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

FORM 10-K

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2020

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 001-38694

LIVENT CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**82-4699376**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
2929 Walnut Street Philadelphia, Pennsylvania	**19104**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: 215-299-5900

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

Title of each class	Trading Symbol (s)	Name of each exchange on which registered
Common Stock, $0.001 par value per share	LTHM	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None

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

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

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

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

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

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

The aggregate market value of voting stock held by non-affiliates of the registrant as of June 30, 2020, the last day of the registrant’s second fiscal quarter was $899,347,224. The market value of voting stock held by non-affiliates excludes the value of those shares held by executive officers and directors of the registrant.

Indicate the number of shares outstanding of each of the registrant’s classes of common stock, as of the latest practicable date

Class	December 31, 2020
Common Stock, par value $0.001 per share	146,361,981

DOCUMENTS INCORPORATED BY REFERENCE

DOCUMENT	FORM 10-K REFERENCE
Portions of Proxy Statement for 2021 Annual Meeting of Stockholders	**Part III**

Livent Corporation
2020 Form 10-K
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Glossary of Terms

When the following terms and abbreviations appear in the text of this report, they have the meanings indicated below:

2025 Notes	$245.75 million principal amount 4.125% Convertible Senior Notes due 2025, including $20.75 million issued upon exercise of the Over-Allotment Option on July 7, 2020
AOCI	Accumulated other comprehensive income
Application	The application filed by Livent with the CCAA Court to obtain remittance of the Escrow Funds
ARO	Asset retirement obligation
ASC	Accounting Standards Codification, under U.S. GAAP
ASC 842	Accounting Standards Codification Topic 842 - Leases
ASU	Accounting Standards Update, under U.S. GAAP
Brexit	The withdrawal of the United Kingdom from the European Union
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CCAA	The Companies’ Creditors Arrangement Act
CCAA Court	The Superior Court of Quebec where Nemaska, Nemaska Lithium Inc. and certain affiliates filed for creditor protection in Canada under the CCAA
CERCLA	Comprehensive Environmental Response, Compensation and Liability Act
Credit Agreement	The Original Credit Agreement, as amended on May 6, 2020, by the First Amendment and August 3, 2020, by the Second Amendment
Distribution	On March 1, 2019, FMC made a tax-free distribution to its stockholders of all its remaining interest in Livent Corporation
ESG	Environmental, social and governance
Exchange Act	Securities and Exchange Act of 1934
EV	Electric vehicle
FASB	Financial Accounting Standards Board
First Amendment	On May 6, 2020, Livent Corporation entered into the First Amendment to the Credit Agreement to amend and restate the Original Credit Agreement
FMC	FMC Corporation
FMC Plan	FMC Corporation Incentive Compensation and Stock Plan
GDP	Gross domestic product
HCM	Human Capital Management
IPO	Initial public offering
kMT	Thousand metric tons
LCE	Lithium carbonate equivalent
Livent NQSP	Livent Non-qualified Savings Plan
Livent Plan	Livent Corporation Incentive Compensation and Stock Plan
MdA	Minera del Altiplano SA, our local operating subsidiary in Argentina
MT	Metric ton
Nemaska	Nemaska Lithium Shawinigan Transformation Inc., a subsidiary of Nemaska Lithium Inc.
Nemaska Transaction	The transaction through which a consortium has purchased and will operate the business previously conducted by Nemaska Lithium Inc., a Canadian lithium producer
NQO	Non-qualified stock option
NYSE	New York Stock Exchange
OCI	Other comprehensive income
OM&M	Operation, maintenance and monitoring of site environmental remediation
Original Credit Agreement	On September 18, 2018 Livent Corporation entered into the credit agreement, which provides for a $400 million senior secured revolving credit facility
OSHA	Occupational Safety and Health Administration
Over-Allotment Option	Option to purchase an additional $20.75 million principal amount of 2025 Notes exercised on July 7, 2020
Prospectus	The final Prospectus included in our Registration on Form S-1 originally filed with the SEC on October 12, 2018

RCRA	Resource Conservation and Recovery Act
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
REMSA	Recursos Energeticos y Mineros Salta, S.A., local natural-gas sub-distributor in Argentina
Revolving Credit Facility	Livent's $400 million senior secured revolving credit facility
ROU Asset	Right-of-use asset
RSU	Restricted stock unit
SEC	Securities and Exchange Commission
Second Amendment	On August 3, 2020, Livent Corporation entered into the Second Amendment to the Credit Agreement to amend the Credit Agreement
Securities Act	Securities Act of 1933
Separation Date	On October 15, 2018, Livent Corporation completed the IPO and sold 20 million shares of Livent common stock to the public at a price of $17.00 per share
Tax Act	Tax Cuts and Jobs Act
TCA	UK-EU Trade and Cooperation Agreement
TMA	Tax Matters Agreement
TSA	Transaction Services Agreement
U.S. GAAP	United States Generally Accepted Accounting Principles

PART I

ITEM 1. BUSINESS

Livent Corporation was formed and incorporated by FMC Corporation as FMC Lithium USA Holding Corp. in the State of Delaware on February 27, 2018, and was subsequently renamed Livent Corporation ("Livent"). Livent's principal executive offices are located at 2929 Walnut Street, Philadelphia, Pennsylvania, 19104. Throughout this Annual Report on Form 10-K, except where otherwise stated or indicated by the context, "Livent", the "Company", "we," "us," or "our" means Livent Corporation and its consolidated subsidiaries and their predecessors after giving effect to the transactions described under "The Separation" and "The Distribution" below, and references to "FMC" refer to FMC Corporation and its consolidated subsidiaries. Unless the context requires otherwise, statements relating to our history throughout this Annual Report on Form 10-K describe the history of FMC's lithium segment. Copies of the annual, quarterly and current reports we file with the Securities and Exchange Commission ("SEC"), and any amendments to those reports, are available on our website at *www.livent.com* as soon as practicable after we furnish such materials to the SEC.

The Separation and Distribution

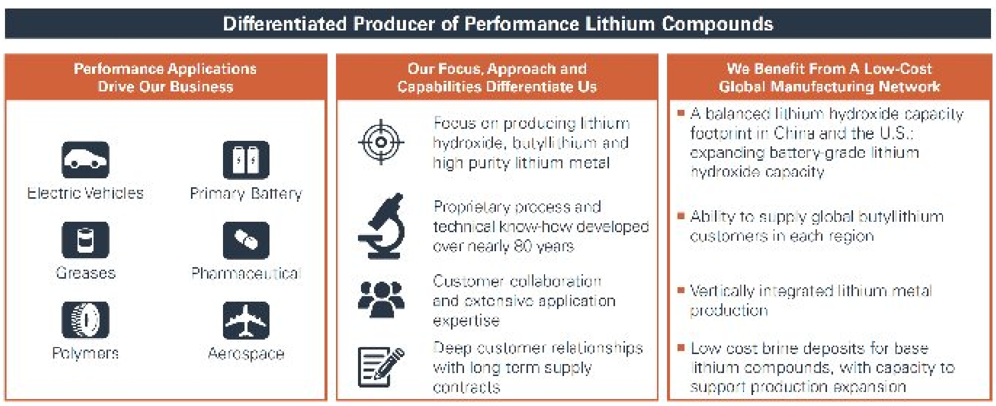
Prior to the completion of the initial public offering ("IPO" or the "Separation") on October 15, 2018 (the "Separation Date"), we were a wholly owned subsidiary of FMC, and all of our outstanding shares of common stock were owned by FMC. Following a series of restructuring steps, on October 1, 2018, prior to the IPO of Livent common stock, FMC transferred to us substantially all of the assets and liabilities of its lithium business (the "Lithium Business"). In exchange, we issued to FMC 123 million shares of our common stock.

In connection with the Separation and completion of the IPO, we entered into certain agreements with FMC that govern various relationships between the parties. These agreements include a separation and distribution agreement, a transition services agreement, a shareholders' agreement, a tax matters agreement, a registration rights agreement, an employee matters agreement and a trademark license agreement.

On March 1, 2019, FMC completed the spin-off distribution of 123 million shares of common stock of Livent as a pro rata dividend on shares of FMC common stock outstanding at the close of business on the record date of February 25, 2019 (the "Distribution"). Effective upon completion of the Distribution, we became an independent company and FMC no longer owns any shares of Livent common stock.

General

We are a pure-play, fully integrated lithium company, with a long, proven history of producing performance lithium compounds. Our primary products, namely battery-grade lithium hydroxide, lithium carbonate, butyllithium and high purity lithium metal are critical inputs used in various performance applications. Our strategy is to focus on supplying high performance lithium compounds to the fast-growing electric vehicles ("EV") and broader battery markets, while continuing to maintain our position as a leading global producer of butyllithium and high purity lithium metal. With extensive global capabilities, nearly 80 years of continuous production experience, applications and technical expertise, long standing customer relationships and a favorable sustainability profile, we believe we are well positioned to capitalize on the accelerating trends of vehicle electrification and renewable energy adoption.



We produce lithium compounds for use in applications that have specific and constantly changing performance requirements, including battery-grade lithium hydroxide for use in high performance lithium-ion batteries. We believe the demand for our compounds will continue to grow as the electrification of transportation accelerates, and as the use of high nickel content cathode materials increases in the next generation of battery technology products. We also supply butyllithium, which is used in the production of polymers and pharmaceutical products, as well as a range of specialty lithium compounds including high purity lithium metal, which is used in non-rechargeable batteries and in the production of lightweight materials for aerospace applications. It is in these applications that we have established a differentiated position in the market through our ability to consistently produce and deliver performance lithium compounds.

Livent Strategy

We believe that growth in EV sales will drive significant growth in demand for performance lithium compounds. We believe that we are well positioned to benefit from this trend thanks to our leading position, long-standing customer relationships and favorable sustainability profile and we view sustainability as central to our mission and a key consideration in all of our investment and operational decisions.

To fully capitalize on our growth opportunities, our strategy will involve investing in our assets, our technology capabilities and our people to ensure we can continue to meet our customers' demands as well as our broader commitments to other key stakeholders, including investors, employees, regulators and our local communities.

Expand our Production Capacities

We intend to expand our lithium hydroxide capacity at multiple locations in order to meet customer demands globally, as our customers expand their own production networks around the globe. To support our lithium hydroxide expansion and reduce our need to procure lithium carbonate from third party suppliers, we started a project in 2018 to expand annual lithium carbonate production at our existing operations in Argentina in addition to seeking alternative lithium resources. We paused our expansion project in Argentina in March 2020, resulting in the delay of phase 1 completion of 9,500 MT of additional lithium carbonate capacity. We also paused a lithium hydroxide expansion project for 5,000 MT of additional capacity in Bessemer City, North Carolina, to align its completion with that of phase 1 in Argentina. The restart, timing and scope of our capacity expansion plans will be driven by improved pricing dynamics or firm long-term commitments from customers coupled with the absence of COVID-19 related restrictions, among other factors. We plan to increase our lithium carbonate capacity in Argentina to roughly 60,000 MT in multiple phases over time. We also plan to increase our lithium hydroxide capacity in phases at multiple locations to a total of roughly 55,000 MT over time.

We will continue to evaluate our butyllithium capacity regionally and add capacity as our demand continues to increase. For high purity lithium metal, we are evaluating expansion opportunities to align with the potential increase in demand for lithium metal as our customers develop next generation battery technologies.

Diversify our Sources of Supply

We continue to pursue additional sources of lithium products, which may include further expansion in Argentina, increasing our ownership stake in the Nemaska Lithium Inc. development project and assets, acquisition and development of new resources, entering into long-term supply agreements with other producers or some combination thereof. We will continually assess new resources that offer the potential to provide alternative sources of lithium products and will look to invest in developing such resources where it makes sense to do so.

Expand our Applications and Process Technology Capabilities

Our market position today depends on our ability to consistently provide our customers with the products they need, in a sustainable and responsible manner. To maintain this position, we are continuously investing to improve our application, process and extraction technologies, on both existing and new potential resources, and to reduce our environmental footprint. As we work with our customers to understand their evolving lithium needs, we will focus on expanding our extraction and processing capabilities and our ability to adapt the properties of our products, whether chemical or physical, to meet those needs. This may require us to invest in and potentially acquire new capabilities, hire people or acquire new technical resources.

Develop Next Generation Lithium Compounds

We believe that the evolution of battery technologies will lead to the adoption of lithium-based applications in the anode and electrolyte within the battery. This evolution will require new forms of lithium to be produced, such as new lithium metal powders or printable lithium products. We will continue to invest in our research and development efforts to help us create new products, and we will also invest with and partner with our customers to further their own research and development efforts.

Invest in Our People

Our business requires that we hire, retain and engage research scientists, engineers and a technical sales force. We will continue to invest in our people through training and developing our employees to retain talent. We will look to cultivate an inclusive and positive work environment that (1) creates and supports diversity; (2) prioritizes equal opportunity and fairness in the company's management systems and practices; and (3) fosters a sense of belonging for employees with diverse perspectives, backgrounds and expertise.

Focus on Sustainability

Environmental, Social and Governance ("ESG") issues and concerns are having an increasing impact on our industry, business and operations. We intend to continue to integrate ESG and sustainability considerations into our business, operations and investment decisions. We believe our ESG and sustainability efforts will help us differentiate ourselves from other competitors and help us develop and strengthen relationships with customers and other key stakeholders.

We encourage you to review our 2019 Sustainability Report (located on our website at www.livent.com) for more detailed information regarding our ESG programs and initiatives. Nothing on our website, including our Sustainability Report or sections thereof, shall be deemed incorporated by reference into this Form 10-K.

Financial Information About Our Business

We operate as one reportable segment based on the commonalities among our products and services, the types of customers we serve and the manner in which we review and evaluate operating performance. As we earn a substantial amount of our revenues through the sale of lithium products, we have concluded that we have one operating segment for reporting purposes.

Business Overview

As a result of our focus on supplying performance lithium compounds for use in the rapidly growing EV and broader energy storage battery markets, we expect our revenue generated from lithium hydroxide, energy storage and our Asia operations, respectively, to increase. We intend to maintain our leadership positions in other high performance markets such as non-rechargeable batteries, greases, pharmaceuticals and polymers.

We believe that we have earned a reputation as a leading supplier in the markets we serve, based on the performance of our products in our customers' production processes and our ability to provide application know-how and technical support. In the EV market, we are one of a small number of lithium suppliers whose battery-grade lithium hydroxide has been qualified by global customers for use in their cathode material production that is ultimately used in numerous global EV programs. Throughout our history, as end market application technologies have evolved, we have worked closely with our customers to understand their changing performance requirements and have developed products to address their needs.

As a vertically integrated producer, we benefit from operating one of the lowest cost lithium mineral deposits in the world that also has a favorable, industry leading sustainability footprint. We have been extracting lithium brine at our operations at the Salar del Hombre Muerto in Argentina for more than 20 years, and have been producing lithium compounds for approximately 80 years. Our operational history provides us with a deep understanding of the process of extracting lithium compounds from brine safely and sustainably. We have developed proprietary process knowledge that enables us to produce high quality, low impurity lithium carbonate and lithium chloride. We source the majority of our base lithium compounds for use in the production of performance lithium compounds from these low cost operations in Argentina. Our operations in Argentina are expandable, giving us the ability to increase our lithium carbonate and lithium chloride production to meet increasing demand. We also have the operational flexibility to procure lithium carbonate from third party suppliers. This strategy allows us to manage our production requirements and produce more end-products for customers, as needed, than we would have the ability to do with lithium carbonate derived solely from our internal sources of supply.

We are one of a few lithium compound producers with global manufacturing capabilities. We use the majority of the lithium carbonate we produce in the production of battery-grade lithium hydroxide in the United States and China. We use the lithium chloride we produce in the production of butyllithium products in the United States, the United Kingdom, China and India, as well as in the production of high purity lithium metal in the United States. We have significant know-how and experience in the lithium hydroxide, butyllithium and high purity lithium metal production processes and product applications, which we believe provide us with a competitive advantage in these markets.

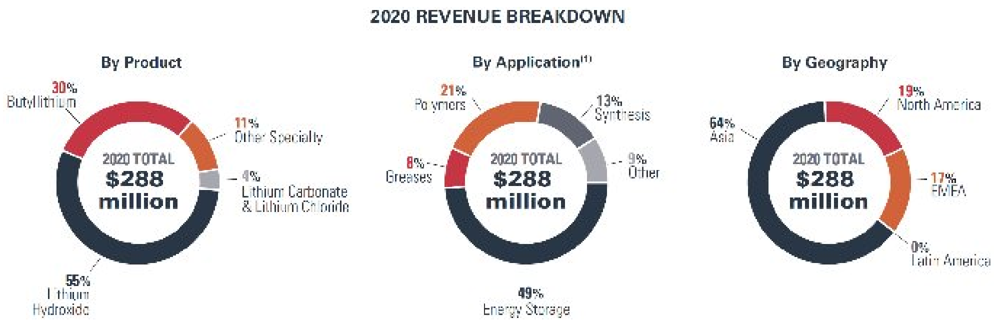
Capacity and Production

The chart below presents a breakdown of our capacity and production by product type and category presented in product basis metric tons ("MT") for the years ended December 31, 2020, 2019 and 2018:

Product Category	Product	2020		2019		2018	
		Capacity	Production	Capacity	Production	Capacity	Production
Performance Lithium	Lithium Hydroxide	25,000	14,686	25,000	21,348	18,500	15,936
	Butyllithium	3,265	2,180	3,265	2,437	3,265	2,389
	High Purity Lithium Metal [(1)]	250	160	250	167	250	140
Base Lithium	Lithium Carbonate [(2)]	18,000	15,589	18,000	16,785	18,000	17,238
	Lithium Chloride [(2)]	9,000	4,836	9,000	4,284	9,000	5,005

(1) Excludes other specialty product capacities and production.
(2) Represents theoretical capacity for lithium carbonate and lithium chloride. Actual combined production of both products is lower and limited by the total capacity of lithium brine production. Lithium brine production was approximately 19,500 MT on a lithium carbonate equivalent ("LCE") basis for 2020, approximately 20,000 MT for 2019 and approximately 21,000 MT for 2018, resulting in the total production shown in the chart.

The charts below detail our 2020 revenues by product, application and geography.



(1) Company internal estimates

Products and Markets

Our performance lithium compounds are frequently produced to meet specific customer application and performance requirements. We have developed our capabilities in producing performance lithium compounds through decades of interaction with our customers, and our products are key inputs into their production processes. Our customer relationships provide us with first-hand insight into our customers' production objectives and future needs in terms of product volume, mix and specifications, which we in turn use to further develop our products.

Our Performance Compounds

Product Category	End Applications	Our Differentiation
Battery-Grade Lithium Hydroxide	Electric Vehicles	▪ One of a small number of major suppliers for EV applications ▪ A balanced capacity footprint in China and the US; products from both sites qualified for EV applications, multi-year sales agreements ▪ More than 20 years of experience and partnerships with leading customers across EV and broader battery value chains ▪ Favorable sustainability profile of our brine and carbonate operations in Argentina, coupled with that of our hydroxide operations in the U.S. and China
Non-Battery Lithium Hydroxide	High Performance Greases	▪ Focused on grease applications where grease performance is critical ▪ Stable customer base with long-standing relationships that are typically measured in decades ▪ Typical sales agreements are multi-year
Butyllithium	Polymers; Pharmaceutical	▪ High level of technical service including safety, product handling, plant engineering and application know-how ▪ Manufacturing facilities in all regions to support our global customers ▪ Multi-year sales agreements
High Purity Lithium Metal and Other Specialties	Primary Battery; Aerospace	▪ One of the few producers of high purity lithium metal, and the only fully vertically integrated western producer ▪ Niche high value specialty applications

Other specialties include lithium phosphate, pharmaceutical-grade lithium carbonate, high purity lithium chloride and specialty organics. In addition to performance lithium compounds, we also produce lithium carbonate and lithium chloride, both of which we largely consume as feedstock in the process of producing our performance lithium compounds.

Competition and Industry Overview

We sell our performance lithium compounds worldwide. Most markets for lithium compounds are global, with significant growth occurring in Asia and Europe, driven primarily by the development and manufacturing of lithium-ion batteries. The market for lithium compounds also faces some barriers to entry, including access to an adequate and stable supply of lithium, technical expertise and development lead time. According to Roskill's 2019 estimates, we are one of the five largest producers of lithium compounds, including Albemarle, Jiangxi Ganfeng Lithium, Sichuan Tianqi, and SQM, which accounted for 64% of the global refined lithium production as measured by lithium carbonate equivalent ("LCE"). Roskill estimates the share of these five largest refined lithium producers to increase to 67% in 2020. We expect capacity to be added by new and existing producers over time. We believe our lithium brines in Salar del Hombre Muerto, Argentina, which have a favorable sustainability profile and are considered by the industry to be one of the lowest-cost sources of lithium, provide us with a distinct competitive advantage against current and future entrants.

We compete by providing advanced technology, high product quality, reliability, quality customer and technical service, and by operating in a cost-efficient manner and prioritizing safety and sustainability. We believe that we are a leading provider of battery-grade lithium hydroxide in EV battery applications and in performance grease applications. We are the only fully integrated producer of high purity lithium metal in the Western Hemisphere and enjoy competitive advantages from our vertically integrated manufacturing approach, low production costs and history of efficient capital deployment. We currently have lithium hydroxide capacity in the United States and China. We believe that we are one of only two global suppliers of butyllithium and, according to Roskill, we are one of the two largest producers of downstream lithium chemicals outside of China. Our primary competitors for performance lithium compounds are Albemarle Corporation and Jiangxi Ganfeng Lithium.

Growth

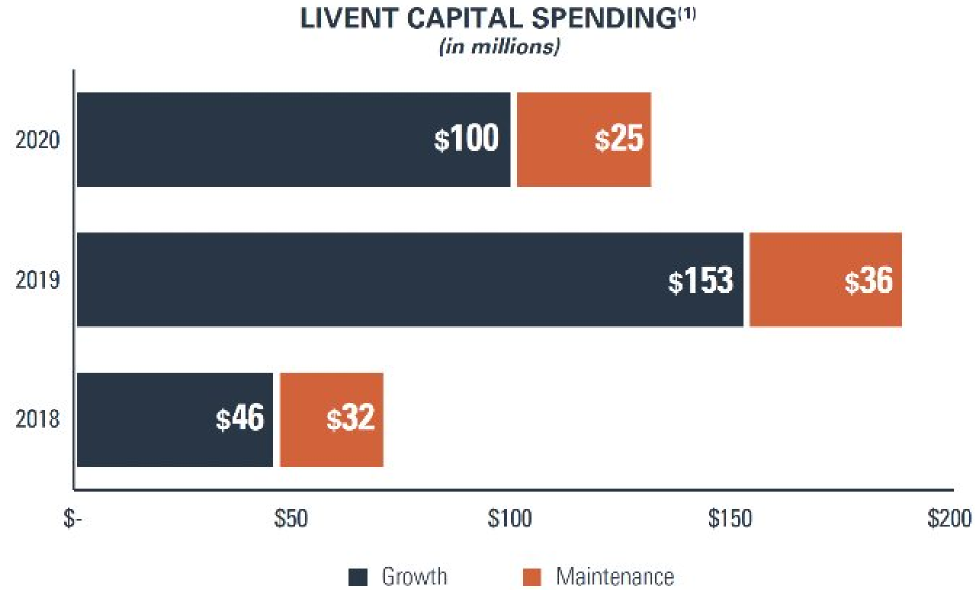
According to BloombergNEF's May 2020 Long-Term Electric Vehicle Outlook, EV (battery electric and plug-in hybrid electric passenger vehicles) sales are expected to be approximately 25.8 million units in 2030, rising to 54.9 million units in 2040, representing a penetration rate of 28% and 58%, respectively, of all passenger vehicles sold. According to EV Volumes' November 2020 report on global plug-in (battery electric and plug-in hybrid electric) passenger cars and light commercial vehicles forecast, sales are expected to be 29.1 million units in 2030, rising to 52.8 million units in 2035, representing a penetration rate of 31% and 53%, respectively, of all passenger cars and light commercial vehicles sold. Both BloombergNEF, and EV Volumes expect battery electric vehicles to comprise a clear majority of the EV sales mix, while the share of plug-in hybrid electric vehicles in the sales mix remains steady.

