney-at-law, born on 5 October 1990, with business address at Clifford Chance Partnerschaft mit beschränkter Berufshaftung von Rechtsanwälten, Steuerberatern und Solicitors, Jungnhofstraße 14, 60311 Frankfurt am Main, acting not in her own name, but – excluding any personal liability – on the basis of written powers of attorney, the originals of which were available at the recording and copies of which are attached hereto, which are hereby certified to be true and correct copies of the originals, for and on behalf of
 - a) **Trinseo S.A.** with registered address at 26-28 rue Edward Steichen, 2540 Luxembourg, Luxembourg, registered with the Register of Commerce and Companies Luxembourg under B153549,

– the "Seller 1" –,
 - b) **Trinseo Deutschland GmbH** with its seat at Schkopau and domestic business address at Strasse E 17, 06258 Schkopau, Germany, registered with the commercial register of the local court of Stendal under HRB 10263,

– the "Seller 2" –,
 - c) **Trinseo Europe GmbH** with its seat at Horgen, Switzerland, and registered address at Zugerstrasse 231, 8810 Horgen, Switzerland, registered with the commercial register of the Canton of Zurich under CHE-114.396.041,
-

– the "Seller 3" –,

- d) **Trinseo Belgium B.V.** with registered address at Havenlaan 7, 3980 Tessenderlo, Belgium, registered with the Belgian Crossroads Bank for Enterprises under enterprise no 0820.679.188,

– the "Seller 4" –,

- e) **Trinseo Export GmbH** with its seat at Horgen, Switzerland, and registered address at Zugerstrasse 231, 8810 Horgen, Switzerland, registered with the commercial register of the Canton of Zurich under CHE-114.496.932;

– the "Seller 5" –,

2. Mr Mathias Bogusch, attorney-at-law, born on 10 September 1986, with business address at White & Case LLP, Bockenheimer Landstraße 20, 60323 Frankfurt am Main, acting not in his own name, but – excluding any personal liability – on the basis of written powers of attorney, the originals of which were available at the recording and copies of which are attached hereto, which are hereby certified to be true and correct copies of the originals, for and on behalf of

- a) **Synthos S.A.** with its seat at Oświęcim, Poland, and registered address at ul. Chemików 1, 32-600 Oświęcim, Poland, registered with the National Court Register under KRS 0000038981,

– the "Purchaser 1" –,

- b) **Blitz F21-410 GmbH** with its seat in Frankfurt am Main and domestic business address c/o White & Case LLP, John F. Kennedy Haus, Rahel-Hirsch-Straße 10, 10557 Berlin, registered with the commercial register of the local court of Frankfurt am Main under HRB 122747,

– the "Purchaser 2" –,

- c) **Synthos Dwory 7 spółka z ograniczoną odpowiedzialnością spółka jawna** with its seat at Oświęcim, Poland, and registered address at ul. Chemików 1, 32-600 Oświęcim, Poland, registered with the National Court Register under KRS 0000490507;

– the "Purchaser 3" –.

– Seller 1, Seller 2, Seller 3, Seller 4, Seller 5, Purchaser 1, Purchaser 2 and Purchaser 3 are each referred to as a "**Party**" and, collectively, the "**Parties**" –.

The notary explained the restrictions on officiating pursuant to sec 3 para 1 sent 1 no 7 of the German Notarisation Act (*BeurkG*) and asked whether there had been a prior involvement within the meaning of the act. The question was answered in the negative. The persons appearing confirmed that the parties represented by them act for their own account.

The persons appearing requested that this written record be recorded in the English language. The notary, who is in sufficient command of the English language, satisfied himself as to that the persons appearing are in sufficient command of the English language as well.

This deed makes reference to deed no 582 / 2021 S dated 21 May 2021 and deed nos 578 -581 / 2021 S dated 17 to 21 May 2021 notarised by Dr. Bernhard Schütz (together the "**Asset Purchase Agreement**" and the "**Reference Deeds**"). Reference pursuant to sec 13a German Notarisation Act is made to the Reference Deeds, the originals of which were available for inspection prior to and during the today's recording. The notary instructed the persons appearing about the legal consequences of a reference. The persons appearing declared that they were familiar with the contents of the Reference Deeds. After having been instructed by the notary, the persons appearing waived the Reference Deeds being read out aloud and attached to this written record.