Throughout 2020, national and regional governments across the world announced incentives, subsidies and more stringent fuel economy/carbon dioxide emissions regulations to stimulate the automotive industry's recovery from the pandemic's impact. Most automakers responded by announcing large investments towards drivetrain electrification and by laying out roadmaps for launching a growing number of competitive models across various segments. Besides electrification of transportation, electricity generation continued its decarbonization trend with solar and wind installations crossing new milestones; many of these installations are coupled with lithium-ion battery-based energy storage systems. According to BloombergNEF's December 2020 Long-Term Energy Storage Outlook, global lithium-ion battery demand for stationary storage applications, in gigawatt-hour terms, is expected to grow at a compounded annual rate of 36% between 2020 and 2030.

In line with varying consumer preferences across regions, automakers are launching an increasing number of EVs across segments and for shorter-ranges and longer-ranges. In Europe, North America and certain segments of the China market, automakers have been introducing longer-range EV models using higher energy density batteries and are increasingly doing so by using high (>60%) nickel content cathode materials. According to BloombergNEF's May 2020 Long-Term Electric Vehicle Outlook, approximately 84% of all passenger EVs in 2025 will have high (>60%) nickel content cathodes compared to 75% of all passenger EVs in 2019. In the December 2020 Long-Term Energy Storage Outlook, BloombergNEF estimated that approximately 28% of all lithium-ion battery-based stationary storage applications will have high nickel content cathodes compared to less than 1% in 2019. This shift towards high nickel content cathode materials for automotive and stationary storage applications will increasingly require battery-grade lithium hydroxide in the production of cathode materials.

As an existing, proven global producer of battery-grade lithium hydroxide, we are well positioned to benefit from this expected increase in lithium demand from EV growth. As one of the pioneers in the lithium industry, we have relationships throughout the lithium-ion battery value chain. Across the battery value chain, product performance requirements have continued to evolve since the first lithium-ion batteries and cathode materials were introduced in the early 1990s. We have developed our application and materials knowledge by working with our customers over time to produce performance lithium compounds which meet evolving customer needs.

Our growth efforts focus on developing environmentally compatible and sustainable lithium products. We are committed to providing unique, differentiated products to our customers by acquiring and further developing technologies as well as investing in innovation to extend product life cycles.



(1) Includes capital expenditures and other investing activities, inclusive of capitalized interest. See our consolidated and combined statements of cash flows in Part II, Item 8 of this Form 10-K for further details.

Raw Materials

Lithium

Our primary raw material is lithium, and we obtain the substantial majority of our lithium from our operations in Argentina. We extract lithium from naturally occurring lithium-rich brines located in the Andes Mountains of Argentina, which are believed to be one of the world's most significant and lowest cost sources of lithium, through a proprietary selective adsorption and solar evaporation process. We process the brine into lithium carbonate at our co-located manufacturing facility in Fénix, Argentina and into lithium chloride at our nearby manufacturing facility in Güemes, Argentina. In 2019 and 2018, we expanded capacity of lithium carbonate at these facilities through debottlenecking projects.

For the years ended December 31, 2020, 2019 and 2018, our Argentine operations extracted and processed approximately 16 kMT, 17 kMT and 17 kMT of lithium carbonate, respectively, and approximately 5 kMT, 4 kMT and 5 kMT of lithium chloride, respectively. For the years ended December 31, 2020, 2019 and 2018, lithium brine production from both lithium carbonate and lithium chloride, on a lithium carbonate equivalent ("LCE") basis, was approximately 19.5 kMT, 20 kMT and 21 kMT, respectively.

We have also historically purchased a portion of our lithium carbonate raw materials from other suppliers as needed.

Salar del Hombre Muerto

We conduct our Argentine operations through Minera del Altiplano SA ("MdA"), our local operating subsidiary. We extract lithium from naturally occurring lithium-rich brines in Salar del Hombre Muerto, an area covering approximately 600 square kilometers in a region of the Andes Mountains of northwest Argentina known as the "lithium triangle." This area of the Central Andes is within an arid plateau with numerous volcanic peaks and salt flats known as "salars" and is the principal lithium-bearing region of South America.

Salar del Hombre Muerto consists of evaporite deposits formed within an isolated basin depression. Fault-bounded bedrock hills occur within and along the margins of the salar basin, subdividing the Salar del Hombre Muerto into two separate sub-basins (eastern and western), each with different evaporite sediment compositions. The eastern sub-basin is dominated by borate evaporites, whereas the western sub-basin is relatively free of clastic sediment (such as sand, silts and clays) and is dominated by halite (sodium chloride) evaporite deposits.

We performed initial geological investigations of the Salar del Hombre Muerto in the early 1990s, prior to development of our lithium production facilities. We commenced commercial extraction operations in Salar del Hombre Muerto in 1998. Lithium extract is processed into lithium carbonate at our co-located manufacturing facility in Fénix, Argentina and into lithium chloride at our nearby manufacturing facility in Güemes, Argentina. These facilities were opened in conjunction with the commencement of our extraction operations and are in good working condition. MdA owns these facilities. We use natural gas and diesel to generate electricity, which is the principal source of power at our facilities. From time to time, we experience interruptions in the supply of electricity, but we do not believe these interruptions materially impact our operations.

Brine containing approximately 600 parts per million ("ppm") lithium is pumped from saltwater aquifers using extraction wells. The brine is then diverted to an evaporation pond system. We have also developed a proprietary lithium concentration and purification process for brine operations that significantly reduces the time from pumping brine from the Salar to processing it into lithium carbonate or lithium chloride. This reduction in processing time compares favorably to a conventional solar evaporation process, while effectively removing impurities and providing increased process control. During evaporation, other minerals, such as sodium, potassium and magnesium, which are typically contained in brine, are concentrated and removed through processing. The resulting lithium chloride brine from the terminal pond of the system is then routed to our processing plants.

We access our extraction sites and nearby manufacturing facilities by local roadway, which is a suitable transportation alternative. We transport the brine extract from our Fénix facility by truck to our Güemes facility for processing. We then transport the processed lithium carbonate and lithium chloride by truck to ports in Argentina and Chile, where it is shipped by vessel to our manufacturing facilities and customers.

Mineral concession rights

MdA holds title to mineral concession rights for its extraction activities in Salar del Hombre Muerto. These mineral concession rights cover an area of approximately 327 square kilometers and are granted to MdA pursuant to the Argentine Mining Code. See subsection “Argentine Law and Regulation” to this Item 1 for more information. Pursuant to the Argentine Mining Code, MdA’s mineral concession rights are valid until the deposit is depleted of all minerals. The concession rights may be rescinded if we fail to pay fees or do not actively extract minerals for a period lasting more than four years.

In 1991, MdA entered into an ongoing agreement, for so long a time as our mineral concession is valid, with the Argentine federal government and the Catamarca province in connection with the development of the Salar del Hombre Muerto exploration site. Following legislative and constitutional reforms in 1993 and 1994, the Argentine federal government assigned all of its rights and obligations under the agreement to the Catamarca province. The agreement governs limited matters relating to our production activities and grants to the Catamarca province an immaterial minority ownership stake in MdA, which enables the province to receive certain dividends and to appoint two of MdA’s ten member Board of Directors and one of MdA’s three member audit committee. The term of the agreement expires when MdA ceases to extract and produce lithium compounds from Salar del Hombre Muerto.

MdA is required to pay the Catamarca province an immaterial semi-annual “canon” fee pursuant to the Argentine Mining Code and royalties equal to 3% of the pithead value of the minerals extracted by MdA pursuant to the Argentine Mining Investment Law and Catamarca provincial law. Under an amendment to its long-term agreement with Catamarca entered into on January 25, 2018, and contingent upon the receipt of certain required permits, MdA is currently paying the Catamarca province a monthly contribution and royalty payment. Together, the contribution and royalty amount will equal 2% of sales of products in a given month measured at the higher of MdA’s average invoice price or an average international price for similar products, net of tax. The monthly contribution and the royalty payment to the province are netted against the royalties paid under the Mining Investment Law. Total payments to the Catamarca province, including "canon" fee, royalties, water trust and CSR payments, would have been approximately $5.9 million, $7.6 million and $9.2 million for the years ended December 31, 2020, 2019 and 2018 had the amendment described above been in effect for all twelve months for such years.

A portion of the territory governed by our concession rights is subject to a longstanding border dispute between Catamarca and the adjacent Salta province. The border dispute has not impacted our operations for the over twenty years we have been operating in Argentina and we do not expect that it will impact our operations going forward. We estimate the total area in dispute represents approximately 7.6% of our concession (approximately 25 square kilometers). We do not view this as material, especially considering that the area in question is largely at the fringe of the salar, where the deposits are not as thick and the grade of lithium concentration is much lower.

Salta province claims that it is entitled to royalties from us for the minerals extracted within the small portion of our concession that falls within the disputed territory, although under Argentine law we cannot be charged duplicate royalties for the same minerals. In addition, the Salta province has granted and may grant mineral concessions in the disputed territory to other parties, although to date Catamarca authorities have not permitted any others to extract lithium from within the boundaries of our concession. We are engaged in judicial proceedings in Argentina with the Salta province. The outcome of these proceedings is not expected to have a material impact on our financial position or results of operations.

In December 2019, the provinces of Catamarca and Salta entered into an agreement to create an interprovincial commission to: evaluate projects and programs for mining activity in the area subject to the border dispute; prepare a technical report to set the border between both provinces; and submit a bill to the Congress on the matter.

Water

Our Argentine operations require fresh water. We have water rights for the supply of fresh water from the Trapiche aquifer, from which water is pumped through a battery of wells to our facilities. We and the Catamarca province regularly monitor the water and salinity levels of the aquifer.

We have only once had to temporarily suspend water extraction, which was due to a dispute with the Catamarca province, and our access to our water source was quickly restored. We also regularly evaluate supplemental supplies of fresh water. The grant of water concessions and other water rights is subject to local governmental approvals, the timing and availability of which are uncertain and may be subject to delay or denial.

In October 2015, MdA entered into a trust agreement with the Catamarca province that was amended in 2018. Under the amended trust agreement, MdA is obligated to pay an amount equal to 1.2% of its annual sales determined in a manner consistent with the contribution and royalty payments described above in the "Mineral Concession Rights" subsection to this Item 1, which payment obligations are fully reflected in our financial statements, in lieu of any water use fees.

Energy

Our Argentine operations rely on a steady source of energy. In 2015, we completed construction of a 135 kilometer natural gas pipeline from Pocitos, within the Salta province, to our Fénix facilities at Salar del Hombre Muerto, which eliminated our reliance on natural gas shipments by truck. This pipeline is governed by various agreements between MdA and Recursos Energeticos y Mineros Salta, S.A., or REMSA, a local natural gas sub-distributor, including a subdistribution agreement providing for contracted capacity through 2027. We are in discussions to increase our contracted capacity in advance of our needs for all phases of our expansion plans and may need to invest in additional infrastructure to support this expansion. REMSA or Gasnor S.A., another local natural gas distributor that operates in the northeast of Argentina, have no obligation to provide us the additional capacity on a timely basis or at all. If we cannot obtain such additional capacity, we would need to secure alternative arrangements to meet the increased energy needs of the planned expansion and such alternative arrangements may be less cost effective.

MdA also has a natural gas supply contract with Rafael G. Albanesi S.A. providing for the supply of natural gas for our Fénix manufacturing facility. This supply agreement expires in April 2021 and is typically renewed on an annual basis. We also have a purchase agreement with YPF SA for the supply of diesel fuel and gasoline to our Fénix and Güemes manufacturing facilities, pursuant to which we submit monthly purchase orders.

Other raw materials

We purchase raw materials and chemical intermediates for use in our production processes, including materials for use in our production of the proprietary adsorbent used to selectively extract lithium from our brine in Argentina, soda ash, or sodium carbonate, for use in our production of lithium carbonate, and lithium metal for our production of butyllithium. In 2020, 2019 and 2018, costs of major raw materials represented 13%, 11% and 9% of our total revenues, respectively. Major raw materials include soda ash, solvents, butyl chloride, hydrochloric acid, quicklime and caustic soda. We generally satisfy our requirements through spot purchases and medium- or long-term contractual relationships. In general, where we have limited sources of raw materials, we have developed contingency plans to minimize the effect of any interruption or reduction in supply, such as sourcing from other suppliers or maintaining safety stocks.

Temporary shortages of raw materials may occasionally occur and cause temporary price increases. For example, we have had past regional interruptions in raw material supply, notably in China. In recent years, these shortages have not resulted in any material unavailability of raw materials. However, the continuing availability and price of raw materials are affected by many factors, including domestic and world market and political conditions, as well as the direct or indirect effect of governmental regulations. During periods of high demand, our raw materials are subject to significant price fluctuations, and such fluctuations may have an adverse impact on our results of operations. The impact of any future raw material shortages on our business as a whole or in specific geographic regions, including China, or in specific business lines cannot be accurately predicted.

Seasonality

Our operations in Argentina are seasonally impacted by weather, including varying evaporation rates and amounts of rainfall during different seasons. These changes impact the concentration in large evaporation ponds and can have an impact on the downstream processes to produce lithium carbonate and lithium chloride. Our operations team continuously measures pond concentrations and models how they will change based on operating decisions. Our processes use proprietary and traditional technologies to minimize the variation of concentrations at the inlet to our plants. There was an abnormally large rain event in the first quarter of 2019, resulting in an approximate 1,000 MT reduction in lithium carbonate production in 2019.

Argentine Law and Regulation

We are subject to various regulatory requirements in Argentina under the Argentine Mining Code, the Argentine Mining Investment Law and certain federal and provincial regulations, including with respect to environmental compliance. In addition, the relationship between us, MdA and the Catamarca provincial government is regulated through a contractual framework.

The Argentine Mining Code, which sets forth the rights and obligations of both mining companies and their workers, is the principal regulatory framework under which we conduct our operations in Argentina. The Argentine Mining Code provides for the terms under which the provinces regulate and administer the granting of mining rights to third parties.

The Argentine Mining Code establishes two basic means of granting title to mining property: the exploration permit and the mining concession, both of which convey valid mining title in Argentina.

Exploration permits grant their holders the right to freely explore for minerals within the boundaries of the territory covered by that permit as well as to request the mining concession for any discoveries within the covered territory.

Once a mining concession is granted, the recipient owns all in-place mineral deposits within the boundaries of the territory covered by the concession. Mining concessions are freely tradable by the title holder and can be sold, leased or otherwise transferred to third parties. Two requirements must be met to keep a mining concession in good standing: (i) the concession holder must make regular payments of a semi-annual fee known as a canon; and (ii) the concession holder must file and perform an initial five year expenditure plan. In addition, prior to commencing mining activities, the concession holder must submit environmental impact studies, which must be renewed at least every two years, for approval by the relevant environmental authorities.

In addition to the Argentine Mining Code, we are also subject to the Argentine Mining Investment Law. The Argentine Mining Investment Law offers specific financial incentives to mining investors, including a 30 year term fiscal stability of national, provincial and municipal tax rates; a deduction from income tax for prospecting, exploration and feasibility study expenditures; a refund of Value Added Tax fiscal credits resulting from exploration works; accelerated depreciation of fixed assets; and a 3% cap on royalties payable out of production to the province where the deposit is located. Our 30 year term fiscal stability certificate expires in 2026.

Our fiscal stability rights under the Argentine Mining Investment Law have been challenged by the imposition of certain export taxes on our lithium chloride and carbonate exports that did not exist at the time we obtained our 30 year term fiscal stability certificate. For instance, in 2018, the Federal Government imposed another export duty on lithium carbonate and chloride through Decree No. 793/2018, which was in effect until December 31, 2020. Furthermore, in December 2019, after the change of Presidential administration, the Congress passed Law No. 27,541 creating a new legal framework for export duties and establishing a new rate for mining and hydrocarbon exports not to exceed 8% on the taxable amounts or the FOB value. In December 2020, the Executive Power issued Decree No. 1060/2020 establishing a new export duty applicable to all kinds of goods effective from January 1, 2021. In the case of lithium chloride and lithium carbonate, the applicable tax rate amounts to 4.5% and no cap has been set.

Under our 30 year term fiscal stability certificate, we are entitled to reimbursement or set-off (against other federal taxes) of any amount paid in excess of the total federal taxable burden applicable to us under such certificate. Although we are litigating to exercise our fiscal stability rights and are requesting an administrative reimbursement with respect to the imposition of certain of such export taxes, there can be no assurance that we will seek, or be able to obtain, reimbursement or set-off.

Environmental Laws and Regulations

We are subject to and incur capital and operating costs to comply with, numerous foreign, U.S. federal, state and local environmental, health and safety laws and regulations, including those governing employee health and safety, the composition of our products, the discharge of pollutants into the air and water, the management and disposal of hazardous substances and wastes, the usage and availability of water, the cleanup of contaminated properties and the reclamation of our mines, brine extraction operations and certain other assets at the end of their useful life.

Our business and our customers are subject to significant requirements under the European Community Regulation for the Registration, Evaluation, Authorization and Restriction of Chemicals (“REACH”). REACH imposes obligations on European Union manufacturers and importers of chemicals and other products into the European Union to compile and file comprehensive reports, including testing data, on each chemical substance, and perform chemical safety assessments. Additionally, substances of very high concern, as defined under REACH, are subject to an authorization process. Authorization may result in restrictions in the use of products by application or even in banning of the product. REACH regulations impose significant additional responsibilities and costs on chemical producers, importers, downstream users of chemical substances and preparations, and the entire supply chain. Our manufacturing presence in the United Kingdom and sales activities in the European Union may result in increases in the costs of raw materials we purchase and the products we sell. Increases in the costs of our products could result in a decrease in their overall demand; additionally, customers may seek products that are not regulated by REACH, which could also result in a decrease in the demand of certain products subject to the REACH regulations.

In June 2016, modifications to the Toxic Substances Control Act in the U.S. were signed into law, requiring chemicals to be assessed against a risk-based safety standard and for the elimination of unreasonable risks identified during risk evaluation. Other initiatives in Asia and potentially in other regions will require toxicological testing and risk assessments of a wide variety of chemicals, including chemicals used or produced by us. These assessments may result in heightened concerns about the chemicals involved and additional requirements being placed on the production, handling, labeling or use of the subject chemicals. Such concerns and additional requirements could also increase the cost incurred by our customers to use our chemical products and otherwise limit the use of these products, which could lead to a decrease in demand for these products.

Liabilities associated with the investigation and cleanup of hazardous substances and wastes, as well as personal injury, property damages or natural resource damages arising from the release of, or exposure to, such hazardous substances and wastes, may be imposed in many situations without regard to violations of laws or regulations or other fault, and may also be imposed jointly and severally. Such liabilities may be imposed on entities that formerly owned or operated the property affected by the hazardous substances and wastes, entities that arranged for the disposal of the hazardous substances and wastes at the affected property, and entities that currently own or operate such property. Our Bessemer City, North Carolina facility is currently undergoing monitoring and remediation of contamination pursuant to a Resource Conservation and Recovery Act Part B corrective action permit. In addition, we currently have, and may in the future incur, liability as a potentially responsible party with respect to third party locations under CERCLA or state and foreign equivalents, including potential joint and several liability requiring us to pay in excess of our pro rata share of remediation costs.

We use and generate hazardous substances and wastes in our operations and may become subject to claims and substantial liability for personal injury, property damage, wrongful death, loss of production, pollution and other environmental damages relating to the release of such substances into the environment. In addition, some of our current properties are, or have been, used for industrial purposes, which could contain currently unknown contamination that could expose us to governmental requirements or claims relating to environmental remediation, personal injury and/or property damage. Depending on the frequency and severity of such incidents, it is possible that the Company’s revenues, operating costs, insurability and relationships with customers, employees and regulators could be impaired.

We record accruals for environmental matters when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. It is possible that new information or future developments could require us to reassess our potential exposure related to environmental matters. We may incur significant costs and liabilities in order to comply with existing environmental laws and regulations. It is also possible that other developments, such as increasingly strict environmental laws, regulations and orders of regulatory agencies, as well as claims for damages to property and the environment or injuries to employees and other persons resulting from our current or past operations, could result in substantial costs and liabilities in the future.

A discussion of environmental related factors and related reserves can be found in Note 8 “Environmental Obligations” in the notes to our consolidated financial statements included in this Form 10-K.

Human Capital Management

Human Capital Management ("HCM") General Statement

Livent is striving to be an industry leader in harnessing lithium’s potential to change the energy landscape. Our success depends in part on our ability to similarly harness the energy and potential of our employees, the people who drive our business forward. Both the Executive Leadership Team ("ELT") and Board of Directors ("Board") believe in recruiting and promoting the professional development of talented people who can meet the needs of our rapidly advancing industry and reflect the diverse cultures represented in our markets. This has been a focus of our business since its formation in late 2018. At Livent, we work to cultivate a culture of inclusiveness and representation that mirrors today’s global emphasis on these themes. This philosophy is further supported by our core values which honor our commitment to our customers, our employees and the communities in which we operate:

- **Safety First.** We put safety at the forefront of everything we do. Simply put: the safety of everyone is everyone's responsibility.
- **Be Responsible.** We act ethically and honestly and advance responsible and sustainable practices in all aspects of our business.
- **Constantly Innovate.** We move the world forward and strive to constantly innovate through agile thinking, our industry-leading material science expertise and an intimate understanding of our core element: lithium.

- **Celebrate Differences.** We celebrate our differences in perspective, background and expertise, empowering our employees to be authentic and transparent. By encouraging employees to bring their own selves to work, we make Livent more dynamic.
- **Thrive with Customers.** Customers are at the heart of everything we do. By listening to and learning from them, we work together to build better lithium technologies.

Employee Safety, Health & Wellbeing

At Livent, safety is a core value of our business and drives our focus in everything we do for our customers and our employees. We reinforce this commitment in many ways including through the publication of a weekly, company-wide "safety, quality and reliability" message relative to top organizational priorities. In 2020, we did not have an OSHA reportable employee injury. As a global chemical manufacturing company producing specialty lithium chemicals for critical industries, it was important to keep our plant operations functioning safely during the COVID-19 pandemic. Accordingly, we considered the needs of all employees worldwide and provided support for them and their families[1]. The COVID-19 pandemic presented both physical and mental health challenges for our employees. While our in-country teams worked to ensure employees had access to leave policies consistent with local COVID-19 requirements, we expanded our access to mental health resources globally by making sure every employee has access to an employee assistance program.

Board of Directors' Oversight of the HCM Process

The Board receives updates on relevant aspects of the HCM process through Livent's ELT. The Compensation Committee also reports to the Board on organizational and compensation recommendations impacting current and future pay structures and succession planning. Our Sustainability Committee receives updates on those aspects of HCM relevant to ESG topics through our employee-based Diversity Equity & Inclusion Committee ("DE&I Committee"). The Board's ability to make informed HCM decisions requires visibility and access to current, accurate data and we continue to review our systems and communication methods to ensure transparency.

Employee Demographics

Livent has operations throughout the United States, Asia, Europe, and Argentina. As of December 31, 2020, we had a combined workforce of approximately 906 full-time, part-time, temporary, and contract employees. Argentina represents our only location with a union employee population of approximately 185 employees. Our representative employee breakdowns by region are: North America (39%); South America (40%); Europe (8%); and Asia (13%). Our global gender makeup is 78% male, 21% female, 1% unspecified. Approximately 30% of our employees support our Commercial, Research and Development and Corporate functions, while 70% support our global plant operations.

Workforce Diversity and Governance for Diversity, Equity & Inclusion ("DE&I")

Livent's DE&I Committee was formed in February 2020. It is responsible for designing and implementing diversity programs; ensuring that DE&I strategies align with our business goals; reviewing and assessing proposals for employee affinity groups and other initiatives; and developing practices reflective of input from employees and leadership. As of December 31, 2020, the gender composition of our senior leadership team was 34% female and 66% male, and our Board composition was 22% female and 78% male. In 2021, our DE&I Committee will continue facilitating annual "respect in the workplace" trainings while developing other programming aimed at advancing our goal of cultivating an inclusive and diverse organization.

Employee Growth, Development & Recognition

At Livent, we believe that offering career growth and development opportunities for our employees, while recognizing and rewarding their efforts, is critical to maintaining an engaged and invested workforce. Annually, working with our Board, we facilitate a succession planning review process, the primary goals of which are to: (1) identify emerging talent and (2) prioritize the training and development resources needed to support them.

Livent has created a talent pipeline of current and future employees through the development of and participation in several programs including a university-sponsored employer co-op program; "emerging talent"-level apprenticeships to increase employability of local and indigenous resident populations where we operate; and an engineering development program for manufacturing and corporate-function career opportunities. As part of our commitment to support the professional growth and continuous learning needs of our employees, in 2020 we also created the Livent Learning Committee to research and develop a

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[1] See Part II, Item 7 for additional information on Livent's company-wide response to the COVID-19 pandemic.

library of live and on-demand training and career development resources. We also sponsor the Go the Extra Mile ("GEM") award program to recognize and reward excellence shown by Livent employees who reflect our core values.

Workforce Stability & Employee Engagement

Given the specialized nature of our business, Livent understands the importance of retaining the talent, experience and expertise of our employees. Our 2020 voluntary turnover rate was 5.6% which represents a decrease of 1.1% from the prior year. In early 2020, we conducted two COVID-19-related surveys to guide us in managing the crisis and assess our employees' needs. Later in the year, we conducted a broader employee survey to measure their engagement and satisfaction working at Livent. The majority of respondents reported feeling a strong sense of pride and belonging at Livent. In 2021, we will work with our leadership team and managers to maintain those aspects of our work experience that are working well and address those areas where we could improve.

Compensation & Benefits

We provide competitive compensation and benefits programs to help meet the needs of our employees. Our goal is to administer a global compensation system that maintains salary levels that reflect position responsibilities, are competitive with the external market and can attract, retain, and motivate our talented and qualified professionals based on their individual experience and contributions to the organization. It is designed to drive and reward high levels of performance, provide flexibility to fit varying levels of skills and qualifications and ensure comparability with similarly situated companies of our size and industry. Our compensation structure considers information received from local market data as well as external consultants. It is comprised of base salaries, incentive structures (based on job level), and individual and business performance-based incentives.

In addition to compensation, Livent's benefits programs (which vary by country/region and employment classification) include tax-deferred savings programs; medical, prescription drug, vision and dental insurance; health savings and flexible spending accounts; life and accident insurance; short and long-term disability insurance; an employee assistance program; paid time off; family leave; and wellness incentives and challenges.

ITEM 1A. RISK FACTORS

Summary Risk Factors:

In the course of conducting our business operations, we are exposed to a variety of risks, some of which are inherent in our industry and others of which are more specific to our own businesses. The discussion below addresses the material factors, of which we are currently aware, that could affect our businesses, results of operations and financial condition and make an investment in the Company speculative or risky.

Some of these risks include:

- ***The scale and scope of the COVID-19 pandemic is having and is likely to continue to have an adverse impact on our business.***
- ***Our growth depends upon the continued growth in demand for electric vehicles with high performance lithium compounds.***
- ***Lithium prices can be volatile, especially due to changes in supply.***
- ***Adverse conditions in the economy and volatility and disruption of financial markets can negatively impact our customers, and downturns in our customers' end-markets could adversely affect our sales and profitability.***
- ***We face competition in our business.***
- ***Our operating results are subject to substantial quarterly and annual fluctuations.***
- ***Production expansion efforts are complex projects that will require significant capital expenditures and are subject to significant risks and uncertainties.***
- ***The development and adoption of new battery technologies that rely on inputs other than lithium compounds could significantly impact our prospects and future revenues.***
- ***We may have difficulty accessing global capital and credit markets.***
- ***The conditional conversion feature of the 2025 Notes may adversely impact our liquidity or dilute our shareholders, depending on the method of settlement..***
- ***The accounting method for our 2025 Notes could adversely affect our diluted earnings per share.***
- ***We may not have sufficient cash flow from our business to pay our debt.***
- ***Our research and development efforts may not succeed, and our competitors may develop more effective or successful products.***
- ***We may make future acquisitions which may be difficult to integrate, divert management and financial resources and result in unanticipated costs.***
- ***We have substantial international operations and sales, and the risks of doing business in foreign countries could adversely affect our business, financial condition and results of operations.***
- ***Our lithium extraction and production operations in Argentina expose us to specific political, financial and operational risks.***
- ***Our operations and suppliers may be subject to physical and other risks, including natural disasters, epidemics, pandemics, and other catastrophic events beyond our control, which could disrupt production and have a material adverse effect on our business, financial condition, results of operations and cash flows.***
- ***We derive a substantial portion of our revenue from a limited number of customers, and the loss of, or a significant reduction in orders from a large customer could have a material adverse effect on our business and operating results.***
- ***We may not satisfy customer qualification processes, customers' or governments' quality standards, and could be subject to damages based on claims brought against us or lose customers as a result of the failure of our products to meet certain quality standards.***
- ***Fluctuations in the price of energy and certain raw materials, and our inability to obtain raw materials and products under contract sourcing arrangements, could have an adverse effect on the margins of our products, our business, financial condition and our results of operations.***

- ***Our success depends upon our ability to attract and retain key employees and the identification and development of talent to succeed senior management.***
- ***Some of our employees are unionized or are employed subject to local laws that are less favorable to employers than the laws of the United States.***
- ***Our business and operations could suffer in the event of cybersecurity breaches or disruptions to our information technology environment.***
- ***Our inability to protect our intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.***
- ***Our business could be negatively impacted by sustainability and ESG matters and/or our reporting of such matters.***
- ***We have not established "proven" or "probable" reserves, as defined by the SEC under Industry Guide 7, through the completion of a feasibility study for the minerals that we produce.***
- ***Our business and financial results may be adversely affected by various legal and regulatory proceedings.***
- ***We, our operations, facilities, products and raw materials are subject to environmental, health and safety laws and regulations, and costs to comply with, and liabilities related to, these laws and regulations could adversely affect our business.***
- ***Unanticipated changes in our tax provisions, variability of our effective tax rate, the adoption of new tax legislation or exposure to additional tax liabilities could impact our financial performance.***
- ***If there is a determination that the Separation and the Distribution is taxable for U.S. federal income tax purposes, then FMC and its stockholders could incur significant U.S. federal income tax liabilities, and we could incur significant liabilities.***
- ***We will be subject to numerous restrictions to preserve the tax-free nature of the Separation and Distribution, which may reduce our strategic and operating flexibility.***
- ***Some of our directors and officers may have actual or potential conflicts of interest because of their equity ownership in FMC, and some of our directors may have actual or potential conflicts of interest because they also serve or have served as officers of FMC.***
- ***We potentially could have received better terms from unaffiliated third parties than the terms we received in our agreements with FMC.***
- ***FMC has agreed to indemnify us for certain liabilities. However, there can be no assurance that the indemnity will be sufficient to insure us against the full amount of such liabilities, or that FMC's ability to satisfy its indemnification obligation will not be impaired in the future.***
- ***Our stock price may fluctuate significantly.***
- ***Some provisions of Delaware law and our certificate of incorporation and bylaws may deter third parties from acquiring us.***
- ***We are not declaring or paying cash dividends at this time, and this may deter certain investors from purchasing our stock.***

Additional factors that could affect our businesses, results of operations and financial condition are discussed in Forward-Looking Statements in Part II, Item 7 of this Annual Report on Form 10-K. However, other factors not discussed below or elsewhere in this Annual Report on Form 10-K could also adversely affect our businesses, results of operations and financial condition. Therefore, the risk factors below should not be considered a complete list of potential risks that we may face.

Any risk factor described in this Annual Report on Form 10-K or in any of our other SEC filings could by itself, or together with other factors, materially adversely affect our liquidity, competitive position, business, reputation, results of operations, capital position or financial condition, including by materially increasing our expenses or decreasing our revenues, which could result in material losses.

Among the factors that could have an impact on our ability to achieve operating results and meet our other goals are:

COVID-19 Risks:

***The scale and scope of the COVID-19 pandemic is having and is likely to continue to have an adverse impact on our business*.**

We face various risks related to health epidemics like the unprecedented global COVID-19 pandemic. Changes in consumer behavior, pandemic fears, market demand downturns, and restrictions intended to slow the spread of COVID-19 have led to business disruption, volatility in global capital and financial markets, and a global slowdown of economic activity. The emergency measures imposed by governments on businesses and individuals, including quarantines, travel restrictions, social distancing, closure of non-essential businesses and schools, workforce retention rules, restrictions on the movement of workers, work from home requirements, and shelter in place orders, among other measures, have impacted and may further impact our workforce and operations, and those of our customers and suppliers. The severity of the disruptions caused by the COVID-19 pandemic, and their impact on our results, will be determined by how long the COVID-19 pandemic continues, which is currently unknown. The disruptions and duration may be impacted by the actions that governments, businesses and individuals take in relation to the pandemic, more contagious variants of the virus, vaccine resistance and delays in vaccine distribution. Future disruptions could have an adverse impact on our operations, results, financial position and liquidity, or on our ability to successfully execute our business strategies and initiatives.

We have manufacturing operations in the U.S., Argentina, China, the United Kingdom, and India, general operations in Singapore, and sales offices in the U.S., China, the United Kingdom, India and Japan. Each of these countries has been affected by the outbreak and has adopted measures to contain it, and each may adopt even stricter measures in the future. In China, the government imposed shutdown orders and travel restrictions, among other measures, which were relaxed or removed, but could be re-imposed. In the U.S., the President declared a national emergency, which was followed by the imposition of restrictions by State governors, mayors and public officials, including in Pennsylvania and North Carolina where we operate. The government of Argentina, where the Company's primary lithium brine resource is located, enacted an emergency decree in March 2020 ordering a national mandatory quarantine requiring the temporary closure of the Company's local brine operations for approximately two weeks, and has also imposed workforce retention rules prohibiting the dismissal of workers without just cause. In the UK, stricter lockdown measures were implemented to contain a new variant of the coronavirus. Government measures and restrictions globally have had a negative impact on demand for our products and a negative impact on the efficient operation of our facilities, supply chains and logistics. We have experienced disruptions and delays within our supply chain and logistics operations in China, Southeast Asia, Argentina and Europe. This includes challenges at ports due to national quarantines, difficulties with scheduling cargo ships, additional warehouse costs due to shipment delays, and the restriction of movements by trucks within and between countries. While in certain cases the Company has availed itself of certain exemptions from government restrictions, there can be no assurance that these exemptions will not be modified or revoked. Any new or continuing government restrictions, and any failure to obtain or retain an exemption, may lead to a further negative impact on our business, including increased costs, higher payroll taxes, and/or an inability to meet supply obligations to customers.

Because of the significant practical constraints resulting from actions being taken by authorities around the world in response to the COVID-19 pandemic, the Company elected to suspend all capital expansion work globally. There can be no assurance of the timing for when capital expansion work will resume or that it will resume at all. Any significant delay or a failure to resume this work when warranted by market conditions or long-term customer commitments could have an adverse effect on our business, financial condition and results of operations.

The rapid and global spread of COVID-19 has resulted in the disruption and temporary shutdown of the businesses of certain of our customers, end users, contract manufacturers and suppliers, and limits on access to the production facilities of our contract manufacturers and suppliers. Certain of our customers have canceled, postponed or delayed orders and other customers may do the same. Some contract manufacturers and suppliers may be unable to perform under a contract, file for bankruptcy protection, go out of business, or suffer disruptions in their business due to the COVID-19 pandemic. In addition, certain customers have been delayed in making payments, and we may need to offer special payment terms or relief to our customers. We will bear credit risk on these transactions. All of the foregoing could adversely impact our ability to meet our production schedules and otherwise operate our business, and will increase our costs and expenses (which will not be covered by insurance).

We may experience impacts from changes in industry trends and customer orders, a recession, IT failures, including remote connectivity or limitations due to internal or external causes, as well as impacts on our workforce in any of the countries or regions where we operate. If the virus were to affect a significant number of the workforce employed or operating at any one of our facilities, or they refrain from working due to pandemic fears or illness, or they are restricted from doing so by government order or request, we may experience delays or the inability to produce and deliver products to our customers on a timely basis.

The COVID-19 pandemic has also caused disruption and volatility in the global capital and financial markets, which may increase our cost of capital. On May 6, 2020, we entered into the First Amendment and on August 3, 2020 we entered into the

Second Amendment to our Credit Agreement. A continued decline in our operating results could impact our ability to comply with our debt covenants under our Credit Facility and we may need to negotiate further amendments to our Credit Facility and/or borrow funds from alternative sources, such as government agencies, institutions, customers or investors. There can be no guarantee that such amendments and/or borrowing will be on favorable terms or without restrictions that may otherwise impair our operating flexibility. Our stock price may also fluctuate greatly.

To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of exacerbating many of the other risks described in the risk factors discussed in Part I, Item 1A of this 2020 Annual Report on Form 10-K, in our other filings with the SEC, or in reports to our stockholders.

Growth Strategy and Market Risks:

Our growth depends upon the continued growth in demand for electric vehicles with high performance lithium compounds.

We are one of a few producers of performance lithium compounds that are a critical input in current and next generation high energy density batteries used in electric vehicle applications. Our growth is dependent upon the continued adoption by consumers of electric vehicles, the rate of development and adoption of next generation high nickel battery technologies in some electric vehicle segments, and the rate of adoption of high performance lithium compounds. If the market for electric vehicles does not develop as we expect, or develops more slowly than we expect, our business, prospects, financial condition and results of operations will be affected. The market for electric vehicles is relatively new, rapidly evolving, and could be affected by numerous external factors, such as:

- government regulations and automakers' responses (including fleet electrification roadmaps and battery technology choices) to those regulations;
- tax and economic incentives;
- rates of consumer adoption, which is driven in part by perceptions about electric vehicle features (including range per charge), quality, safety, performance, cost and charging infrastructure;
- competition, including from other types of alternative fuel vehicles, hybrid vehicles, plug-in hybrid electric vehicles, and high fuel-economy internal combustion engine vehicles; and
- volatility in the cost of battery materials, oil and gasoline.

Lithium prices can be volatile, especially due to changes in supply.

The prices of lithium have been, and may continue to be, volatile. We seek to manage volatility through the sale of performance lithium compounds and by entering into long term contracts with our customers across a range of applications, geographies and industries; however, such efforts may not be successful. In 2021, more of our customer contracts have index-based pricing than in 2020, which could provide a benefit if lithium pricing rises, or could have a material adverse effect on our business, financial condition and results of operations if lithium pricing declines. Since late 2018, we have experienced significant pricing pressures, which we attribute to the oversupply of lithium compounds in the worldwide lithium industry, and we expect such pricing pressures to remain in 2021. We expect that prices for the performance lithium compounds we manufacture will continue to be influenced by various factors, including regional and global demand-supply balance as well as the business strategies of major producers and users. Certain market analysts predict a significant increase in global lithium capacity over the short and medium term. However, there is a high degree of uncertainty about the time period involved in achieving output volumes, associated costs, and product quality at a level that will be qualified by customers. Further declines in lithium prices could have a material adverse effect on our business, financial condition and results of operations.

Adverse conditions in the economy and volatility and disruption of financial markets can negatively impact our customers, and downturns in our customers' end-markets could adversely affect our sales and profitability.

We produce performance lithium compounds for application in a diverse range of end-products, including for batteries in electric vehicles and energy storage applications and for a wide variety of industrial, pharmaceutical, aerospace, electronics, agricultural and polymer applications. Deterioration in the global economy or in the specific industries in which our customers compete could adversely affect the demand for our customers' products, which, in turn, could negatively affect our sales and profitability. Many of our customers' end-markets are cyclical in nature or are subject to secular downturns. Historically, cyclical or secular end-market downturns have resulted in diminished demand for our performance lithium compounds and have caused a decline in average selling prices, and we may experience similar problems in the future.

We face competition in our business.

We compete globally against a number of other lithium producers. Competition is based on several key criteria, including technological capabilities, service, product performance and quality, cost and price. Some of our competitors are larger than we are and may have greater financial resources. These competitors may also be able to maintain greater operating and financial flexibility. If we fail to compete effectively, we may be unable to retain or expand our market share, which could have a material adverse effect on our business, results of operations and financial condition. We may also face potential competition through backward integration, alliances, partnerships within the electric vehicle supply chain, and from other mining or resource extraction and battery materials recycling companies that enter the lithium production or recycling business. This may influence our future expansion decisions.

Our operating results are subject to substantial quarterly and annual fluctuations.

Our revenue and operating results have fluctuated in the past and are likely to fluctuate in the future. These fluctuations may occur on a quarterly and annual basis and are due to a number of factors, many of which are beyond our control. These factors include, among others:

- changes in our product mix or customer mix;
- changes in product quality requirements and increased qualification time periods;
- changes in product regulatory classifications;
- changes by electric vehicle and battery manufacturers in supply chain locations and raw material suppliers' participation for those locations;
- the oversupply and inventory levels of lithium compounds in the global lithium industry;
- the timing of receipt, reduction or cancellation of significant product orders by customers;
- the timing, duration and pricing terms of new customer contracts and renewals;
- • our ability to adapt to changes in technology trends affecting the lithium industry, including new manufacturing processes;
- fluctuations in currency exchange and interest rates;
- the effects of competitors' actions and competitive pricing pressures, including decreases in average selling prices of our products; and
- • changes in manufacturing costs, including the extent to which we are required to purchase third-party lithium carbonate to supplement our internally produced lithium carbonate from our company-owned mineral deposits in Argentina, as purchasing from third parties leads to higher production costs and reduced margins.

In addition, a significant amount of our operating expenses are relatively fixed in nature due to our significant sales, research and development, and internal manufacturing overhead costs. As a result, we believe that quarter-to-quarter comparisons of our revenue and operating results may not be meaningful or a reliable indicator of our future performance. If our operating results in one or more future quarters fail to meet the expectations of securities analysts or investors, a significant decline in the trading price of our common stock may occur, which may happen immediately or over time.

Production expansion efforts are complex projects that will require significant capital expenditures and are subject to significant risks and uncertainties.

In order to meet growing and forecasted demands for our performance lithium compounds, particularly lithium hydroxide, we intend to expand our lithium carbonate and hydroxide capacities when warranted by market conditions or long-term customer commitments. Previously, we started a project to expand annual lithium carbonate production at our existing operations in Argentina in addition to seeking alternative lithium resources. Expansion projects are complex undertakings, and there can be no assurance that we will be able to complete these projects within our projected budget and schedule or that we will be able to achieve the anticipated benefits from them. Unforeseen technical or construction difficulties, regulatory requirements, labor or civil/political unrest, community relations or logistical issues, or local hiring and procurement policies and requirements (discussed further under the below risk factor “Our lithium extraction and production operations in Argentina expose us to specific political, financial and operational risks”) could increase the cost of these projects, delay the projects or render them infeasible. Any significant delay in the completion of the projects or increased costs could have an adverse effect on our business, financial condition and results of operations.

The development and adoption of new battery technologies that rely on inputs other than lithium compounds could significantly impact our prospects and future revenues.

Current and next generation high energy density batteries for use in electric vehicles rely on lithium compounds as a critical input. The pace of advances in current battery technologies, the development and adoption of new battery technologies that rely on inputs other than lithium compounds, or a delay in the development and adoption of next generation high nickel battery technologies that utilize lithium hydroxide could significantly impact our prospects and future revenues. Many materials and technologies are being researched and developed with the goal of making batteries lighter, more efficient, faster charging and less expensive, and some of these could be less reliant on lithium hydroxide or other lithium compounds. We cannot predict which new technologies may ultimately prove to be commercially viable and their share in the overall mix over any time horizon. Commercialized battery technologies that use less lithium compounds could materially and adversely impact our prospects and future revenues.

We may have difficulty accessing global capital and credit markets.

We expect to rely on cash generated from operations and external financing to fund our growth and ongoing capital needs. The expansion of our business or other business opportunities may require significant amounts of working capital. While we believe that our cash from operations, together with borrowing availability under our Revolving Credit Facility and other potential working capital financing strategies that may be available to us, will be sufficient to meet these needs in the foreseeable future, if we need additional external financing, our access to credit markets and the pricing of our capital will be dependent upon maintaining sufficiently strong credit metrics and the state of the capital markets generally. There can be no assurances that we would be able to obtain equity or debt financing on terms we deem acceptable, and it is possible that the cost of any financings could increase significantly, thereby increasing our expenses and decreasing our net income. If we are unable to generate sufficient cash flow or raise adequate external financing, including as a result of significant disruptions in the global credit markets, we could be forced to restrict our operations and growth opportunities, which could adversely affect our operating results.