The persons appearing – acting as indicated – asked for the notarisation of the following declarations:

1st AMENDMENT
to the
ASSET PURCHASE AGREEMENT TRINSEO'S SYNTHETIC RUBBER BUSINESS

This 1st Amendment (the "**Amendment**") shall become effective with the signature of all Parties (the "**Amendment Effective Date**")

WHEREAS, the Parties entered into an Asset Purchase Agreement for Trinseo's Synthetic Rubber Business dated 21 May, 2021 (the "**Asset Purchase Agreement**")

and

WHEREAS, the Parties have agreed to enter into this Amendment in order to:

- (i) shift the responsibility for retention bonus payments post-closing from Purchaser 2 to Sellers 1, 2 and 3;
- (ii) exclude the transfer of the receivables, account payables, accrued expenses and other current liabilities constituting the Intangible Working Capital Accounts from the Sellers to the Purchasers, and, consequently to reduce the Purchase Price by USD 47 million;
- (iii) amend the Purchase Price Allocation to reflect the valuation of TRS shares;
- (iv) change the right of the Purchaser 2 to nominate Purchaser 3 to acquire selected assets and extend it to tangible assets;
- (v) replace Schedule 13.2 by a new Schedule 13.2;
- (vi) adjust the mechanism determining the Closing Date;
- (vii) add a transition period for the use of the Seller's logo;

- (viii) amend Schedule 12.2 as well as
- (ix) confirm mutual understanding and interpretation of several terms.

NOW THEREFORE, in consideration of the mutual promises and covenants contained in this Amendment, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. DEFINITIONS

Unless otherwise defined in this Amendment, capitalized terms and expressions used herein shall have the meanings given to them in the Asset Purchase Agreement.

2. AMENDED PROVISIONS

2.1

Section 2 “*Definitions*” shall be amended by deletion of the following definitions:

- “*Binding Intangible Working Capital Accounts*”,
- “*Sold Intangible Assets*”,
- “*Intangible WC Balance Amount*”,
- “*Intangible Working Capital Accounts*”.

2.2

Section 5 “*Sold Tangible Assets*”, Subsection 5.5 shall be deleted in its entirety and replaced with the following wording:

“Purchaser 2 shall be entitled to nominate Purchaser 3 (and Purchaser 3 hereby already consents to such nomination) to acquire any or all of the Sold Assets with the exception of the Rubber Hereditary Building Right instead of Purchaser 2. Purchaser 2 shall exercise the foregoing right by submitting not less than ten (10) Business Days prior to the Closing Date a written declaration to Seller 2 (acting as authorized recipient also for Seller 3) that sets forth the Sold Assets Purchaser 3 shall acquire. Purchaser 3 shall acquire the relevant Sold Assets in lieu of Purchaser 2. To the extent Purchaser 2 exercises its nomination right under this Section, Purchaser 3 shall be placed in a position as if it would have purchased the Sold Assets under Section 5.”

2.3

The following new Section 7.5 shall be added to the Asset Purchase Agreement:

“The Purchasers shall not, and shall cause its Affiliates, distributors and agents not to, use any tradename which consists of or incorporates the “Trinseo” name, the “Trinseo” visual identity, or anything that is substantially or confusingly similar to this name or visual identity (“Retained Name”) from and after the Closing Date except that the Purchasers and their Affiliates, distributors and agents shall have the right to use, market and sell, or otherwise dispose of, the inventory, signage, vehicles, equipment, machinery, business consumables, marketing materials, packaging, or other materials (including letters, brochures and business cards) and other tangible assets in the Purchaser’s possession as of the Closing Date on which a Retained Name is printed, painted, affixed, or otherwise displayed until the earlier of (i) the deletion and/or consummation of the foregoing or (ii) the expiry of a period of six (6) months after the Closing Date; provided that such use shall be in a manner which is consistent with the use of this name and visual identity prior to the Closing Date, does not create confusion

as to the origin of the services and products supplied and does not cause any harm to any of the Sellers and their Affiliates or to the "Trinseo" name or the "Trinseo" visual identity."