We expect recent market factors, including industry oversupply conditions and decreased pricing levels, to remain in 2021 and our net leverage ratio under our Revolving Credit Facility covenants may increase during the next 12 months from the date of this filing. Compliance with our debt covenants will continue to be determined, in large part, by our ability to manage the timing and amount of our capital expenditures, which is within our control, as well as by our ability to achieve forecasted operating results and to pursue other working capital financing strategies that may be available to us, which is less certain and outside of our control.

The conditional conversion feature of the 2025 Notes may adversely impact our liquidity or dilute our shareholders, depending on the method of settlement.

Pursuant to the conditional conversion feature of the 2025 Notes, holders of 2025 Notes are entitled to convert the 2025 Notes at any time during specified periods at their option. The conditional conversion feature was triggered during the first quarter of 2021, and thus holders have the option to convert all or any portion of their 2025 Notes through March 31, 2021. If one or more holders elect to convert their 2025 Notes (whether through March 31, 2021 or later if the conditional conversion feature is triggered again), we would be required to settle a portion or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity, unless we elect to satisfy our conversion obligation by delivering solely shares of our common stock (other than paying cash in lieu of delivering any fractional share). In addition, even if holders do not elect to convert their 2025 Notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the 2025 Notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

The accounting method for our 2025 Notes could adversely affect our diluted earnings per share.

Under Accounting Standards Codification 470-20, Debt with Conversion and Other Options, an entity must separately account for the liability and equity components of the convertible debt instruments (such as the 2025 Notes) that may be settled entirely or partially in cash upon conversion in a manner that reflects the issuer's economic interest cost. The effect of ASC 470-20 on the accounting for the 2025 Notes is that the equity component is required to be included in the additional paid-in capital section of stockholders' equity on our consolidated balance sheet, and the value of the equity component is treated as original issue discount for purposes of accounting for the debt component of the 2025 Notes. As a result, we currently are required to record a greater amount of non-cash interest expense in current periods presented as a result of the amortization of the discounted carrying value of the 2025 Notes to their face amount over the term of the 2025 Notes. We will report lower net income in our financial results because ASC 470-20 will require interest to include both the current period's amortization of the debt discount and the instrument's coupon interest, which could adversely affect our reported or future financial results, the trading price of our common stock and the trading price of the 2025 Notes. In addition, under certain circumstances, convertible debt instruments (such as the 2025 Notes) that may be settled entirely or partly in cash may currently be accounted for utilizing the treasury stock method, the effect of which is that the shares issuable upon conversion of the 2025 Notes are not included in the calculation of diluted earnings per share except to the extent that the conversion value of the 2025 Notes exceeds their principal amount. In August 2020, the FASB issued ASU No. 2020-06, *Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*. Effective for the beginning of our 2022 fiscal year (or fiscal 2021 if adopted earlier), the ASU, among other things, amends these accounting standards to reduce the number of accounting models for convertible debt instruments by eliminating the cash conversion model resulting in more convertible debt instruments being reported as a single liability instrument and the interest rate of more convertible debt instruments will be closer to the coupon interest rate. This will result in a smaller original issue discount and lesser amounts of non-cash interest expense related to the amortization of the reduced discount for our 2025 Notes in our financial statements. The ASU also eliminates the treasury stock method for convertible instruments. We will instead be required to apply the "if converted" method, under which diluted earnings per share would generally be calculated assuming that all the 2025 Notes were converted solely into shares of common stock at the beginning of the reporting period, unless the result would be anti-dilutive. To the extent we have net income, our diluted earnings per share will be adversely affected.

We may not have sufficient cash flow from our business to pay our debt.

Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including the 2025 Notes, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be unfavorable or dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

Our research and development efforts may not succeed, and our competitors may develop more effective or successful products.

The industries and the end markets into which we sell our products experience regular technological change and product improvement. Our ability to compete successfully depends in part upon our ability to maintain a superior technological capability and to continue to identify, develop and commercialize new and innovative performance lithium compounds for use in our customers' products. There is no assurance that our research and development efforts will be successful or that any newly developed products will pass our customers' qualification processes or achieve market-wide acceptance. If we fail to keep pace with evolving technological innovations in our customers' end markets, our business, financial condition and results of operations could be adversely affected. In addition, existing or potential competitors may develop products which are similar or superior to our products or are more competitively priced. If our product launching efforts are unsuccessful, our financial condition and results of operations may be adversely affected.

We may make future acquisitions which may be difficult to integrate, divert management and financial resources and result in unanticipated costs.

As part of our continuing business strategy, we may make additional acquisitions of, or investments in, companies or technologies that complement our current products, enhance our market coverage, technical capabilities or production capacity, expand our access to lithium deposits in other geographic locations, or offer growth opportunities. We do not have specific timetables for any future plans (or even for the completion of our investment in Nemaska Lithium Inc.) and we cannot be certain that we will be able to identify suitable acquisition or investment candidates for sale at reasonable prices.

Recent and future acquisitions could pose numerous risks to our operations, including difficulty integrating the acquired operations, products, technologies or personnel; substantial unanticipated integration costs; diversion of significant management attention and financial resources from our existing operations; a failure to realize the potential cost savings or other financial benefits and/or the strategic benefits of the acquisitions; and the incurrence of liabilities from the acquired businesses for environmental matters, infringement of intellectual property rights or other claims (for which we may not be successful in seeking indemnification). These and other risks relating to acquiring, integrating and operating acquired assets or companies could cause us not to realize the anticipated benefits from such activity and could have a material adverse effect on our business, financial condition and results of operations.

Operational Risks:

We have substantial international operations and sales, and the risks of doing business in foreign countries could adversely affect our business, financial condition and results of operations.

We conduct a substantial portion of our business outside the United States. For the years ended December 31, 2020, 2019 and 2018, approximately 82%, 80% and 81% of our revenues, respectively, were derived from sales outside of the United States. In addition, for the years ended December 31, 2019, 2018 and 2017 approximately 23%, 26% and 38% of our revenues, respectively, were denominated in a currency other than the U.S. Dollar (primarily the Chinese yuan and euro) and approximately 35%, 33% and 26% of our costs, respectively, were denominated in a currency other than the U.S. Dollar (primarily the Argentine peso, Chinese yuan and British pound). Accordingly, our business is subject to risks related to foreign exchange as well as risks related to the differing legal, political, social and regulatory requirements and economic conditions (including inflation) of the many jurisdictions where we conduct business.

Changes in exchange rates between foreign currencies and the U.S. Dollar will affect the recorded levels of our assets, liabilities, net sales, cost of goods sold and operating margins and could result in exchange losses. Our results of operations may be adversely affected by any volatility in currency exchange rates and our ability to manage effectively our currency transaction and translation risks. Foreign currency debt and foreign exchange forward contracts may be used in countries where we do business, thereby reducing our net asset exposure. Foreign exchange forward contracts are also used to hedge firm and highly anticipated foreign currency cash flows. The Argentine peso has recently declined significantly in value, and we currently do not hedge foreign currency risks associated with the Argentine peso due to the limited availability and high cost of suitable derivative instruments.

In addition, it may be more difficult for us to enforce agreements or collect receivables through foreign legal systems. There is a risk that foreign governments may nationalize private enterprises in certain countries where we operate. In certain countries or regions, terrorist activities and the response to such activities may threaten our operations more than in the United States. Social and cultural norms in certain countries may not support compliance with our corporate policies including those that require compliance with substantive laws and regulations. Also, changes in general economic and political conditions in countries where we operate are a risk to our financial performance and future growth. Our sales depend on international trade and moves to impose tariffs and other trade barriers, as is happening in various countries including the United States, could negatively affect our sales and have a material adverse effect on our business, financial condition and results of operations.

We and our subsidiaries are also subject to rules and regulations related to anti-bribery, anti-corruption (such as the U.S. Foreign Corrupt Practices Act), anti-money laundering, trade sanctions, export controls, and customs matters, including duties and tariffs. Compliance with such laws may be costly and violations of such laws may carry substantial penalties. We may also be subject to complex and time-consuming investigations or audits by governmental authorities and regulatory agencies, which can occur in the ordinary course of business or which can result from increased scrutiny from a particular agency towards an industry, country or practice. Such investigations or audits may subject us to increased government scrutiny, investigation and civil and criminal penalties, and may limit our ability to import or export our products.

As we continue to operate our business globally, our success will depend, in part, on our ability to anticipate and effectively manage these and other related risks. There can be no assurance that the consequences of these and other factors relating to our international operations will not have an adverse effect on our business, financial condition or results of operations.

In particular, one of our key manufacturing facilities is located in the United Kingdom. The United Kingdom withdrew from the European Union ("Brexit") and ratified an agreement on the future trading relationship between the parties (the "UK-EU Trade and Cooperation Agreement" or "TCA"). The TCA is subject to formal approval by the European Parliament and the Council of the European Union before it comes into effect and has been applied provisionally since January 1, 2021. Because the agreement merely sets forth a framework in many respects and will require complex additional bilateral negotiations between the United Kingdom and the European Union as both parties continue to work on the rules for implementation, significant uncertainty remains about how the precise terms of the relationship between the parties will differ from the terms before withdrawal. It is unclear how Brexit will affect economic conditions in the United Kingdom, the European Union, or globally. Brexit could adversely affect European and worldwide economic and market conditions and could contribute to instability in global financial and foreign exchange markets, including volatility in the value of the euro and the British pound. Brexit is expected to create increased administrative burdens, result in transport and delivery delays, and create legal uncertainty with potentially divergent national laws and regulations, as the United Kingdom determines which European Union laws to replace or replicate. While we actively monitor for developments and update our contingency plans, any of these effects of Brexit, and others we cannot anticipate, could adversely affect our business, financial condition or results of operations.

Our lithium extraction and production operations in Argentina expose us to specific political, financial and operational risks.

We obtain the substantial majority of our lithium from our operations in Argentina. Our operations in Argentina expose us to the following risks, and the occurrence of any of these risks could have a material adverse effect on our business, financial condition or results of operations:

- *Political and financial risks that are typical of developing countries.* Such risks include: high rates of inflation; risk of expropriation and nationalization or changes in or nullification of concession rights; changes in taxation policies; restrictions on foreign exchange and repatriation; labor unrest; changing political norms and currency controls; and governmental policies and regulations that favor or require us or our contractors and subcontractors to award contracts in, employ citizens of, or purchase supplies from, Argentina and the local provinces where we operate. In addition, changes in mining or investment policies or shifts in political attitude in Argentina concerning mining may adversely affect our operations or profitability. There can be no assurance that the new or future governments of Argentina will not impose greater state control of lithium resources, or take other actions that are adverse to us.
- *Risks associated with changes in tax laws.* On December 20, 2019 the Argentine Congress declared an economic emergency and introduced new export duties on hydrocarbon and mining goods, a special tax on foreign exchange transactions, changes to taxes on bank accounts, the Argentine income tax, internal taxes and a delay in the reduction of the corporate tax rate from 30% to 25% until January 1, 2021. The implementing regulations regarding export duties have not yet been published, so the extent of the impact of this new law to our activity in Argentina cannot yet be determined. Under the tax stability certificate we have with the Argentine federal government, we are entitled to reimbursement or set-off (against other federal taxes) of any amount paid in excess of the total federal taxable burden applicable to us under such certificate. However, there can be no assurance that we will seek, or be able to obtain, such reimbursement or set-off, or that there will be no other changes in tax laws.
- *Operational risks stemming from our dependence upon mining concessions granted to us under the Argentine Mining Code*. We hold title to these mining concessions in perpetuity until the deposit is exhausted of all minerals, provided that we pay annual mining fees and keep the mining concessions active in accordance with the Argentine Mining Code. Failure to pay the annual fees or to keep the mining concessions active may result in revocation of our mining concessions. In addition, Argentinian federal and provincial mining authorities retain broad discretion in the enforcement of mining and environmental regulations, including through imposition of fines or suspension of mining extraction or related water rights.

- *Risks associated with the loss or depletion of our mineral deposit.* Our primary source for lithium is our current brine site at Salar del Hombre Muerto. In order to maintain our production capabilities, we will need to replace or supplement our lithium resources there in the event our access is disrupted or lost, whether due to a natural disaster, depletion or otherwise. Although we seek to reduce dependence on this primary source of supply for lithium, there is no assurance we will be able to do so in a timely manner or on commercially favorable terms. In addition, due to the current trend of growth in the lithium industry, there is no assurance that we will be able to discover or acquire new and valuable lithium resources, or that the actual production results will match the expected results.
- *Risks of certain natural disasters*. Our lithium brines and related production facilities are located in a seismically active region in northwest Argentina. A major earthquake could have adverse consequences for our operations and for general infrastructure, such as roads, rail, and access to goods in Argentina. Our production operations in Argentina could also be subject to significant rain events, as our production processes rely on natural evaporation and a significant rain event could impact our production. In the first quarter of 2019, we experienced a significant rain event in Argentina, which disrupted our supply chain and required that we purchase additional third-party lithium carbonate for use in our lithium hydroxide production operations. If our brine site in Argentina were to suffer another significant rain event, or if any of our operating facilities in Argentina were to suffer an earthquake or other natural disaster, this could have a material adverse effect on our business, financial condition and results of operations.
- *Risks associated with water rights and our access to water.* Access to fresh water is essential to our production operations in Argentina; we hold water use rights granted to us by provincial Argentine authorities and will need to secure additional water rights for our planned production expansion. (See Part I, Item 1 Business-Raw Materials-Water section of this Annual Report on Form 10-K). Our operations take place in a dry, mountainous region that has limited access to fresh water. The governmental authority may seek to suspend or alter our rights or the applicable water rights code may change, each of which may limit our access to fresh water. In addition, our access to water may be impacted by third-party claims and changes in geology, climate change (including the potential effects of climate change such as drought, changes in precipitation patterns, and severe weather events) or other natural factors, such as wells drying up or reductions in the amount of water available in the wells or sources from which we obtain water, that we cannot control. There can be no assurance that we will have access to sufficient quantities of water to support our production operations, either at current capacities or our planned production expansion, in the future. There is currently no specific regulation of wetlands at the Argentine national or provincial level. However, during 2020, a number of bills to regulate wetlands were introduced to the Argentine Congress and were reviewed by different committees within the Argentine House of Representatives and Senate. On November 20, 2020, the Committee of Natural Resources of the House of Representatives unified and approved a bill relating to the regulation of wetlands. If internal proceedings on this bill continue and it is approved as currently drafted by the House of Representatives and Senate, our access to water in the Los Patos and Trapiche rivers may be affected, as the bill prohibits any activity in the wetlands, including the installation of any infrastructure that could modify the hydrologic regimen, the construction of dams, and mining activity.
- *Risks associated with foreign exchange controls and restrictions.* On September 1, 2019, the Argentine Government reinstated certain foreign exchange restrictions that will remain in place indefinitely. The restrictions that may impact our Argentina operations relate to: (i) a requirement that Argentinian exporters repatriate proceeds allocated or earned abroad and convert them into Argentinian pesos within a specified time-frame; (ii) limitations on the payment of dividends and payment for services performed by related parties, which would now generally require prior written authorization from the Argentinian Central Bank; (iii) a prohibition on the purchase of foreign exchange as an investment to hedge foreign exchange fluctuations; and (iv) restrictions on payments for imported goods. There can be no assurance that these foreign exchange restrictions will not be modified to be even more restrictive.

- *Risks associated with local labor matters.* Argentina has experienced labor unrest over wages and benefits paid to workers. In the past, the Argentine government has passed laws, regulations and decrees requiring companies in the private sector to increase salaries or maintain minimum wage levels and provide specified benefits to employees and may do so again in the future. For instance, the national government declared a public labor emergency that took effect on December 13, 2019 and that is to remain in place until December 31, 2021. During this period, severance compensation for dismissal without justified cause, lack of work and force majeure is to be doubled (this decree does not apply to any employees hired after December 13, 2019). A similar measure was put in place in light of the COVID-19 pandemic, with effect until April 30, 2021. Employers have also experienced significant pressure from their employees and labor organizations to increase wages and to provide additional employee benefits. Any disruptions, labor unrest, unionization efforts or increased personnel-related expenses in Argentina could have a material and adverse effect on our business and operating expenses.

- *Risks associated with inflation.* Inflation is another risk associated with our Argentina operations. Effective July 1, 2018, Argentina was designated as a highly inflationary economy, as it has experienced cumulative inflation of approximately 100 percent or more over a three-year period. As a result of this determination and in accordance with U.S. GAAP, the functional currency of our operations in Argentina was changed from the Argentine peso to the U.S. dollar. Gains and losses resulting from the remeasurement of non-U.S. dollar monetary assets and liabilities of Argentina are recorded in net earnings. We anticipate high rates of inflation to continue in Argentina.

- *Risks associated with Argentina's economy*. Argentina has been facing economic difficulty for the past several years. Since 2015, the Argentine economy has experienced a recession, a political and social crisis, and a significant depreciation of the Argentine peso against major international currencies. Depending on the relative impact of other variables affecting our operations, including technological changes, inflation, gross domestic product ("GDP") growth, and regulatory changes, the continued depreciation of the Argentine peso could have a material and adverse effect on our business and operating expenses.

- *Risks associated with civil or political unrest in our areas of operations*. Civil and political unrest is common in Argentina and we have experienced protests and claims at our facilities in Argentina. Significant civil or political unrest in the areas of our operations could lead to a delay or suspension in operations or our planned expansion project, delay or loss of production, damage to our facilities, or loss of license, and could negatively impact our reputation. A delay or suspension in operations or our expansion, delay or loss of production, damage to our facilities, or negative impact to our reputation could have a material and adverse effect on our business and operating expenses. In addition, we must comply with legal requirements for prior consultation of communities and ethnic groups who are affected by our planned expansion project in Argentina. Notwithstanding our compliance with these requirements, we may be sued by such communities and groups or civil unrest may occur, potentially leading to increased costs, operational delays and other impacts that could have a material and adverse effect on our business and operating expenses

Our operations and suppliers may be subject to physical and other risks, including natural disasters, epidemics, pandemics, and other catastrophic events beyond our control, which could disrupt production and have a material adverse effect on our business, financial condition, results of operations and cash flows.

We conduct large-scale lithium production operations in Argentina and own, operate and/or contract with large-scale manufacturing facilities in China, India, the United Kingdom and the United States. Our operating results will be dependent in part on the continued operation of the various production facilities and the ability to manufacture products on schedule. Interruptions at these facilities may materially reduce the productivity and profitability of a particular manufacturing facility, or our business as a whole, during and after the period of such operational difficulties.

Our operations and those of our contract manufacturers are subject to hazards inherent in lithium production and manufacturing and the related storage and transportation of raw materials, products such as butyllithium, and wastes. These potential hazards include explosions, fires, severe weather and natural disasters, including earthquakes, mechanical failure of equipment, unscheduled downtimes, supplier disruptions, labor shortages or other labor difficulties (including widespread labor unrest in Argentina and Chile), information technology systems outages, disruption in our supply chain or manufacturing and distribution operations, transportation interruptions, chemical spills, discharges or releases of toxic or hazardous substances or gases, shipment of contaminated or off-specification product to customers, storage tank leaks, changing regulatory requirements, other environmental risks, or other sudden disruption in business operations beyond our control as a result of events such as acts of sabotage, unilateral government actions, terrorism or war, civil or political unrest, natural disasters, large scale power outages, and public health epidemics. Outbreaks of pandemic diseases, such as coronavirus, or the fear of such events, have provoked responses, including government-imposed travel restrictions and limits on access to the production facilities of our contract manufacturers. Some of these hazards may cause severe damage to, or destruction of, property and equipment or personal injury and loss of life and may result in suspension of operations or the shutdown of affected facilities, which could have a material adverse effect on our business, financial condition and results of operations.

There have been a number of industrial plant explosions in China during recent years that have resulted in fatalities. In 2015, there were explosions in the northeastern port city of Tianjin, in 2018, there was an explosion near a chemical plant in Hebei Province, and in March 2019, there was an explosion at the Jiangsu Tianjiayi Chemical Company in the eastern Chinese province of Jiangsu. China is the largest producer and consumer of chemicals in the world, but regulation of, and safety standards within the industry has historically been weak and inconsistent. In light of the blasts, fatalities and property damage, the Chinese government has expanded inspections, implemented a computerized monitoring system to alert the government of potential accidents, shut down facilities and toughened punishments for companies that violate safety standards. Jiangsu, the province where our China butyllithium production facility is located, was the first province to launch a computerized monitoring system at the end of 2019. If any explosion or similar event were to occur at or near any of our facilities or contract manufacturers in China, or if the Chinese government were to impose new regulations limiting or suspending (temporarily or permanently) the operations of our facilities or contract manufacturers in China, this could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, the hazards described above could cause temporary or long-term disruption in the supply of component products from some local and international suppliers, disruption in the transport of our products and significant delays in the shipment of products and the provision of services, or negatively affect customer demand, which could in turn cause the loss of sales and customers, or could otherwise result in significant damages, threats, interruptions, or delays to our business and initiatives. Existing insurance arrangements may not provide protection for all of the costs that may arise from such events. Accordingly, disruption of our operations or the operations of a significant supplier or customer could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

We derive a substantial portion of our revenue from a limited number of customers, and the loss of, or a significant reduction in orders from, a large customer could have a material adverse effect on our business and operating results.

In any particular period, a substantial amount of our total revenue could come from a relatively small number of customers. For the year ended December 31, 2020, one customer accounted for approximately 26% of revenue and for the years ended December 31, 2019 and 2018 one customer accounted for approximately 28% and 14%, respectively, of our total revenue. For the years ended December 31, 2020, 2019 and 2018, our ten largest customers accounted in the aggregate for approximately 64%, 60% and 53% of our total revenue, respectively. It is likely that we will continue to derive a significant portion of our revenue from a relatively small number of customers in the future. If we were to lose any material customer or if any such customer significantly reduced or delayed its orders, such loss, reduction or delay could have a material adverse effect on our business, financial condition and results of operations.

We may not satisfy customer qualification processes, customers' or governments' quality standards, and could be subject to damages based on claims brought against us or lose customers as a result of the failure of our products to meet certain quality standards.

Since our products are derived from natural resources, they may contain impurities that may not meet certain customer or government quality standards. As a result, we may not be able to sell our products if we cannot meet such requirements. In addition, customers may impose stricter or lengthier qualification processes for our manufacturing operations, stricter quality standards on our products, or governments may enact stricter regulations for the distribution or use of our products. Some of our products also have a limited shelf life, which can affect the ability of a customer to use our product and/or lead to returns and warranty claims. Failure to meet such customer and government standards could materially adversely affect our business, financial condition and results of operations if we are unable to sell our products in one or more markets or to important customers in such markets. In addition, our cost of production may increase to meet any newly imposed or enacted standards.

We warrant to our customers that our products conform to mutually agreed product specifications. If a product fails to meet warranted quality specifications, a customer could seek a replacement, the refund of the purchase price or damages for costs incurred as a result of the product failing to meet the specification. In addition, because many of our products are integrated into our customers' products, such as lithium-ion batteries in EVs and energy storage applications, we may be requested to participate in or fund, in whole or in part, the costs of a product recall conducted by a customer.

In addition, we utilize third parties to produce or further process a portion of our performance lithium compounds. We endeavor to contract with third-party manufacturers that we believe are able to meet our delivery schedule and other requirements. Nevertheless, we may not be able to monitor the performance of these third parties as directly and efficiently as we do our own production facilities. As a result, we are exposed to the risk that our third-party providers may fail to perform their contractual obligations or may fail to meet the quality or other requirements of our customers, which may in turn adversely affect our business, financial condition and results of operations.

As with all quality control systems, any failure or deterioration of our quality control systems or that of our third-party contract manufacturers could result in defects in our projects or products, which in turn may subject us to contractual, product liability and other claims. Any such claims, regardless of whether they are ultimately successful, could cause us to incur significant costs, harm our business reputation and result in significant disruption to our operations. Furthermore, if any such claims were ultimately successful, we could be required to pay substantial monetary damages or penalties, which could have a material adverse effect on our reputation, business, financial condition and results of operations.

Fluctuations in the price of energy and certain raw materials, and our inability to obtain raw materials and products under contract sourcing arrangements, could have an adverse effect on the margins of our products, our business, financial condition and our results of operations.

The long-term profitability of our operations will be, in part, related to our ability to continue to economically and reliably obtain resources, including energy, raw materials, and finished products. Our raw material and energy costs can be volatile and may increase significantly. We enter into contracts for our products and these contracts are often at fixed or formula-based prices or otherwise do not permit us to pass on increased costs in sale prices immediately or at all. To the extent we are unable to obtain such resources or to pass on increases in the prices of energy and raw materials to our customers, our financial condition and results of operations could be materially adversely affected. In addition, we source a significant portion of our intermediate and finished products through contract manufacturing arrangements. An inability to obtain these products or execute under these arrangements would adversely impact our ability to sell products and could have an adverse effect on our business, financial condition and results of operations.

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

Our success depends on our ability to attract and retain key personnel, and we rely heavily on critical executive and senior management level individuals, as well as those with niche technical skills. The inability to recruit and retain key personnel, including personnel with technical skills, or the unexpected loss of such personnel may adversely affect our operations. In addition, because of our reliance on these individuals, our future success depends, in part, on our ability to identify and develop or recruit talent to succeed our senior management and other technical positions throughout the organization. If we fail to identify and develop or recruit successors, we are at risk of being harmed by the departures of these key employees.

Some of our employees are unionized or are employed subject to local laws that are less favorable to employers than the laws of the United States.

As of December 31, 2020, we had approximately 906 full time, part time and temporary and contract employees. A large number of our employees are employed in countries in which employment laws provide greater bargaining or other rights to employees than the laws of the United States. Such employment rights require us to work collaboratively with the legal representatives of the employees to effect any changes to labor arrangements. For example, our operational and production employees in Argentina, approximately 185, are represented by a union that must approve any changes in conditions of employment, including salaries and benefits and staff changes, and may impede efforts to restructure our workforce. In prior years, we have had to negotiate wage increases for our employees with the union because of inflation in Argentina and will be expected to do so in the future. The current 4-year collective bargaining agreement in place is set to expire in 2023 and includes annual salary negotiation. A strike, work stoppage, slowdown or significant dispute with our employees could result in a significant disruption of our operations or higher ongoing labor costs.

Our business and operations could suffer in the event of cybersecurity breaches or disruptions to our information technology environment.

As with all enterprise information systems, our information technology systems could be penetrated by outside parties intent on extracting information, corrupting information, or disrupting business processes. Our systems, which contain critical information about our business (including intellectual property and confidential information of our customers, vendors and employees), have in the past been, and likely will in the future be, subject to unauthorized access attempts. Unauthorized access could disrupt our business operations and could result in failures or interruptions in our computer systems and in the loss of assets (including our intellectual property and confidential business information), which could harm our competitive position, reduce the value of our investment in research and development and other strategic initiatives or otherwise have a material adverse effect on our business, financial condition or results of operations. In addition, breaches of our security measures or the accidental loss, inadvertent disclosure, or unapproved dissemination of proprietary information or sensitive or confidential information about the company, our employees, our vendors, or our customers, could result in litigation, violations of various data privacy regulations in some jurisdictions, and also potentially result in liability to us. This could damage our reputation, or otherwise harm our business, financial condition, or results of operations, and the devotion of additional resources to the security of our information technology systems in the future could significantly increase the cost of doing business.

Our inability to protect our intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.

Protection of our proprietary processes, methods, formulations, and compounds, the incorporation of such formulations and compounds into various products and other technology is important to our business. Although our existing processes and products may not be protected or protectable by patents, we generally rely on the intellectual property laws of the United States and certain other countries in which our products are produced or sold, as well as licenses and nondisclosure and confidentiality agreements, to protect our intellectual property rights. Additionally, the patent, trade secret and trademark laws of some countries, or their enforcement, may not protect our intellectual property rights to the same extent as the laws of the United States. Failure to protect our intellectual property rights may result in the loss of valuable proprietary technologies. If patents are issued to us, those patents may not provide meaningful protection against competitors or against competitive technologies. There can be no assurance that our intellectual property rights will not be challenged, invalidated, circumvented or rendered unenforceable.

From time to time, we may license or otherwise obtain certain intellectual property rights from third parties and we endeavor to do so on terms favorable to us. However, we may not be able to license or otherwise obtain intellectual property rights on such terms or at all, which could have a material adverse effect on our ability to create a competitive advantage and create innovative solutions for our customers, which will adversely affect our net sales and our relationships with our customers.

With respect to unpatented proprietary manufacturing expertise, continuing technological innovation and other trade secrets necessary to develop and maintain our competitive position, while we generally enter into confidentiality agreements with our employees and third parties to protect our intellectual property, there can be no assurance that our confidentiality agreements will not be breached, that they will provide meaningful protection for our trade secrets and proprietary manufacturing expertise or that adequate remedies will be available in the event of an unauthorized use or disclosure of our trade secrets or manufacturing expertise. In addition, our trade secrets and know-how may be improperly obtained by other means, such as a breach of our information technology security systems or direct theft.

If we fail to successfully enforce our intellectual property rights, our competitive position could suffer. We may also be required to spend significant resources to monitor and police our intellectual property rights. Similarly, if we were to infringe on the intellectual property rights of others, our competitive position could suffer. Furthermore, other companies may duplicate or reverse engineer our technologies or design around our patents.

In some instances, litigation may be necessary to enforce our intellectual property rights and protect our proprietary information, or to defend against claims by third parties that our products infringe their intellectual property rights. Any litigation or claims brought by or against us, whether with or without merit, could result in substantial costs to us and divert the attention of our management, which could harm our business and results of operations. In addition, any intellectual property litigation or claims against us could result in the loss or compromise of our intellectual property and proprietary rights, subject us to significant liabilities, require us to seek licenses on unfavorable terms, prevent us from manufacturing or selling certain products or require us to redesign certain products, any of which could harm our business and results of operations.

We have not established "proven" or "probable" reserves, as defined by the SEC under Industry Guide 7, through the completion of a feasibility study for the minerals that we produce.

We have not established proven or probable reserves, as defined by the SEC under Industry Guide 7, through the completion of a “final” or “bankable” feasibility study for any of the minerals that we produce. Since we conduct operations without having established proven or probable reserves, there may be greater inherent uncertainty as to whether or not mineralized material can be economically obtained as originally planned and anticipated. In addition, we do not at present plan to conduct exploration activities or other activities to establish reserves. Because we do not have any proven or probable reserves, there can be no assurance that a commercially viable deposit exists to support production at existing levels or to expand our production capacity in the future, which could have a material adverse effect on our business, financial condition and results of operations.

Our business could be negatively impacted by sustainability and ESG matters and/or our reporting of such matters.

There is an increasing focus from certain investors, customers, consumers, regulators, government officials, employees, proxy advisory firms and other stakeholders concerning sustainability and ESG matters. From time to time, we communicate certain goals and initiatives regarding environmental matters, responsible sourcing, human rights, corporate governance and social responsibility, including those described in our Company’s Sustainability Report as well as other disclosures. We could fail, or be perceived to fail, in our achievement of such initiatives or goals, or we could fail in fully and accurately reporting our progress on such initiatives and goals. In addition, we could be criticized for the scope of such initiatives or goals or perceived as not acting responsibly in connection with these matters. Our business could be negatively impacted by such matters. Any such matters, or related sustainability and ESG matters, could have a material adverse effect on our business.

Regulatory and Governmental Risks:

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

We are involved from time to time in legal and regulatory proceedings, which may be material. The outcome of proceedings, lawsuits and claims may differ from our expectations, leading us to change estimates of liabilities and related insurance receivables.

Legal and regulatory proceedings, whether with or without merit, and associated internal investigations, may be time-consuming and expensive to prosecute, defend or conduct, divert management’s attention and other resources, inhibit our ability to sell our products, result in adverse judgments for damages, injunctive relief, penalties and fines, and otherwise negatively affect our business.

We, our operations, facilities, products and raw materials are subject to environmental, health and safety laws and regulations, and costs to comply with, and liabilities related to, these laws and regulations could adversely affect our business.

We are subject to extensive federal, state, local, and foreign environmental and safety laws, regulations, directives, rules and ordinances concerning, among other things, employee health and safety, the composition of our products, the discharge of pollutants into the air and water, the management and disposal of hazardous substances and wastes, the usage and availability of water, the cleanup of contaminated properties (including the federal Comprehensive Environmental Response, Compensation and Liability Act, commonly known as CERCLA or Superfund, in the U.S., and similar foreign and state laws) and the reclamation of our brine extraction operations and certain other assets at the end of their useful life. In addition, our production facilities require numerous operating permits. Due to the nature of these requirements and changes in our operations, we may incur substantial capital and operating costs, which may have a material adverse effect on our results of operations.

We may also incur substantial costs, including fines, damages, criminal or civil sanctions and remediation costs, or experience interruptions in our operations, for violations arising under these laws and regulations or permit requirements. In addition, we may be required to either modify existing or obtain new permits to meet our capacity expansion plans. We may be unable to modify or obtain such permits or if we can, it may be costly to do so. Furthermore, environmental, health and safety laws and regulations are subject to change and have become increasingly stringent in recent years. Future environmental, health and safety laws and regulations, or changes to existing laws or regulations, could require us to alter our production processes, acquire pollution abatement or remediation equipment, modify our products or incur other expenses, which could harm our business and results of operations.

If we violate environmental, health and safety laws or regulations, in addition to being required to correct such violations, we can be held liable in administrative, civil or criminal proceedings for substantial fines and other sanctions could be imposed that could disrupt or limit our operations. Liabilities associated with the investigation and cleanup of hazardous substances, as well as personal injury, property damages or natural resource damages arising from the release of, or exposure to, such hazardous substances, may be imposed without regard to violations of laws or regulations or other fault, and may also be imposed jointly and severally. Such liabilities may also be imposed on many different entities, including, for example, current and prior property owners or operators, as well as entities that arranged for the disposal of the hazardous substances.

We have in the past, and may in the future, be subject to claims by third parties or employees relating to exposure to hazardous materials and the associated liabilities may be material. We also have generated, and continue to generate, hazardous wastes at a number of our facilities, including our Bessemer City, North Carolina facility. Additional information may arise in the future concerning the nature or extent of our liability with respect to Bessemer City, North Carolina, and additional sites may be identified for which we are alleged to be liable, that could cause us to materially increase our environmental accrual or the upper range of the costs we believe we could reasonably incur for such matters.

Scientists periodically conduct studies on the potential human health and environmental impacts of chemicals, including products we manufacture and sell. Also, nongovernmental advocacy organizations and individuals periodically issue public statements alleging human health and environmental impacts of chemicals, including products we manufacture and sell. Based upon such studies or public statements, our customers may elect to discontinue the purchase and use of our products, even in the absence of any reliable scientific basis for such public statements or any controlling government regulation. Such actions could significantly decrease the demand for our products and, accordingly, have a material adverse effect on our business, financial condition, cash flows and profitability.

We manufacture or market a number of products that are or have been the subject of attention by the European Union (“E.U.”) and United Kingdom (“U.K.”) regulatory authorities. Concern about the impact of some of our products on human health or the environment may lead to regulation, or reaction in our markets independent of regulation, that could reduce or eliminate markets for such products. Our business and our customers are subject to significant requirements under REACH, which imposes obligation on E.U. manufacturers and importers of chemicals and other products into the E.U. to compile and file comprehensive reports, including testing data, on each chemical substance, and perform chemical safety assessments. Additionally, substances of high concern, as defined under REACH, are subject to an authorization process, which may result in restrictions in the use of products by application or even banning the product. REACH regulations impose significant additional burdens on chemical producers, importers, downstream users of chemical substances and preparations, and the entire supply chain. Our manufacturing presence in the U.K. and sales activities in the E.U. requires significant compliance costs and may result in increases in the costs of raw materials we purchase and the products we sell. Increases in the costs of our products could result in a decrease in their overall demand; additionally, customers may seek products that are not regulated by REACH, which could also result in a decrease in the demand of certain products subject to the REACH regulations. If we fail to comply with REACH or other similar laws and regulations, we may be subject to penalties or other enforcement actions, including fines, injunctions, recalls or seizures, which would have a material adverse effect on our financial condition, cash flows and profitability.

Unanticipated changes in our tax provisions, variability of our effective tax rate, the adoption of new tax legislation or exposure to additional tax liabilities could impact our financial performance.

We operate in multiple jurisdictions, which contributes to the volatility of our effective tax rate. Our future effective tax rates may be materially impacted by numerous items including: a future change in the composition of earnings from foreign and domestic tax jurisdictions; accounting for uncertain tax positions; business combinations; expiration of statutes of limitations or settlement of tax audits; changes in valuation allowances; expiration or termination of favorable tax abatement or concession arrangements with foreign tax jurisdictions; and changes in tax law.

We have favorable tax concession arrangements with certain foreign tax jurisdictions, which provide for reduced tax rates of income tax, and in certain cases various other taxes. These arrangements are generally valid for a fixed term, subject to renewal at the option of the tax authority. In certain cases, the arrangement is subject to specified conditions which, if not satisfied, may result in the reduction or elimination of the associated beneficial tax arrangement. There can be no assurance that we will be able to renew any favorable tax concession arrangements upon their expiration, or that we will successfully satisfy the conditions required in order to retain any such arrangements. If we are unable to renew any such arrangements or if we do not satisfy the associated conditions, we may lose the benefits of such arrangements, which may have a material adverse effect on our business, financial condition, cash flows and profitability.

We are also subject to ongoing tax audits in various jurisdictions. Tax authorities may disagree with our intercompany charges, cross-jurisdictional transfer pricing or other matters, and may assess additional taxes as a result. There can be no assurance that we will accurately predict the outcomes of these audits, and the amounts ultimately paid upon resolution of audits could be materially different from the amounts previously included in our income tax expense and therefore could have a material impact on our tax provision, net income and cash flows. If these audits result in assessments different from amounts reserved, future financial results may include unfavorable adjustments to our tax liabilities.

Risks Related to the Separation:

If there is a determination that the Separation and the Distribution is taxable for U.S. federal income tax purposes, then FMC and its stockholders could incur significant U.S. federal income tax liabilities, and we could incur significant liabilities.

In connection with the Distribution, FMC received a tax opinion from counsel that the Distribution, together with certain related transactions, qualifies as a tax-free "reorganization" within the meaning of Section 368(a)(1)(D) of the Internal Revenue Code (the "Code") and a tax-free distribution within the meaning of Section 355 of the Code. The opinion relied on certain facts, assumptions, representations and undertakings from FMC and us regarding the past and future conduct of the companies' respective businesses and other matters. If any of these facts, assumptions, representations or undertakings are incorrect or not otherwise satisfied, FMC and its stockholders may not be able to rely on the opinion of counsel and could be subject to significant tax liabilities. Notwithstanding the opinion of counsel, the Internal Revenue Service ("IRS") could determine on audit that the Separation and the Distribution is taxable if it determines that any of these facts, assumptions, representations or undertakings is not correct or has been violated or if it disagrees with the conclusions in the opinion, or for other reasons, including as a result of certain significant changes in the stock ownership of FMC or us after the Distribution. If the Separation and the Distribution is determined to be taxable for U.S. federal income tax purposes, FMC and/or its stockholders could incur significant U.S. federal income tax liabilities, and we could incur significant liabilities under applicable law or as a result of the Tax Matters Agreement with FMC.

We will be subject to numerous restrictions to preserve the tax-free nature of the Separation and Distribution, which may reduce our strategic and operating flexibility.

To preserve the tax-free treatment to FMC and its stockholders of the Separation and the potential Distribution, under the Tax Matters Agreement we may not take any action that could reasonably be expected to cause the Separation and the Distribution to fail to qualify as tax-free transactions under Section 368(a)(1)(D) and Section 355 of the Code.

If we wish to take any such restricted action, we are required to cooperate with FMC to obtain an IRS ruling or obtain an unqualified tax opinion, in each case to the effect that the action will not affect the tax-free treatment to FMC and its stockholders of the Separation and the Distribution. In the event such actions result in tax-related losses to FMC, we generally will be required to indemnify FMC for such tax-related losses under the Tax Matters Agreement. Due to these restrictions and indemnification obligations under the Tax Matters Agreement, we may be limited in our ability to pursue strategic transactions, equity or convertible debt financings or other transactions that may otherwise be in our best interests. Also, our potential indemnity obligation to FMC might discourage, delay or prevent a change of control that our stockholders may consider favorable.

Some of our directors and officers may have actual or potential conflicts of interest because of their equity ownership in FMC, and some of our directors may have actual or potential conflicts of interest because they also serve or have served as officers of FMC.

Because of their current or former positions with FMC, some of our directors and executive officers may own shares of FMC common stock or have options to acquire shares of FMC common stock, and the individual holdings may be significant for some of these individuals compared to their total assets. In addition, certain of our directors serve or have served as officers or directors of FMC. Although all transactions with related parties will be approved by a committee of non-FMC-affiliated directors, this ownership or service may create the appearance of conflicts of interest when the FMC-affiliated directors and officers are faced with decisions that could have different implications for FMC or us. For example, potential conflicts of interest could arise in connection with the resolution of any dispute that may arise between FMC and us regarding the terms of the agreements governing the Separation and the relationship thereafter between the companies.

We potentially could have received better terms from unaffiliated third parties than the terms we received in our agreements with FMC.

The agreements we entered into with FMC in connection with the Separation were negotiated while we were still part of FMC's business. Accordingly, during the period in which the terms of those agreements were negotiated, we did not have an independent board of directors or a management team independent of FMC. The terms of the agreements may not be as favorable as what we may have obtained from an unaffiliated third party.

FMC has agreed to indemnify us for certain liabilities. However, there can be no assurance that the indemnity will be sufficient to insure us against the full amount of such liabilities, or that FMC's ability to satisfy its indemnification obligation will not be impaired in the future.

Pursuant to the separation and distribution agreement and certain other agreements with FMC, FMC has agreed to indemnify us for certain liabilities. However, third parties could also seek to hold us responsible for any of the liabilities that FMC has agreed to retain, and there can be no assurance that the indemnity from FMC will be sufficient to protect us against the full amount of such liabilities, or that FMC will be able to fully satisfy its indemnification obligations in the future. Even if we ultimately succeed in recovering from FMC any amounts for which we are held liable, we may be temporarily required to bear these losses. Each of these risks could negatively affect our business, financial condition, results of operations and cash flows.

Risks Related to Ownership of Our Common Stock:

Our stock price may fluctuate significantly.

The trading price of our common stock is likely to be volatile and subject to wide price fluctuations in response to various factors, including:

- the severity and duration of the COVID-19 pandemic, including the impact of the COVID-19 pandemic on our business and industry;
- market conditions or investor sentiment in the broader stock market, the end markets into which we sell our products, or our industry in particular;
- actual or anticipated fluctuations in our quarterly financial and operating results;
- our capital financing decisions and debt levels;
- introduction of new products and services by us, our competitors or customers;
- issuance of new or changed securities analysts' reports or recommendations;
- sales or purchases of large blocks of our stock;
- additions or departures of key personnel;
- regulatory developments;
- litigation and governmental investigations;
- economic and political conditions or events; and
- changes in investor perception of our market positions based on third-party information.

These and other factors may cause the market price and demand for our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. In addition, when the market price of a stock is volatile, certain holders of that stock may institute securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit or any future securities class litigation that may be brought against the company. We have been sued by several plaintiffs in connection with our IPO. See Part I, Item 3 Legal Proceedings, and Note 15 of Notes to Consolidated and Combined Financial Statements, in this Form 10-K. The existing lawsuit and any future lawsuits could also divert the time and attention of our management from our business.

The trading market for our common stock will also be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Moreover, if one or more of the analysts who cover us downgrade our stock, or if our results of operations do not meet their expectations, our stock price could decline.

Some provisions of Delaware law and our certificate of incorporation and bylaws may deter third parties from acquiring us.

Our certificate of incorporation and bylaws provide for, among other things:

- a staggered board and restrictions on the ability of our stockholders to fill a vacancy on the Board of Directors;
- the authorization of undesignated preferred stock, the terms of which may be established and shares of which may be issued without stockholder approval;
- a requirement that certain business combinations with interested stockholders arising after the date on which no person or group owns a majority of the voting power of our common stock must be approved by the holders of at least 80% of the voting power of our common stock;
- advance notice requirements for stockholder proposals; and
- a requirement that, after such time as no person or group holds a majority of the voting power of our common stock, our stockholders may not take action by written consent without a duly called annual or special meeting.

These anti-takeover defenses could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for stockholders to elect directors of their choosing and cause us to take other corporate actions than they desire.

We are not declaring or paying cash dividends at this time, and this may deter certain investors from purchasing our stock.

Any future determination to pay dividends will be at the discretion of our Board of Directors in accordance with applicable law and will be dependent upon our financial condition and results of operations, capital requirements, contractual restrictions, business prospects and other factors that our Board of Directors considers relevant. At this time, no declaration or payment of cash dividends has been made or planned.

SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

Statement under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995: We and our representatives may from time to time make written or oral statements that are "forward-looking" and provide other than historical information, including statements contained in Item 1. Business and Management's Discussion and Analysis of Financial Condition and Results of Operations within this Form 10-K, in our other filings with the SEC, or in reports to our stockholders.

In some cases, we have identified forward-looking statements by such words or phrases as "will likely result," "is confident that," "expect," "expects," "should," "could," "may," "will continue to," "believe," "believes," "anticipates," "predicts," "forecasts," "estimates," "projects," "potential," "intends" or similar expressions identifying "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including the negative of those words and phrases. Such forward-looking statements are based on our current views and assumptions regarding future events, future business conditions and the outlook for the company based on currently available information. These forward-looking statements may include projections of our future financial performance, our anticipated growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any results, levels of activity, performance or achievements expressed or implied by any forward-looking statement. These factors include, among other things, the risk factors listed in Item 1A "Risk Factors" of this Form 10-K. You should specifically consider the numerous risks outlined under "Risk Factors." We wish to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made.