2.4

Section 9 "*Excluded Assets and Excluded Liabilities*", Subsection 9.2.3 shall be amended by deletion of words: "*and reflected in the Binding Intangible Working Capital Accounts*", consequently the amended wording of this subsection shall be the following:

"all of the Sellers' account payables in compliance with Section 10.5, i.e. unless sold and transferred under this Agreement;"

2.5

Section 10 "*Transferred Contracts*", Subsection 10.5.1 Sentence 2 (beginning with "*The relevant Seller shall be responsible for performing any obligations...*") shall be deleted and replaced with the following two sentences:

"The Parties agree on a freeze period of 5 days before the Closing Date, where neither Seller shall acknowledge or submit any new purchase/customer orders Related to the Business to enable a smooth transfer. The relevant Seller shall be responsible for performing any obligations (including payment/cash collection) related to actions that are performed (in accordance with past practice and/or applicable contractual obligations) prior to Closing and the Purchaser 2 shall be responsible for performing any obligations related to actions that are performed (in accordance with past practice and/or applicable contractual obligations) after Closing; for the avoidance of doubt, goods and/or services received prior to Closing shall be paid by the relevant Seller and orders received and deployed prior to Closing shall be invoiced by the relevant Seller, whereas the same shall apply for Purchaser 2 after Closing."

2.6

Section 10 "*Transferred Contracts*" Subsection 10.5.4 shall be deleted in its entirety.

2.7

Schedule 12.2 "*List of Individually Transferred Employees*" shall be amended by deleting the two positions with codes "Mercedes200" and Mercedes201" from Schedule 12.2.

2.8

Section 12.3 "*Payments to Transferred Employees and Individually Transferred Employees*" Subsection 12.3.1 para. 2 (beginning with "*Seller 2 and Seller 3 shall, and Seller 1 shall procure that any relevant Affiliate shall, be responsible, and indemnify the Purchaser 2, for any bonuses*" and ending with "*However, as regards retention bonus payments, the Purchaser 2 shall be responsible for such portion that becomes due after the Closing Date.*") shall be deleted in its entirety and replaced with the following new para. 2:

"Seller 2 and Seller 3 shall, and Seller 1 shall procure that any relevant Affiliate shall, be responsible, and indemnify the Purchaser 2, for any bonuses payable to the Transferred Employees that are triggered by the transaction contemplated in this Agreement, including retention bonuses, and such indemnification shall not be calculated on a pro rata basis."

2.9

Section 13 “Purchase Price”, Subsection 13.1.1. shall be amended by deletion of the words “*USD 449,400,000 (United States Dollar four hundred forty-nine million four hundred thousand)*” which shall be replaced with the words

“USD 402,400,000 (United States Dollar four hundred and two million four hundred thousand)”

2.10

Schedule 13.2 “*Allocation of Purchase Price*” shall be fully replaced by a new Schedule 13.2 “*Allocation of Purchase Price*” as attached hereto as **ANNEX 1**.

2.11

Section 14 “*Adjustment of the Purchase Price in relation to Working Capital*”, Subsections 14.1.2, 14.2 and 14.4 shall be deleted in their entirety.

2.12

Section 14 “*Adjustment of the Purchase Price in relation to Working Capital*”, Subsection 14.1 the last paragraph (beginning with: “*If the Parties do not reach agreement...*”) shall be amended by deletion of words “*and the Intangible Working Capital Accounts*”, consequently the amended wording of this last paragraph of Section 14.1 shall be the following:

“If the Parties do not reach agreement on the appointment of another auditing firm within five (5) Business Days following Closing or if the chosen auditing firm refuses to accept the instruction, the auditing firm to be instructed to prepare the Tangible Transfer Inventory as per the Closing Date shall be chosen by the Institute of Certified Public Accountants (Institut der Wirtschaftsprüfer) in Düsseldorf on terms reasonably acceptable to such auditing firm upon written request of either Party.”

2.13

The “*the latest available market price*” within Section 14 “*Adjustment of the Purchase Price in relation to Working Capital*”, Subsection 14.3 Sentence 1 shall correspond to “*the actual cost per kiloton at the time of Closing to be determined in accordance with past practice, in particular pursuant to Schedule 14.1.2*”.

2.14

Section 21.1 “*Closing Date*”, Subsection 21.1.1 Sentence 1 (beginning with “*The Parties shall consummate*” and ending with “*by email between the Parties*”) as well as Sentence 2 shall be deleted in its entirety and replaced by the following new Sentence 1:

“The Parties shall consummate in rem (dinglich vollziehen) the legal transactions stipulated in this Agreement on the last Business Day of the month following the month in which the day falls on which all of the Closing Conditions are satisfied or, where permitted, waived or any other day as agreed in writing or by email between the Parties.”