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. We are under no duty to update any of these forward-looking statements after the date of this Form 10-K to conform our prior statements to actual results or revised expectations.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Livent leases executive offices in Philadelphia, Pennsylvania and operates six manufacturing facilities in five countries in addition to our lithium extraction operations in Salar del Hombre Muerto, Argentina. We also have six facilities in five countries to support our sales, marketing, research and development and other administrative needs. Our research, development and innovation facilities are located in Bessemer City, North Carolina.

We have long-term mineral rights to the Salar del Hombre Muerto lithium reserves in Argentina. We require the lithium brine that is mined from these reserves, without which other sources of raw materials would have to be obtained. See Item 1 "Business" included in this Form 10-K for further discussion of our raw materials.

We believe our facilities are in good operating condition. The function and location of our owned or leased production properties is presented in the table below:

Location	Function	Leased/Owned
United States		
Philadelphia, Pennsylvania	Corporate Headquarters	Leased
Bessemer City, North Carolina	Manufacturing and Research	Owned
Charlotte, North Carolina	Sales and Administrative	Leased
South America		
Fénix, Argentina	Lithium Extraction and Manufacturing	Owned
Guemes, Argentina	Manufacturing	Owned
Catamarca, Argentina	Administrative	Leased
Salta, Argentina	Administrative	Owned
Pocitos, Salta, Argentina	Transfer Station	Land use right so long as we have our mining concession
Europe		
Bromborough, United Kingdom	Manufacturing and Sales	Leased
Asia Pacific		
Zhangjiagang, China	Manufacturing	Land use right, building owned
Shanghai, China	Sales and Administrative	Leased
Tokyo, Japan	Sales	Leased
Patancheru, India	Manufacturing	Leased
Singapore	Operations and Administrative	Leased

ITEM 3. LEGAL PROCEEDINGS

See Note 2 “Principal Accounting Policies and Related Financial Information" - Environmental obligations, Note 8 “Environmental Obligations” and Note 15 “Commitments and Contingencies” in the notes to our consolidated and combined financial statements included in this Form 10-K, the content of which are incorporated by reference to this Item 3.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 4A. EXECUTIVE OFFICERS OF THE REGISTRANT

The executive officers of Livent Corporation, the offices they currently hold, their business experience and their ages as of December 31, 2020, are as follows:

Name	Age on 12/31/2020	Office, year of election and other information
Paul W. Graves	49	President, Chief Executive Officer and Director (May 2018-Present); Executive Vice President and Chief Financial Officer, FMC (12-18); Managing Director, Goldman Sachs Group (06-12)
Gilberto Antoniazzi	54	Vice President and Chief Financial Officer (May 2018-Present); Chief Financial Officer, FMC's Agricultural Solutions business segment (13-18); Chief Financial Officer, FMC's Latin America Region (04-13)
Sara Ponessa	49	Vice President, General Counsel and Secretary (May 2018-Present); Senior Business Counsel, FMC's Lithium business segment (14-18); Business Counsel, FMC's Alkali Chemicals division (12-14); Vice President and Risk Management and Compliance Section Manager, Wilmington Trust Company (06-12)

All officers are elected to hold office for one year or until their successors are elected and qualified. No family relationships exist among any of the above-listed officers, and there are no arrangements or understandings between any of the above-listed officers and any other person pursuant to which they serve as an officer. The above-listed officers have not been involved in any legal proceedings during the past ten years of a nature for which the SEC requires disclosure that are material to an evaluation of the ability or integrity of any such officer.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

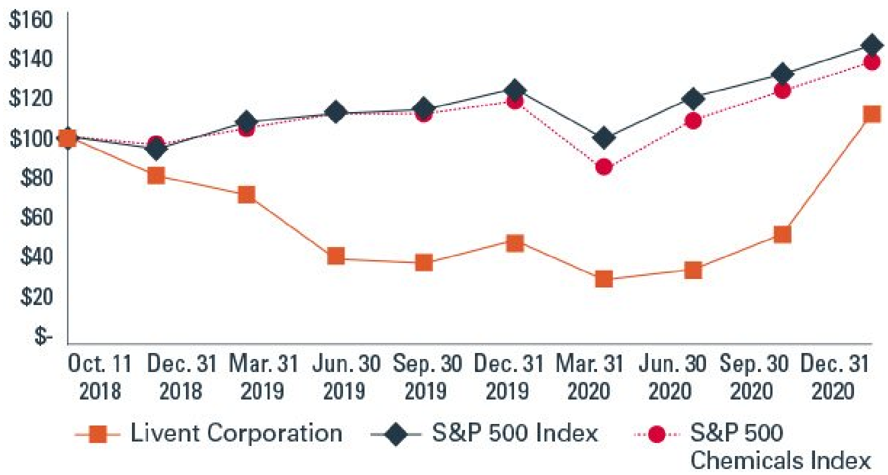
Livent common stock of $0.001 par value is traded on the New York Stock Exchange (Symbol: LTHM). As of February 25, 2021, we had 2,364 holders of record of our common stock and approximately 87,055 beneficial holders of our common stock.

Our Board of Directors has not declared any quarterly dividends as of December 31, 2020 and does not expect to pay any dividends in the foreseeable future. Any future payment of dividends will depend on our financial condition, results of operations, conditions in the financial markets and such other factors as are deemed relevant by our Board of Directors.

Stockholder Return Performance Presentation

The graph that follows shall not be deemed to be incorporated by reference into any filing made by Livent under the Securities Act or the Exchange Act.

The following Stockholder Performance Graph compares the cumulative total return on Livent's common stock with the S&P 500 Index and the S&P 500 Chemicals Index for the period following the IPO through December 31, 2020. The comparison assumes $100 was invested on October 12, 2018, in Livent's common stock and in both of the indices, and the reinvestment of all dividends.



Repurchases of Common Shares

A summary of our repurchases of Livent's common stock for the three months ended December 31, 2020 is as follows:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs (2)	Maximum Number of Shares That May Yet Be Purchased Under the Programs (2)
October 1 through October 31, 2020	294	$ 10.79	$ —	$ —
November 1 through November 30, 2020	206	$ 16.18	—	—
December 1 through December 31, 2020	211	$ 18.77	—	—
Total Q4 2020	711	$ 14.72	$ —	$ —

(1) The trustee of the Livent NQSP deferred compensation plan reacquires Livent common stock shares from time to time through open-market purchases relating to investments by employees in our common stock, one of the investment options available under the Livent NQSP. Such shares are held in a trust fund and recorded to Treasury stock in our consolidated balance sheets.

(2) We have no publicly announced repurchase programs.

ITEM 6. SELECTED FINANCIAL DATA

Disclosure no longer required in this Report pursuant to SEC Release No. 33-10890; 34-90459 (November 19, 2020).

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis in conjunction with our financial statements and the related notes included elsewhere in this Form 10-K. This discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including, but not limited to, those set forth under "Risk Factors" and elsewhere in this Form 10-K.

OVERVIEW

We are a pure-play, fully integrated lithium company, with a long, proven history of producing performance lithium compounds. Our primary products, namely battery-grade lithium hydroxide, lithium carbonate, butyllithium and high purity lithium metal are critical inputs used in various performance applications. Our strategy is to focus on supplying high performance lithium compounds to the rapidly growing EV and broader energy storage battery markets, while continuing to maintain our position as a leading global producer of butyllithium and high purity lithium metal. With extensive global capabilities, approximately 80 years of continuous production experience, applications and technical expertise and deep customer relationships, we believe we are well positioned to capitalize on the accelerating trend of electrification.

We produce lithium compounds for use in applications that have specific and constantly changing performance requirements, including battery-grade lithium hydroxide for use in high performance lithium-ion batteries. We believe the demand for our compounds will continue to grow as the electrification of transportation accelerates, and as the use of high nickel content cathode materials increases in the next generation of battery technology products. We also supply butyllithium, which is used in the production of polymers and pharmaceutical products, as well as a range of specialty lithium compounds including high purity lithium metal, which is used in the production of lightweight materials for aerospace applications and non-rechargeable batteries. It is in these applications that we have established a differentiated position in the market through our ability to consistently produce and deliver performance lithium compounds.

2020 Highlights

The following are the more significant developments in our business during the year ended December 31, 2020:

- Revenue of $288.2 million in 2020 decreased $100.2 million versus last year primarily due to lower average prices and lower sales volumes, largely as a result of COVID-19 reducing customer demand.
- Gross margin of $36.8 million in 2020 decreased $78.1 million versus the prior year primarily due to lower average prices, lower sales volumes and increased costs due to the financial impact of increased third-party lithium carbonate usage and incremental COVID-19 related costs to implement safety protocols.
- Adjusted EBITDA of $22.3 million decreased $77.5 million compared to the prior year amount of $99.8 million primarily due to lower average prices, lower sales volumes and increased costs due to the financial impact of increased third party lithium carbonate usage.

COVID-19 Impacts

Business and Operations

In 2020, the COVID-19 pandemic negatively impacted our business, operations and financial performance. Worldwide government efforts to contain the spread and mitigate the impact of COVID-19 continued. We still face operational challenges and uncertainties related to the unprecedented global COVID-19 pandemic. The emergency measures imposed and re-imposed by governments on businesses and individuals, including quarantines, travel restrictions, social distancing, closure of non-essential businesses and schools, work from home requirements, and shelter in place orders, among other measures have impacted and may further impact our workforce and operations, and those of our customers and suppliers. The severity of the impact on our business, financial condition and results of operations, continues to evolve and has been varied across geographic regions, and will be dependent on how long the pandemic continues, which is currently unknown. The disruptions and duration may be impacted by the actions that governments, businesses and individuals take in relation to the pandemic, more contagious variants of the virus, vaccine resistance and delays in vaccine distribution.

We have manufacturing operations in the U.S., Argentina, China, the United Kingdom, and India, general operations in Singapore, and sales offices in the U.S., China, the United Kingdom, India and Japan. All of these countries have been affected by the COVID-19 pandemic to varying degrees. They have adopted measures to contain it, and they may adopt even stricter measures in the future. In China, the government imposed shutdown orders and travel restrictions, among other measures, which have subsequently been reduced. In the U.S., the President declared a national emergency, which was followed by the imposition of restrictions by governors, mayors and public officials, including in Pennsylvania and North Carolina where we operate. The government of Argentina, where the Company's primary lithium brine resource is located, enacted an emergency decree ordering a national mandatory quarantine requiring the temporary closure of the Company's local brine operations for approximately two weeks. We expect government measures and restrictions globally to have a negative impact on demand for certain of our products and a negative impact on the operating cost and the efficient operation of our facilities, supply chains and logistics. We have already experienced disruptions and delays within our supply chain and logistics operations in China, Southeast Asia, Argentina and Europe. This includes problems at ports due to national quarantines, difficulties with scheduling cargo ships, additional warehouse costs due to shipment delays, and the restriction of movements by trucks within and between countries.

We have seen a slowdown in demand for certain of our products and global inventories remain elevated, which has had a downward pressure on prices for certain of our products. More customers are starting to protect their interests by diversifying among multiple suppliers. Some customers are hesitant to enter into longer term agreements while managing their own inventory levels in a more uncertain market environment, which further impacts prices adversely for certain of our products.

In the first quarter of 2020, because of the significant practical constraints resulting from actions being taken by authorities around the world in response to the COVID-19 pandemic, we elected to suspend all capital expansion work globally. There can be no assurance of the timing for when capital expansion work will resume or that it will resume at all. Any significant delay or a failure to resume this work could have an adverse effect on our business, financial condition and results of operations.

The material operational challenges that management and the Board of Directors are monitoring include the health and safety of our employees, geographic quarantines, travel restrictions, social distancing, closure of non-essential businesses and schools, work from home requirements, shelter in place orders, and the restriction of movements within and between countries.

Liquidity, Financial Resources, 2025 Notes Issuance and Revolving Credit Facility Amendments

Our working capital was impacted by the effects of the COVID-19 pandemic during 2020. We expect this to continue into 2021. The rapid and global spread of COVID-19 has resulted in the disruption and temporary shutdown of the businesses of certain of our customers, contract manufacturers and suppliers, and limits on access to the production facilities of our contract manufacturers and suppliers. Several of our customers, contract manufacturers and suppliers have experienced disruptions to their business due to the COVID-19 pandemic. Certain of our customers have canceled, postponed or delayed orders. To the extent that we are not able to reduce our incurrence of short-term obligations in proportion to the expected reduction in our cash flows, this would result in a further reduction in our working capital.

Our uses of cash were impacted by the effects of COVID-19 during 2020. We had an increased use of cash resulting from logistical supply disruptions, such as increased warehousing costs, higher sea shipping costs, and the use of air freight rather than cargo ships to meet more uncertain customer delivery deadlines. We also used cash to purchase additional personal protective equipment for our employees, such as masks and gloves, and for increased cleaning and disinfectant costs, wipes and hand sanitizer, additional medical personnel at our facilities, and increased personnel transportation costs due to social distancing guidelines.

On May 6, 2020, we entered into the First Amendment to the Credit Agreement with FMC Lithium USA Corp., the Guarantors, the Lenders and the Agent. Among other things, the First Amendment increased our maximum net leverage ratio for the fiscal quarters ending June 30, 2020, September 30, 2020 and December 31, 2020 from 3.5 to 6.0.

On June 25, 2020, we issued $225 million in aggregate principal amount of 4.125% Convertible Senior Notes due 2025 (the "2025 Notes") in a private offering. On July 7, 2020 we issued an additional $20.75 million of the 2025 Notes to the initial purchasers under the Over-Allotment Option. Total net proceeds received including Over-Allotment Option were $238.2 million. The Company used the net proceeds received to repay amounts outstanding under its Revolving Credit Facility. The 2025 Notes were issued under the International Capital Market Association's Green Bond framework and followed the Green Bond Principles.

On August 3, 2020, we entered into the Second Amendment with FMC Lithium USA Corp., the Guarantors, the Lenders and the Agent. The Second Amendment amended the Credit Agreement, as previously amended by the First Amendment, to replace our maximum total net leverage ratio of 6.0 for the fiscal quarters ending September 30, 2020 and December 31, 2020 with a maximum first lien leverage ratio (as defined in the Credit Agreement) of 3.5. The maximum first lien leverage ratio of 3.5 will continue to apply for the fiscal quarter ended March 31, 2021 and for each fiscal quarter thereafter. The first lien leverage ratio as of any date is the ratio of financial covenant debt as of such date secured by a lien on any asset or property of Livent or its restricted subsidiaries on a pari passu or senior basis with the loans and commitments under the Credit Agreement, minus unrestricted cash and cash equivalents on our balance sheet as of such date, to Earnings Before Interest, Taxes, Depreciation and Amortization, as defined in the Credit Agreement, for the last four fiscal quarters ending on or before such date.

See Note 10 to our consolidated and combined financial statements included within this Form 10-K for details on the 2025 Notes, the First Amendment and the Second Amendment.

Corporate Efforts

We have responded to the COVID-19 pandemic in a number of ways. We assembled a Global Pandemic Response Team whose global members are taken from different functional areas, including Operations, Finance, Commercial, Legal, Human Resources and Health & Safety. The Global Pandemic Response Team meets on a regular basis, and provides reports to the Executive Leadership team. We have also assembled COVID-19 Response Teams at several of its regional locations, who have the responsibility to keep informed of local matters such as government policies and regulations. These Response Teams are helping to shape the Company's policies in response to the COVID-19 pandemic.

We have also worked to identify potential new suppliers and logistics providers for its operations in case of further supply chain disruptions. This includes suppliers of chemicals and packaging, and air freight companies. We have altered global production schedules to meet changes in customer demand. Future efforts will continue along these lines and be dictated by the particulars of the COVID-19 pandemic. We continue to plan for a return to more normalized business operations once the COVID-19 pandemic subsides.

Health & Safety

We are working diligently to protect the health and well-being of its employees, customers and other key stakeholders. As an essential business under the rules of the governments in the countries where we operate, our plant personnel continue to remain on the job at their respective facilities. We have instituted numerous safety procedures to protect the health of these plant personnel. This includes temperature checks before an employee enters any one of our facilities, screening questions, the use of masks and gloves where appropriate, and social distancing measures. We are no longer permitting visitors to any of our facilities and all third-party contractors must undergo a vigorous screening process. All workers who can work from home have been requested to do so, and business travel has been substantially reduced. Communications relating to all of these policies and COVID-19 preventative measures are regularly distributed to our employees.

We base our health and safety protocols on the advice provided by the White House, the Centers for Disease Control, the World Health Organization, and the local government authorities in the countries and regions where it operates.

We have implemented the paid sick leave policies under the Families First Coronavirus Response Act. These policies are supplemented by our own paid sick and other leave policies. We have not experienced any material employee absences as a result of COVID-19. However, if a significant number of our employees at any one location were to require leave as a result of COVID-19, this could pose a risk to the continued operation of the particular facility and could potentially disrupt our broader operations.

There has been no large-scale rejection of our products by customers due to fears over the transmission of COVID-19 through our products.

Government Programs

We continue to evaluate government support and tax relief programs in the countries where it operates. This includes support grants, loans, tax deferrals, and tax credits. We deferred the deposit and payment of the employer's share of social security taxes for the period March 27 through December 31, 2020, pursuant to the CARES Act in accordance with Internal Revenue Service regulations on this matter. In Argentina, we postponed employer contributions to an employee social fund for the month of March 2020. In China, we obtained a waiver of local social security contributions. In Singapore, we received certain wage subsidies for the period October 2019 through June 2020, and benefited from a property tax rebate that was partially passed through by the lessor of its rented space.

Overall, the impact of the COVID-19 pandemic is uncertain and continues to evolve, and therefore, we cannot predict the extent to which our business, results of operations, financial condition or liquidity will ultimately be impacted.

2021 Outlook

We expect higher volumes and slightly lower average pricing across our lithium products in 2021 versus the prior year. We also expect lower costs, driven in part by the reduced impact of third-party purchased lithium carbonate usage.

In this section, we discuss the results of our operations for the year ended December 31, 2020 compared to the year ended December 31, 2019. For a discussion of the year ended December 31, 2019 compared to the year ended December 31, 2018, please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2019.

Results of Operations — Years Ended December 31, 2020 and 2019

(in Millions)	Year Ended December 31, 2020	2019
Revenue	$ 288.2	$ 388.4
Costs and expenses:		
Costs of sales	251.4	273.5
Gross margin	36.8	114.9
Selling, general and administrative expenses	44.6	40.5
Research and development expenses	3.7	3.3
Restructuring and other charges	10.7	6.2
Separation-related costs	(1.1)	6.3
Total costs and expenses	309.3	329.8
(Loss)/income from operations before loss on debt extinguishment, equity in net loss of unconsolidated affiliate, interest expense, net and income taxes	(21.1)	58.6
Loss on debt extinguishment	0.1	—
Equity in net loss of unconsolidated affiliate	0.5	0.8
Interest expense, net	3.7	—
(Loss)/income from operations before income taxes	(25.4)	57.8
Income tax (benefit)/expense	(6.5)	7.6
Net (loss)/income	**$ (18.9)**	**$ 50.2**

In addition to net income, as determined in accordance with U.S. GAAP, we evaluate operating performance using certain non-GAAP measures such as EBITDA, which we define as net income plus interest expense, net, income tax expense/(benefit), and depreciation and amortization, and Adjusted EBITDA, which we define as EBITDA adjusted for certain Argentina remeasurement losses/(gains), restructuring and other charges/(income), separation-related costs, COVID-19 related costs and other losses/(gains). Management believes the use of these non-GAAP measures allows management and investors to compare more easily the financial performance of its underlying business from period to period. The non-GAAP information provided may not be comparable to similar measures disclosed by other companies because of differing methods used by other companies in calculating EBITDA and Adjusted EBITDA. These measures should not be considered as a substitute for net income or other measures of performance or liquidity reported in accordance with U.S. GAAP. The following table reconciles EBITDA and Adjusted EBITDA from net income.

(in Millions)	Year Ended December 31, 2020	2019
Net (loss)/income (GAAP)	**$ (18.9)**	**$ 50.2**
Add back:		
Income tax (benefit)/expense	(6.5)	7.6
Interest expense, net	3.7	—
Depreciation and amortization	25.0	20.9
EBITDA (Non-GAAP)	3.3	78.7
Add back:		
Certain Argentina remeasurement losses [a]	6.6	7.9
Restructuring and other charges [b]	10.7	6.2
Separation-related costs [c]	(1.1)	6.3
COVID-19 related costs [d]	3.2	—
Loss on debt extinguishment [e]	0.1	—
Other loss [f]	(0.5)	0.7
Adjusted EBITDA (Non-GAAP)	**$ 22.3**	**$ 99.8**

(a) Represents impact of currency fluctuations on tax assets and liabilities and on long-term monetary assets associated with our capital expansion as well as significant currency devaluations. The remeasurement gains/(losses) are included within "Cost of sales" in our consolidated statement of operations but are excluded from our calculation of Adjusted EBITDA because of: i.) their nature as income tax related; ii.) their association with long-term capital projects which will not be operational until future periods; or iii.) the severity of the devaluations and their immediate impact on our operations in the country.

(b) We continually perform strategic reviews and assess the return on our business. This sometimes results in management changes or in a plan to restructure the operations of our business. As part of these restructuring plans, demolition costs and write-downs of long-lived assets may occur. Also includes legal fees related to IPO securities litigation, including a settlement accrual, net of insurance reimbursement, of $2.0 million as of December 31, 2020.

(c) Represents legal, professional, transaction related fees and other separation-related activity.

(d) Represents incremental costs associated with the COVID-19 pandemic recorded in "Cost of sales" in the consolidated statement of operations, including but not limited to, incremental quarantine related absenteeism, incremental facility cleaning costs, pandemic related supplies and personal protective equipment for employees, among other costs; offset by economic relief provided by foreign governments.

(e) Represents the partial write off of deferred financing costs for the temporary reduction in borrowing capacity related to the First Amendment excluded from our calculation of Adjusted EBITDA because the loss is nonrecurring.

(f) Represents a portion of our nonrefundable prepaid research and development costs advanced to our unconsolidated affiliate in the fourth quarter 2019 and excluded from our calculation of Adjusted EBITDA in the same period because the costs represent research and development activities of the affiliate that had not occurred as of December 31, 2019. These costs were included with our calculation of Adjusted EBITDA for the twelve months ended December 31, 2020 when the costs were incurred at our unconsolidated affiliate.

Year Ended December 31, 2020 compared with Year Ended December 31, 2019

Revenue

Revenue of $288.2 million for 2020 decreased by $100.2 million versus 2019, primarily due to lower average prices and lower sales volumes, driven by a decrease in customer demand related to COVID-19.

Gross Margin

Gross margin of $36.8 million for 2020 decreased by $78.1 million versus 2019. The decrease in gross margin was primarily due to lower average prices, lower sales volumes and increased costs due to the financial impact of increased third-party lithium carbonate usage and incremental COVID-19 costs to implement safety protocols.

Selling, general and administrative expenses

Selling, general and administrative expenses of $44.6 million for 2020 increased by $4.1 million compared to 2019. The increase in selling, general and administrative expenses was primarily due to a nonrecurring $2.3 million employee bonus adjustment credit received from FMC in the prior year, an increase in mark-to-market loss on Livent common stock held in the Livent NQSP of $0.9 million and accelerated depreciation of $0.9 million due to the exit of our Shanghai office lease.

Restructuring and other charges

Restructuring and other charges were $10.7 million and $6.2 million for the years ended December 31, 2020 and 2019, respectively. 2020 costs include $6.2 million of severance-related costs compared to $3.5 million of severance-related costs in 2019. 2020 costs also include increased legal fees related to IPO securities litigation, including a settlement accrual, net of insurance reimbursement, of $2.0 million as of December 31, 2020 not incurred in the prior year. See Note 7 to our consolidated and combined financial statements of this Form 10-K for details.

Separation-related costs

Separation-related costs for 2020 decreased by $7.4 million compared to 2019. 2020 Separation-related costs consisted primarily of legal fees related to the Nemaska arrangement offset by a $2.0 million gain on the settlement of the Nemaska long-term supply agreement. See Note 15 to our consolidated and combined financial statements of this Form 10-K for details about the Nemaska settlement. We incurred less legal and professional fees associated with the IPO and other Separation-related activities in the current year. Higher prior year Separation-related costs primarily consisted of information technology infrastructure and software costs incurred by Livent as a standalone entity in preparation for the termination of the TSA.

Interest expense

Interest expense of $3.7 million for 2020 is noncash amortization of debt discount and transaction costs related to the 2025 Notes which represents the excess interest over the amount of interest capitalized in accordance with U.S. GAAP for 2020. All of our interest was capitalized in 2019.

Income tax (benefit)/expense

Income tax benefit of $(6.5) million for the year ended December 31, 2020 and income tax expense of $7.6 million for the year ended December 31, 2019, resulted in effective tax rate of 25.6% and 13.1%, respectively. The decrease in provision for income taxes was primarily due to a reduction in income before taxes from $57.8 million for the year ended December 31, 2019 to loss before income taxes of $25.4 million for the year ended December 31, 2020. The decrease in provision for income taxes was partially offset by the tax impacts associated with fluctuations in foreign currency remeasurement in Argentina. Refer to Note 9 for further information.

Net (loss)/income

Net loss of $18.9 million for 2020, compared to net income of $50.2 million in 2019, a decrease of $69.1 million from 2019, was primarily due to lower average prices and lower sales volumes, driven by a decrease in customer demand related to COVID-19 and increased costs due to the financial impact of increased third-party lithium carbonate usage and incremental COVID-19 costs to implement safety protocols.

Liquidity and Capital Resources

Our prospective success in funding our cash needs will depend on the strength of the lithium market and our continued ability to generate cash from operations and raise capital from other sources. Our primary sources of cash are currently generated from operations and borrowings under our revolving credit facility.

Cash and cash equivalents at December 31, 2020 and December 31, 2019, were $11.6 million and $16.8 million, respectively. Of the cash and cash equivalents balance at December 31, 2020, $10.6 million was held by our foreign subsidiaries. The cash held by foreign subsidiaries for permanent reinvestment is generally used to finance the subsidiaries' operating activities and future foreign investments. We have not provided additional income taxes for any additional outside basis differences inherent in our investments in subsidiaries because the investments are essentially permanent in duration or we have concluded that no additional tax liability will arise upon disposal. We have concluded the Tax Act has not altered our assertion of identifying reinvested earnings. See Note 9 to the consolidated and combined financial statements included within this Form 10-K for more information.

2025 Notes

On June 25, 2020, we issued $225 million in aggregate principal amount of 4.125% Convertible Senior Notes due 2025 in a private offering. On July 7, 2020 we issued an additional $20.75 million of the 2025 Notes to the initial purchasers under the Over-Allotment Option. Total net proceeds received including Over-Allotment Option were $238.2 million. The Company used the net proceeds received to repay amounts outstanding under its Revolving Credit Facility. The 2025 Notes were issued under the International Capital Market Association's Green Bond framework and followed the Green Bond Principles. See Note 9 to the consolidated and combined financial statements included within this Form 10-K for more details on the 2025 Notes.

Revolving Credit Facility

On September 28, 2018, we entered into a credit agreement among us and all of our U.S. subsidiaries as borrowers (the "Borrowers"), certain of our wholly owned subsidiaries as guarantors, the lenders party thereto (the "Lenders"), Citibank, N.A., as administrative agent, and certain other financial institutions party thereto, as joint lead arrangers (the "Credit Agreement"). The Credit Agreement provides for a $400 million senior secured revolving credit facility, $50 million of which is available for the issuance of letters of credit for the account of the Borrowers, with an option, subject to certain conditions and limitations, to increase the aggregate amount of the revolving credit commitments to $600 million (the "Revolving Credit Facility"). The issuance of letters of credit and the proceeds of revolving credit loans made pursuant to the Revolving Credit Facility are available, and will be used, for general corporate purposes, including capital expenditures and permitted acquisitions, of the Borrowers and their subsidiaries. See Note 9 to the consolidated and combined financial statements included within this Form 10-K for more information.

Amounts under the Revolving Credit Facility may be borrowed, repaid and re-borrowed from time to time until the final maturity date of the Revolving Credit Facility, which will be the fifth anniversary of the Revolving Credit Facility's effective date. Voluntary prepayments and commitment reductions under the Revolving Credit Facility are permitted at any time without any prepayment premium upon proper notice and subject to minimum dollar amounts.

Revolving loans under the Credit Agreement will bear interest at a floating rate, which will be either a base rate or a Eurocurrency borrowing plus applicable margin. Base rate borrowings are defined as the greatest of the rate of interest announced publicly by Citibank, N.A. in New York City from time to time as its "base rate"; the federal funds effective rate plus 0.5%; or a Eurodollar rate for a one-month interest period plus 1%. The Eurocurrency borrowing will be defined as a Eurodollar rate for one, two, three or six months. The applicable margins for the two types of loans are set by reference to Livent's leverage ratio, calculated by dividing our debt by our cash flows. Both the debt and cash flows used in this calculation are terms defined in the Credit Agreement. Each Borrower on a joint and several basis is required to pay a commitment fee quarterly in arrears on the average daily unused amount of each Lender's revolving credit commitment at a rate equal to an applicable percentage based on the leverage ratio, as determined in accordance with the provisions of the Credit Agreement. The applicable margin and the commitment fee are subject to adjustment as provided in the Credit Agreement.

The Borrowers' domestic material subsidiaries (the "Guarantors") will guarantee the obligations of the Borrowers under the Revolving Credit Facility. The obligations of the Borrowers and the Guarantors are secured by all of the present and future assets of the Borrowers and the Guarantors, including the Borrowers' facility and real estate in Bessemer City, North Carolina, subject to certain exceptions and exclusions as set forth in the Credit Agreement and other security and collateral documents.

Amendments to our Revolving Credit Facility

On May 6, 2020, we entered into the First Amendment to the Credit Agreement (the "First Amendment") with FMC Lithium USA Corp., the Guarantors, the Lenders and the Agent. Among other things, the First Amendment amended and restated the Original Credit Agreement to (i) increase our maximum net leverage ratio for the fiscal quarters ending June 30, 2020, September 30, 2020 and December 31, 2020 from 3.5 to 6.0, (ii) put a cap of $325 million on our overall borrowings under the

Revolving Credit Facility until March 31, 2021, (iii) amend our negative covenant on indebtedness to permit unsecured indebtedness (including convertible debt) up to $350 million, (iv) amend our negative covenants on investments to permit additional investments in Minera del Altiplano S.A., our Argentine subsidiary, (v) restrict our ability to declare or pay cash dividends until March 31, 2021 and (vi) increase the applicable margin on our borrowings by 25 basis points, in each case as described in the First Amendment.

The foregoing description of the First Amendment does not purport to be complete and is qualified in its entirety by reference to the First Amendment, including the amended and restated Credit Agreement attached thereto, which is filed as Exhibit 10.1 to our Quarterly Report on Form 10-Q for the three months ended March 31, 2020.

On August 3, 2020, we entered into the Second Amendment with FMC Lithium USA Corp., the Guarantors, the Lenders and the Agent. The Second Amendment amended the Credit Agreement, as previously amended by the First Amendment to replace our maximum total net leverage ratio of 6.0 for the fiscal quarters ending September 30, 2020 and December 31, 2020 with a maximum first lien leverage ratio (as defined in the Credit Agreement) of 3.5. The maximum first lien leverage ratio of 3.5 will continue to apply for the fiscal quarter ended March 31, 2021 and for each fiscal quarter thereafter. The first lien leverage ratio as of any date is the ratio of financial covenant debt as of such date secured by a lien on any asset or property of Livent or its restricted subsidiaries on a pari passu or senior basis with the loans and commitments under the Credit Agreement, minus unrestricted cash and cash equivalents on our balance sheet as of such date, to Earnings Before Interest, Taxes, Depreciation and Amortization, as defined in the Credit Agreement, for the last four fiscal quarters ending on or before such date.

The foregoing description of the Second Amendment does not purport to be complete and is qualified in its entirety by reference to the Second Amendment and the Credit Agreement, which Second Amendment is filed as Exhibit 10.2 to our Quarterly Report on Form 10-Q for the three months ended June 30, 2020.

We had $281.4 million and $154.6 million debt outstanding as of December 31, 2020 and December 31, 2019, respectively. The Credit Agreement contains certain affirmative and negative covenants that are binding on the Borrowers and their subsidiaries, including, among others, restrictions (subject to exceptions and qualifications) on the ability of the Borrowers and their subsidiaries to create liens, to undertake fundamental changes, to incur debt, to sell or dispose of assets, to make investments, to make restricted payments such as dividends, distributions or equity repurchases, to change the nature of their businesses, to enter into transactions with affiliates and to enter into certain burdensome agreements. Among other restrictions, our Revolving Credit Facility contains financial covenants applicable to Livent and its consolidated subsidiaries related to leverage (measured as the ratio of debt to adjusted earnings) and interest coverage (measured as the ratio of adjusted earnings to interest expense). Our maximum allowable first lien leverage ratio is 3.5 as of December 31, 2020. Our minimum allowable interest coverage ratio is 3.5. We were in compliance with all covenants at December 31, 2020.

Statement of Cash Flows

Cash provided by operating activities was $6.3 million and $58.1 million for the years ended December 31, 2020 and 2019, respectively.

The decrease in cash provided by operating activities for 2020 as compared to the cash provided by operating activities for 2019 was primarily driven by lower net income and a decrease in our accounts payables, partially offset by increased collections of our trade receivables in and a $23.7 million payment in the first quarter of 2019 to FMC related to Separation matters.

Cash required by investing activities of operations was $131.1 million and $190.0 million for the years ended December 31, 2020 and 2019, respectively.

The decrease in cash required by investing activities for 2020 compared to 2019 is primarily due to the Company's election to suspend all capital expansion work globally in March 2020, resulting in decreased capital expenditures for production capacity of lithium carbonate and hydroxide.

Cash provided by financing activities was $119.1 million and $120.5 million for the years ended December 31, 2020 and 2019, respectively.

For the first half of 2020 and 2019, net cash proceeds for financing activities were provided primarily by net draws on our Revolving Credit Facility which were used for capital expenditures for production capacity of lithium carbonate and hydroxide. In the second half of 2020, the Company used the $238.2 million total net proceeds received for the 2025 Notes including Over-Allotment Option to repay amounts outstanding under its Revolving Credit Facility.

Other potential liquidity needs

We plan to meet our liquidity needs through available cash, cash generated from operations, borrowings under the committed Revolving Credit Facility, and other potential working capital financing strategies that may be available to us. At December 31, 2020, our remaining borrowing capacity under our Revolving Credit Facility, subject to meeting our debt covenants, was

$275.0 million, including letters of credit utilization. The First Amendment puts a cap of $325 million on our overall borrowings under the Revolving Credit Facility until March 31, 2021.

We expect COVID-19 pandemic uncertainties and lithium market challenges to continue in 2021. Our net leverage ratio may increase during the next 12 months as it will continue to be determined, in large part, by our ability to manage the timing and amount of our capital expenditures, which is within our control; achieve forecasted operating results and to pursue other working capital financing strategies that may be available to us, which is less certain and outside our control. In March 2020, because of the significant practical constraints resulting from actions being taken by authorities around the world in response to the COVID-19 pandemic, the Company elected to suspend all capital expansion work globally. Livent remains committed to its long-term expansion plans. The restart of its capital projects will be driven by improved pricing dynamics or firm long-term commitments from customers coupled with the absence of COVID-19 related restrictions.

The company remains focused on maintaining its financial flexibility and will continue to manage its cash flow and capital allocation decisions to navigate through this challenging environment.

We believe that our available cash and cash from operations, together with our borrowing availability under the Revolving Credit Facility and other potential working capital financing strategies that may be available to us, will provide adequate liquidity for the next 12 months. Access to capital and the availability of financing on acceptable terms in the future will be affected by many factors, including our credit rating, economic conditions, the COVID-19 pandemic and the overall liquidity of capital markets.

Contractual Obligations and Commercial Commitments

As of December 31, 2020, our total significant committed contracts that we believe will affect cash over the next five years and thereafter are as follows:

Contractual Commitments	**Expected Cash Payments by Period**				
(in Millions)	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**	**Total**
Lease obligations	$ 2.0	$ 3.8	$ 3.6	$ 11.2	$ 20.6
Purchase obligations (1)	32.5	16.5	—	—	49.0
Principal payments on debt (2)	—	35.6	245.8	—	281.4
Total	**$ 34.5**	**$ 55.9**	**$ 249.4**	**$ 11.2**	**$ 351.0**

(1) Represents certain of our raw material commercial contract purchase obligations that are enforceable and legally binding requirements contracts with specified quantities, pricing and timing of transactions.

(2) Represents the balance, as of December 31, 2020, of the Company's Revolving Credit Facility which matures in 2023 and the 2025 Notes which mature in 2025.

See Note 15 to our consolidated and combined financial statements included in this Form 10-K for more information.

Climate Change

The potential physical impacts of climate change on our operations are highly uncertain, and are specific to the geographic circumstances of areas in which we operate. These may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. These changes may have a material adverse effect on our operations, including brine production and transportation of raw materials.

A number of governmental bodies have introduced or are contemplating legislative and regulatory change in response to the potential impacts of climate change. Such legislation or regulation, if enacted, potentially could include provisions for a “cap and trade” system of allowances and credits or a carbon tax, among other provisions. There is also a potential for climate change legislation and regulation to adversely impact the cost of purchased energy and electricity.

The growing concerns about climate change and related increasingly stringent regulations may provide us with new or expanded business opportunities. We provide solutions to companies pursuing alternative fuel products and technologies (such as renewable fuels, gas-to-liquids and others), emission control technologies (including mercury emissions), alternative transportation vehicles and lithium-ion battery technologies and other similar solutions. As demand for, and legislation mandating or incentivizing the use of, alternative fuel technologies that limit or eliminate greenhouse gas emissions increases, we will continue to monitor the market and offer solutions where we have appropriate technology.

Recently Issued and Adopted Accounting Pronouncements and Regulatory Items

See Note 3 "Recently Issued and Adopted Accounting Pronouncements and Regulatory Items" to our consolidated and combined financial statements included in this Form 10-K.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Critical Accounting Policies

Our consolidated and combined financial statements are prepared in conformity with U.S. GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. We have described our accounting policies in Note 2 "Principal Accounting Policies and Related Financial Information" to our consolidated and combined financial statements included in this Form 10-K. We have reviewed these accounting policies, identifying those that we believe to be critical to the preparation and understanding of our consolidated financial statements. We have reviewed these critical accounting policies with the Audit Committee of the Board of Directors. Critical accounting policies are central to our presentation of results of operations and financial condition in accordance with U.S. GAAP and require management to make estimates and judgments on certain matters. We base our estimates and judgments on historical experience, current conditions and other reasonable factors.

Due to the COVID-19 pandemic, there has been uncertainty and disruption in the global economy and financial markets. The estimates used for, but not limited to, revenue recognition and the collectability of trade receivables, impairment and valuation of long-lived assets, and income taxes could be impacted. We have assessed the impact and are not aware of any specific events or circumstances that required an update to our estimates and assumptions or materially affected the carrying value of our assets or liabilities as of the date of issuance of this Form 10-K. These estimates may change as new events occur and additional information is obtained. Actual results could differ materially from these estimates under different assumptions or conditions.

Revenue recognition and trade receivables

Sale of Goods

Revenue from product sales is recognized when (or as) we satisfy a performance obligation by transferring the promised goods to a customer, that is, when control of the good transfers to the customer. The customer is then invoiced at the agreed-upon price with payment terms generally ranging from 30 to 180 days.

In determining when the control of goods is transferred, we typically assess, among other things, the transfer of risk and title and the shipping terms of the contract. The transfer of title and risk typically occurs either upon shipment to the customer or upon receipt by the customer. As such, we typically recognize revenue when goods are shipped based on the relevant incoterm for the product order, or in some regions, when delivery to the customer’s requested destination has occurred. When we perform shipping and handling activities after the transfer of control to the customer (e.g., when control transfers prior to delivery), they are considered fulfillment activities, and accordingly, the costs are accrued for when the related revenue is recognized. For FOB shipping point terms, revenue is recognized at the time of shipment since the customer gains control at this point in time.

We record amounts billed for shipping and handling fees as revenue. Costs incurred for shipping and handling are recorded as costs of sales. Amounts billed for sales and use taxes, value-added taxes, and certain excise and other specific transactional taxes imposed on revenue-producing transactions are presented on a net basis and excluded from revenue in the consolidated and combined statements of operations. We record a liability until remitted to the respective taxing authority.

Variable Consideration

As a part of our customary business practice, we may offer sales incentives to our customers, such as volume discounts or rebates. Variable consideration given can differ by product. For all such contracts that include any variable consideration, we estimate the amount of variable consideration that should be included in the transaction price utilizing either the expected value method or the most likely amount method depending on the nature of the variable consideration. Variable consideration is included in the transaction price if, in our judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. Although determining the transaction price requires significant judgment, we have significant historical experience with incentives provided to customers and estimating the expected consideration considering historical patterns of incentive payouts. These estimates are re-assessed each reporting period as required.

In addition to the variable consideration described above, in certain instances, we may require our customers to meet certain volume thresholds within their contract term. We estimate what amount of variable consideration should be included in the transaction price at contract inception and continually reassess this estimation each reporting period to determine situations when the minimum volume thresholds will not be met. Variable consideration is included in the transaction price if, in our judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. In those circumstances, we apply the guidance on breakage and estimate the amount of the shortfall and recognize it over the remaining performance obligations in the contract.

Right of Return

We warrant to our customers that our products conform to mutually agreed product specifications. This offering is accounted for as a right of return and the transaction price is adjusted for an estimate of expected returns.

Contract Asset and Contract Liability Balances

We satisfy our obligations by transferring goods and services in exchange for consideration from customers. The timing of performance sometimes differs from the timing the associated consideration is received from the customer, thus resulting in the recognition of a contract liability. We recognize a contract liability if the customer’s payment of consideration is received prior to completion of our related performance obligation.

We periodically enter into prepayment arrangements with customers and receive advance payments for product to be delivered in future periods. These advance payments are recorded as deferred revenue and classified as “Advance payments from customers” on the consolidated balance sheet. Revenue associated with advance payments is recognized as shipments are made and title, ownership and control pass to the customer.

Trade Receivables

Trade receivables consist of amounts owed from customer sales and are recorded when revenue is recognized. The allowance for trade receivables represents our best estimate of the probable losses associated with potential customer defaults. In developing our allowance for trade receivables, we use a two stage process which includes calculating a general formula to develop an allowance to appropriately address the uncertainty surrounding collection risk of our entire portfolio and specific allowances for customers where the risk of collection has been reasonably identified either due to liquidity constraints or disputes over contractual terms and conditions.

Our method of calculating the general formula consists of estimating the recoverability of trade receivables based on historical experience, current collection trends, and external business factors such as economic factors, including regional bankruptcy rates, and political factors. Our analysis of trade receivable collection risk is performed quarterly, and the allowance is adjusted accordingly.

Impairments and valuation of long-lived assets

Our long-lived assets primarily include property, plant and equipment and intangible assets. The Company has no goodwill or indefinite-lived intangible assets as of December 31, 2020.

We test for impairment whenever events or circumstances indicate that the net book value of our property, plant and equipment may not be recoverable from the estimated undiscounted expected future cash flows expected to result from their use and eventual disposition. In cases where the estimated undiscounted expected future cash flows are less than net book value, an impairment loss is recognized equal to the amount by which the net book value exceeds the estimated fair value of assets, which is based on discounted cash flows at the lowest level determinable. The estimated cash flows reflect our assumptions about selling prices, volumes, costs and market conditions over a reasonable period of time.

Income taxes

We have recorded a valuation allowance to reduce deferred tax assets in certain jurisdictions to the amount that we believe is more likely than not to be realized. In assessing the need for this allowance, we have considered a number of factors including future taxable income, the jurisdictions in which such income is earned and our ongoing tax planning strategies. In the event that we determine that we would not be able to realize all or part of our net deferred tax assets in the future, an adjustment to the deferred tax assets would be charged to income in the period such determination was made. Similarly, should we conclude that we would be able to realize certain deferred tax assets in the future in excess of the net recorded amount, an adjustment to the deferred tax assets would increase income in the period such determination was made.

Additionally, we file income tax returns in the United States and various state and foreign jurisdictions, as part of a FMC legal entity for the period ended February 28, 2019. Certain income tax returns for FMC entities taxable in the U.S. and significant foreign jurisdictions are open for examination and adjustment. We assess our income tax positions and record a liability for all years open to examination based upon our evaluation of the facts, circumstances and information available at the reporting date.

For those tax positions where it is more likely than not that a tax benefit will be sustained, we have recorded the largest amount of tax benefit with a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. We adjust these liabilities, if necessary, upon the completion of tax audits or changes in tax law.

See Note 9 to our consolidated and combined financial statements included in this Form 10-K for additional discussion surrounding income taxes.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our earnings, cash flows and financial position are exposed to market risks relating to fluctuations in commodity prices, interest rates and foreign currency exchange rates. Our policy is to minimize exposure to our cash flow over time caused by changes in interest and currency exchange rates. To accomplish this, we have implemented a controlled program of risk management consisting of appropriate derivative contracts entered into with major financial institutions.

The analysis below presents the sensitivity of the market value of our financial instruments to selected changes in market rates and prices. The range of changes chosen reflects our view of changes that are reasonably possible over a one-year period. Market value estimates are based on the present value of projected future cash flows considering the market rates and prices chosen.