2.15

Section 25 “*Remedies and Claims*”, Subsection 25.4.1 letter (c) shall be amended by deletion of the words “*and/or Binding Intangible Working Capital Accounts*”, consequently the amended wording of this subsection shall be the following:

“the disadvantages to be compensated are taken into consideration in the Binding Tangible Transfer Inventory, leading to a reduction of the Purchase Price within the framework of the adjustment of the Purchase Price according to Section 14.”

3. OTHER PROVISIONS UNCHANGED

Except to the extent amended by this Amendment, the Asset Purchase Agreement will remain in full force and effect and shall not be altered by this Amendment.

4. MISCELLANEOUS

Sections 33 (Costs) and 34 (Final Provisions) of the Asset Purchase Agreement shall apply mutatis mutandis to this Amendment.

5. NOTARY'S INSTRUCTIONS

The notary advised that

- all agreements must be completely and accurately recorded and that any non-recorded side-agreements may render the entire agreement null and void;
- the notary pursuant to the contractual parties' express wish, which was confirmed today by the persons appearing, did not advise on tax matters;
- the personal data of the persons involved in the present recording will be stored and processed in the notary's office and, within the notary's official capacity, shared with third persons, which was agreed to as a matter of precaution; furthermore, the electronic transmission of messages and documents (e.g. by e-mail) was approved of;
- all parties involved in the present record are by mandatory law liable for the notary's fees.

The foregoing written record including its Annex 1 was read out aloud by the notary to the persons appearing, was together with its Annex 1 submitted to them for inspection, was approved by them in its entirety and signed by them and the notary in their own hands as follows:

/s/ Lara Stelmach

/s/ Mathias Bogusch

/s/ Bernhard Schütz

ANNEX 1
TO THE 1ST AMENDMENT TO THE ASSET PURCHASE AGREEMENT

SCHEDULE 13.2 TO ASSET PURCHASE AGREEMENT
ALLOCATION OF PURCHASE PRICE

Purchase price per TSE legal entities				
in USD mn				
ASSETS	TRINSEO EUROPE GMBH	TRINSEO DEUTSCHLAND GMBH	TRINSEO BELGIUM BV	
Receivables	63,8	0,0		
Inventory	76,0	8,4		
Investment in Tyre Recycling Solutions SA			5,5	
<i>Property, plant & equipment:</i>		199,9		
- Land valuation heritable building right		1,8		
- Buildings and improvements		58,7		
- Land improvements		4,1		
- Machinery and equipment		118,7		
- Computer equipment and software		3,2		
- Office, furniture, fixtures and equipment		0,6		
- Construction in Progress		12,8		
Goodwill	26,6			
<i>Intangible assets:</i>	127,0			
- Customer relationship - SSBR	52,0			
<i>(including TRS route to market)</i>	2,0			
- Developed technology - Fx SSBR	46,0			
- Developed technology - Non-Fx SSBR	12,0			
- Developed technology - ESBR	4,0			
- Trademark and trade name - Sprintan	10,0			
- Trademark and trade name - Buna	3,0			
Accounts payable	(26,3)	(3,7)		
Misc. Deferred Charges		13,3		
Pension		(41,0)		
Accrued Expenses and Other Current Liabilities	(0,1)			
Total	267,1	176,9	5,5	449,4
Adjustments				
NWC - Receivables	(63,8)	(0,0)		
NWC - Accounts payable	26,3	3,7		
NWC - Misc. Deferred charges	-	(13,3)		
NWC - Accrued Expenses and Other Current Liabilities	0,1	-		
Total Adjustments	(37,5)	(9,5)		(47,0)
Total Adjustments	229,6	167,3	5,5	402,4
VAT*	0,4	-	-	0,4
Purchase price with VAT	230,0	167,3	5,5	402,8

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Frank Bozich, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Trinseo PLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2021

By: /s/ Frank Bozich
Name: Frank Bozich
Title: Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, David Stasse, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Trinseo PLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2021

By: /s/ David Stasse

Name: David Stasse

Title: Chief Financial Officer

**Certification of CEO 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 quarterly report of Trinseo PLC (the "Company") on Form 10-Q for the period ended September 30, 2021 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, the undersigned, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 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.

Date: November 8, 2021

By: /s/ Frank Bozich
Name: Frank Bozich
Title: Chief Executive Officer

**Certification of CFO 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 quarterly report of Trinseo PLC (the "Company") on Form 10-Q for the period ended September 30, 2021 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, the undersigned, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 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.

Date: November 8, 2021

By: /s/ David Stasse
Name: David Stasse
Title: Chief Financial Officer