As of December 31, 2020 and 2019, we had no open derivative cash flow hedge contracts. Livent's 2021 hedge plan will be defined when management projections are finalized and approved.

Foreign Currency Exchange Rate Risk

Our worldwide operations expose us to currency risk from sales, purchases, expenses and intercompany loans denominated in currencies other than the U.S. dollar, our functional currency. The primary currencies for which we have exchange rate exposure are the Euro, the British pound, the Chinese yuan, the Argentine peso, and the Japanese yen. Foreign currency debt and foreign exchange forward contracts are used where we do business, thereby reducing our net asset exposure. Foreign exchange forward contracts are also used to hedge firm and highly anticipated foreign currency cash flows. We currently do not hedge foreign currency risks associated with the Argentine peso due to the limited availability and the high cost of suitable derivative instruments.

To analyze the effects of changing foreign currency rates, we perform a sensitivity analysis in which we assume an instantaneous 10% change in the foreign currency exchange rates from their levels at December 31, 2019 with all other variables (including interest rates) held constant. As of December 31, 2020 and 2019, we had no open derivative cash flow hedge contracts.

Interest Rate Risk

One of the strategies that we can use to manage interest rate exposure is to enter into interest rate swap agreements. In these agreements, we agree to exchange, at specified intervals, the difference between fixed and variable interest amounts calculated on an agreed-upon notional principal amount. As of December 31, 2020 and 2019, we had no interest rate swap agreements.

Our debt portfolio at December 31, 2020 is composed of fixed-rate and variable-rate debt; consisting of borrowings under our 2025 Notes and Revolving Credit Facility. Changes in interest rates affect different portions of our variable-rate debt portfolio in different ways.

Based on the variable-rate debt in our debt portfolio at December 31, 2020, a one percentage point increase or decrease in interest rates would have increased or decreased, respectively, gross interest expense by $1.0 million for the year ended December 31, 2020.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

LIVENT CORPORATION

CONSOLIDATED AND COMBINED STATEMENTS OF OPERATIONS

	Year Ended December 31,		
(in Millions, Except Per Share Data)	**2020**	**2019**	**2018**
Revenue	$ 288.2	$ 388.4	$ 442.5
Costs and expenses:			
Costs of sales	251.4	273.5	236.2
Gross margin	36.8	114.9	206.3
Selling, general and administrative expenses	44.6	40.5	21.1
Corporate allocations	—	—	15.7
Research and development expenses	3.7	3.3	3.8
Restructuring and other charges	10.7	6.2	2.6
Separation-related costs	(1.1)	6.3	9.3
Total costs and expenses	309.3	329.8	288.7
(Loss)/income from operations before loss on debt extinguishment, equity in net loss of unconsolidated affiliate, non-operating pension benefit charges, interest expense, net and income taxes	(21.1)	58.6	153.8
Loss on debt extinguishment	0.1	—	—
Equity in net loss of unconsolidated affiliate	0.5	0.8	—
Non-operating pension benefit charges	—	—	(0.2)
Interest expense, net	3.7	—	0.3
(Loss)/income from operations before income taxes	(25.4)	57.8	153.7
Income tax (benefit)/expense	(6.5)	7.6	27.1
Net (loss)/income	$ (18.9)	$ 50.2	$ 126.6
Net (loss)/income per weighted average share - basic	$ (0.13)	$ 0.34	$ 0.99
Net (loss)/income per weighted average share - diluted	$ (0.13)	$ 0.34	$ 0.99
Weighted average common shares outstanding - basic [(1)]	146.2	146.0	127.7
Weighted average common shares outstanding - diluted [(1)]	146.2	146.4	127.7

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(1) For 2018 through the completion of the public offering on October 15, 2018, the weighted average shares outstanding for both basic and diluted earnings per share were calculated using 123 million shares of common stock outstanding, which was the number of shares issued to FMC in part in exchange for the asset contribution by FMC to us. Weighted average shares outstanding for all periods prior to the completion of the public offering on October 15, 2018 excludes the 23 million shares of common stock subsequently issued as part of the public offering and over-allotment option exercise. Refer to the discussion in Note 2 for further details.

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

LIVENT CORPORATION

CONSOLIDATED AND COMBINED STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended December 31,		
(in Millions)	**2020**	**2019**	**2018**
Net (loss)/income	$ (18.9)	$ 50.2	$ 126.6
Other comprehensive income/(loss), net of tax:			
Foreign currency adjustments:			
Foreign currency translation gain/(loss) arising during the period	3.9	(0.3)	(2.4)
Total foreign currency translation adjustments (1)	3.9	(0.3)	(2.4)
Derivative instruments:			
Unrealized hedging losses, net of tax of zero, zero and $0.1	—	—	(1.2)
Reclassification of deferred hedging losses included in net income, net of tax zero,$(0.1) and zero (2)	—	1.2	—
Total derivative instruments, net of tax of zero, $(0.1) and $0.1	—	1.2	(1.2)
Other comprehensive income/(loss), net of tax	3.9	0.9	(3.6)
Comprehensive (loss)/income	$ (15.0)	$ 51.1	$ 123.0

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(1) Income taxes are not provided on the equity in undistributed earnings of our foreign subsidiaries since it is our intention that such earnings will remain invested in those affiliates indefinitely.

(2) For more detail on the components of these reclassifications and the affected line item in the consolidated and combined statements of operations, see Note 12 within these consolidated and combined financial statements.

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

LIVENT CORPORATION

CONSOLIDATED BALANCE SHEETS

(in Millions, Except Share and Par Value Data)	December 31, 2020	December 31, 2019
ASSETS		
Current assets		
Cash and cash equivalents	$ 11.6	$ 16.8
Trade receivables, net of allowance of approximately $0.4 in 2020 and $0.3 in 2019	76.3	90.0
Inventories, net	105.6	113.4
Prepaid and other current assets	56.3	51.8
Total current assets	249.8	272.0
Investments	23.8	2.2
Property, plant and equipment, net of accumulated depreciation of $222.4 in 2020 and $202.2 in 2019	545.3	468.8
Deferred income taxes	13.4	8.2
Right of use assets - operating leases, net	16.1	16.9
Other assets	88.4	91.5
Total assets	$ 936.8	$ 859.6
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable, trade and other	$ 43.9	$ 83.1
Accrued customer rebates	0.3	—
Accrued and other liabilities	36.7	36.4
Operating lease liabilities - current	1.4	2.1
Income taxes	—	0.9
Total current liabilities	82.3	122.5
Long-term debt	236.7	154.6
Operating lease liabilities - long-term	14.8	15.4
Environmental liabilities	6.1	6.4
Deferred income taxes	13.9	6.7
Other long-term liabilities	17.2	10.0
Commitments and contingent liabilities (Note 15)	—	—
Total current and long-term liabilities	371.0	315.6
Equity		
Common stock; $0.001 par value; 2 billion shares authorized; in 2018; 146,461,249 and 146,085,696 shares issued; 146,361,981 and 145,981,684 outstanding at December 31, 2020 and 2019, respectively	0.1	0.1
Capital in excess of par value of common stock	553.1	516.4
Retained earnings	57.7	76.6
Accumulated other comprehensive loss	(44.4)	(48.3)
Treasury stock, common, at cost; 99,268 and 104,012 shares at December 31, 2020 and 2019, respectively	(0.7)	(0.8)
Total equity	565.8	544.0
Total liabilities and equity	$ 936.8	$ 859.6

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

LIVENT CORPORATION

CONSOLIDATED AND COMBINED STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
(in Millions)	**2020**	**2019**	**2018**
Cash provided by operating activities:			
Net (loss)/income	$ (18.9)	$ 50.2	$ 126.6
Adjustments to reconcile net (loss)/income to cash provided by operating activities:			
Depreciation and amortization	25.0	20.9	17.8
Restructuring and other charges	3.3	2.1	2.6
Separation-related charges	(0.3)	0.9	—
Deferred income taxes	(7.1)	(0.9)	(3.1)
Pension and other postretirement benefits	—	—	0.5
Share-based compensation	4.1	4.3	4.4
Change in investments in trust fund securities	1.0	0.1	—
Equity method investments gain/loss	0.5	—	—
Loss on debt extinguishment	0.1	—	—
Deferred financing fee amortization	4.1	—	—
Loss on asset disposal	0.6	—	—
Changes in operating assets and liabilities:			
Trade receivables, net	15.3	51.4	(20.8)
Changes in deferred compensation	0.7	0.6	—
Inventories	10.1	(40.6)	(24.2)
Accounts payable, trade and other	(39.8)	10.8	13.8
Income taxes	(0.9)	(0.7)	(5.1)
Change in due to related party	—	(23.7)	23.7
Change in prepaid and other current assets and other assets	(9.9)	(2.7)	(31.8)
Change in accrued and other current and long-term liabilities	18.4	(14.6)	(12.4)
Cash provided by operating activities	$ 6.3	$ 58.1	$ 92.0
Cash required by investing activities:			
Capital expenditures [1]	(124.0)	(184.3)	(73.6)
Investments in rabbi trust fund securities	(0.6)	(0.4)	—
Proceeds from settlement of long-term supply agreement	10.0	—	—
Investments in unconsolidated affiliate	(15.0)	(0.8)	—
Other investing activities	(1.5)	(4.5)	(4.8)
Cash required by investing activities	$ (131.1)	$ (190.0)	$ (78.4)
Cash provided by financing activities:			
Proceeds from Revolving Credit Facility	175.5	232.0	34.0
Repayments of long Revolving Credit Facility	(294.6)	(111.4)	—
Proceeds from 2025 Notes	245.8	—	—
Payments of financing fees	(8.4)	(0.1)	—
Proceeds from issuance of common stock	0.8	—	—
Proceeds from IPO, net of fees	—	—	368.7
Distribution payment to FMC	—	—	(365.7)
Net change in net parent investment	—	—	(24.0)
Cash provided by financing activities	$ 119.1	$ 120.5	$ 13.0
Effect of exchange rate changes on cash and cash equivalents	0.5	(0.1)	0.5
(Decrease)/increase in cash and cash equivalents	(5.2)	(11.5)	27.1
Cash and cash equivalents, beginning of period	16.8	28.3	1.2
Cash and cash equivalents, end of period	$ 11.6	$ 16.8	$ 28.3

Supplemental disclosure for cash flow:	Year Ended December 31, 2020	2019	2018
Cash payments for income taxes, net of refunds [2]	$ 2.6	$ 38.5	$ 18.4
Cash payments for interest, net [1]	$ 5.6	$ 4.3	$ 0.3
Cash payments for Restructuring and other charges	$ 7.4	$ 4.1	$ 1.2
Cash (receipts)/payments for Separation-related charges [3]	$ (0.8)	$ 9.9	$ 7.3
Accrued capital expenditures	$ 15.1	$ 34.0	$ 3.6
Operating lease right-of-use assets and lease liabilities recorded for ASC 842	$ 0.8	$ 16.1	$ —
Accrued investment in unconsolidated affiliate	$ 6.3	$ —	$ —

(1) For the twelve months ended December 31, 2020 $12.0 million of interest was capitalized. All of the interest related to our Revolving Credit Facility was capitalized for the year ended December 31, 2019.

(2) The year ended December 31, 2020 includes refunds of $1.6 million and $1.9 million from FMC related to the Company's 2019 and 2018 federal income tax returns, respectively.

(3) The year ended December 31, 2020 includes $2.0 million gain on settlement of long term supply agreement. The year ended December 31, 2019 includes $4.6 million paid to FMC related to the Separation steps.

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

LIVENT CORPORATION

CONSOLIDATED AND COMBINED STATEMENTS OF EQUITY

(in Millions, Except Per Share Data)	Net Parent Investment	Common Stock, $0.001 Per Share Par Value	Capital In Excess of Par	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance December 31, 2017	**$ 432.2**	**$ —**	**$ —**	**$ —**	**$ (45.6)**	**$ —**	**$ 386.6**
Net income	100.2	—	—	26.4	—	—	126.6
Stock compensation plans	—	—	1.0	—	—	—	1.0
Unrealized hedging losses, net of $0.1 income tax	—	—	—	—	(1.2)	—	(1.2)
Foreign currency translation adjustments	—	—	—	—	(2.4)	—	(2.4)
Net change in parent investment	(24.0)	—	—	—	—	—	(24.0)
Issuance of common stock - IPO, net of fees	—	—	368.7	—	—	—	368.7
Distribution to FMC	(365.7)	—	—	—	—	—	(365.7)
Issuance of common stock to FMC in connection with the Separation and reclassification of Net parent investment	(142.7)	0.1	142.6	—	—	—	—
Balance December 31, 2018	**$ —**	**$ 0.1**	**$ 512.3**	**$ 26.4**	**$ (49.2)**	**$ —**	**$ 489.6**
Net income		—	—	50.2	—	—	50.2
Stock compensation plans	—	—	5.7	—	—	—	5.7
Reclassification of deferred hedging losses, net of $0.1 income tax	—	—	—	—	1.2	—	1.2
Foreign currency translation adjustments	—	—	—	—	(0.3)	—	(0.3)
Separation related adjustments	—	—	(1.6)	—	—	—	(1.6)
Purchases of treasury stock - deferred compensation plan	—	—	—	—	—	(0.8)	(0.8)
Balance December 31, 2019	**$ —**	**$ 0.1**	**$ 516.4**	**$ 76.6**	**$ (48.3)**	**$ (0.8)**	**$ 544.0**
Net loss	—	—	—	(18.9)	—	—	(18.9)
Stock compensation plans	—	—	4.4	—	—	—	4.4
Shares withheld for taxes - common stock issuances	—	—	(0.7)	—	—	—	(0.7)
Foreign currency translation adjustments	—	—	—	—	3.9	—	3.9
2025 Notes - discount net of issuance fees and income tax	—	—	32.2	—	—	—	32.2
Exercise of stock options	—	—	0.8	—	—	—	0.8
Net sales of treasury stock - deferred compensation plan	—	—	—	—	—	0.1	0.1
Balance December 31, 2020	**$ —**	**$ 0.1**	**$ 553.1**	**$ 57.7**	**$ (44.4)**	**$ (0.7)**	**$ 565.8**

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

LIVENT CORPORATION

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS

Note 1: Description of the Business

Background and Nature of Operations

Livent Corporation ("Livent", "we", "us", "Company" or "our"), manufactures lithium for use in a wide range of lithium products, which are used primarily in lithium-based batteries, specialty polymers, and chemical synthesis applications. We serve a diverse group of markets. Our product offerings are primarily inorganic and generally have few cost-effective substitutes. A major growth driver for lithium in the future will be the rate of adoption of electric vehicles.

Most markets for lithium chemicals are global with significant growth occurring both in Asia and North America, primarily driven by the development and manufacture of lithium-ion batteries. We are one of the primary producers of performance lithium compounds.

The Separation

On March 31, 2017, our parent, FMC Corporation ("Parent" or "FMC") publicly announced a plan to separate Livent into a publicly traded company (the “Separation”). Prior to the completion of the initial public offering ("IPO") on October 15, 2018 (the "Separation Date"), we were a wholly owned subsidiary of FMC, and all of our outstanding shares of common stock were owned by FMC. Following a series of restructuring steps, on October 1, 2018, prior to the IPO of Livent common stock, FMC transferred to us substantially all of the assets and liabilities of its lithium business (the “Lithium Business”). In exchange, we issued to FMC all 123 million shares of our common stock.

On October 15, 2018 (the "Separation Date"), we completed the IPO and sold 20 million shares of Livent common stock to the public at a price of $17.00 per share. On November 8, 2018, the underwriters exercised, in full, their option (the "Over-allotment Option Exercise") to purchase an additional 3 million shares of our common stock, the closing of which was completed on November 13, 2018. Our common stock is listed on the New York Stock Exchange (the “NYSE”) under the symbol “LTHM.”

Net proceeds from the sale of 23 million shares of our common stock issued in connection with the IPO and Over-allotment Option Exercise were approximately $369 million, after deducting underwriting discounts and commissions. The net proceeds from the offering, after payment of financing fees and other IPO related costs, were subsequently distributed to FMC. Immediately following the IPO and Over-allotment Option Exercise, FMC owned approximately 84% of our outstanding common stock. Accordingly, we were considered a “controlled company” under the NYSE rules.

In connection with the Separation and completion of the IPO, we entered into certain agreements with FMC that govern various relationships between the parties. These agreements include a separation and distribution agreement, a transition services agreement, a shareholders’ agreement, a tax matters agreement, a registration rights agreement, an employee matters agreement and a trademark license agreement.

Pursuant to U.S. GAAP, costs incurred associated with separation activities are expensed as incurred. For the Livent Separation, these costs primarily consist of legal, accounting, professional advisory and other transaction fees associated with the preparation and execution of separation activities. Livent generally expects to continue to incur such separation related costs up to one year from the Separation Date or until such time an orderly separation and transition of various functions and processes is in place.

The Distribution

On March 1, 2019, FMC completed its previously announced spin-off distribution of 123 million shares of common stock of Livent as a pro rata dividend on shares of FMC common stock outstanding at the close of business on the record date of February 25, 2019 (the “Distribution”). Each share of FMC common stock received 0.935301 shares of Livent common stock in the Distribution. Immediately prior to the Distribution, FMC owned 123 million shares of Livent common stock, representing approximately 84% of the outstanding shares of Livent common stock. Effective upon the Distribution, we became an independent company and FMC no longer owns any shares of Livent common stock.

Note 2: Principal Accounting Policies and Related Financial Information

Basis of presentation. The accompanying consolidated and combined financial statements of Livent include the historical accounts of the FMC Lithium segment ("Lithium Business") of FMC, a publicly traded company incorporated in Delaware (United States).

Principles of consolidation and combination. For all periods prior to the Separation, our combined financial statements were derived from FMC's consolidated financial statements and accounting records where the Lithium Business was a division of FMC. These combined financial statements were prepared in accordance with U.S. GAAP and reflect the historical basis and carrying values established when the Company was part of FMC. The accompanying combined financial statements include the operations, financial position, and cash flows of Livent, as carved out from the historical consolidated financial statements of FMC using both specific identification and the allocation methodologies described below. Transactions between the Lithium Business and FMC and its subsidiaries are reflected in the consolidated balance sheets as “Capital in excess of par value of common stock” and in the consolidated and combined statements of cash flows as a financing activity in “Net change in net parent investment.” We believe the assumptions underlying the consolidated and combined financial statements, including the assumptions regarding allocated expenses, reasonably reflect the utilization of services provided to or the benefit received by Livent. However, the pre-Separation financial statements and activities do not purport to reflect what the results of operations, comprehensive income/(loss), financial position, equity or cash flows would have been had we operated as an independent public company during the periods presented.

- The pre-Separation period in the consolidated and combined statement of operations for year ended December 31, 2018 reflect the direct, indirect and allocated costs for various corporate function services historically provided by FMC, such as information technology, compensation and benefits, human resources, engineering, finance and internal audit. These allocations are based on either a specific identification basis or, when specific identification is not practical, proportional allocation methods (e.g., using third-party sales, headcount, etc.), depending on the nature of the services. Actual costs that would have been incurred if Livent had been a standalone company would depend on multiple factors, including organizational structure and strategic decisions in various areas such as information technology and infrastructure.
- Net parent investment represents FMC’s historical investment in us, our accumulated net earnings after taxes and the net effect of transactions with and allocations from FMC.

For the pre-Separation period in the consolidated and combined statement of operations for year ended December 31, 2018, Livent functioned as part of the larger group of businesses controlled by FMC and, accordingly, utilized centralized functions, such as facilities and information technology of FMC to support its operations. Accordingly, a portion of the shared service costs were historically allocated to Livent. FMC also performed certain corporate functions for Livent. The corporate expenses related to Livent have been allocated from FMC. These allocated costs are primarily related to certain governance and corporate functions such as finance, internal audit, treasury, tax, human resources benefits and compensation, legal, investor relations, and certain other costs. Where it is possible to specifically attribute such expenses to activities of Livent, these amounts have been charged or credited directly to Livent without allocation or apportionment. Allocation of other such expenses is based on a reasonable reflection of the utilization of the service provided to or benefits received by Livent during the periods presented on a consistent basis, such as, but not limited to, a relative percentage of headcount, tangible assets, third-party sales, cost of goods sold or segment operating profit, defined by FMC as segment revenue less operating expenses. The aggregate costs allocated for these functions to Livent are included in “Corporate allocations” within the consolidated and combined statements of operations and are shown in detail within the following table.

	Year Ended December 31,	
(in Millions)	**2018 [5]**	
Livent shared service costs [1]	$	4.6
FMC Corporate shared service costs allocated to Livent [2]		1.9
Stock compensation expense [3]		2.7
FMC Corporate expense allocation [4]		6.5
Total Corporate allocations	**$**	**15.7**

(1) Represents Livent's portion of shared service costs historically allocated to Livent through the October 15, 2018 Separation Date. Does not include $6.4 million of shared service costs historically allocated to and recorded within "Cost of sales" on the consolidated and combined statements of operations.

(2) Amounts represent the FMC's Corporate shared service cost allocated to Livent.

(3) Stock compensation expense represents the allocation of the FMC's Corporate stock compensation expense and the costs specifically identifiable to Livent employees. These amounts exclude the previously allocated portion included within Livent's shared service costs of $0.6 million.

(4) Represents the additional costs of the centralized functions of FMC allocated to Livent.

(5) Includes Corporate allocations through the Separation Date. Expenses were not allocated to Livent from FMC subsequent to the Separation Date. Costs incurred under the TSA subsequent to the Separation Date are direct charges to our consolidated and combined statements of operations.

Subsequent to the Separation, the accompanying consolidated financial statements are presented on a consolidated basis and include all of the accounts and operations of Livent and its majority-owned subsidiaries. The financial statements reflect the financial position, results of operations and cash flows of Livent in accordance with U.S. GAAP. All significant intercompany accounts and transactions are eliminated in consolidation.

Earnings per share. The weighted average common shares outstanding for both basic and diluted earnings per share for all pre-Separation periods presented was calculated, in accordance with ASC 260, Earnings Per Share (ASC 260), using 123 million shares of common stock outstanding, which reflects the number of shares held by FMC prior to the IPO.

In connection with our IPO, we issued 20 million shares of our common stock to the public at a public offering price of $17.00 per share. The IPO closed on October 15, 2018. On November 13, 2018, the Company closed on the sale of an additional 3 million shares of its common stock pursuant to the Over-allotment Option Exercise. In accordance with ASC 260, the 23 million shares issued in connection with the IPO and Over-allotment Option Exercise are included in earnings per share calculations for periods subsequent to the closing of the IPO and Over-allotment Option Exercise and are not included in the earnings per share calculations for periods prior to the closing of the IPO. See Note 13 for further information regarding earnings per share.

Estimates and assumptions. In preparing the financial statements in conformity with U.S. GAAP we are required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results are likely to differ from those estimates, but we do not believe such differences will materially affect our financial position, results of operations or cash flows.

Due to the current coronavirus ("COVID-19") pandemic, there has been uncertainty and disruption in the global economy and financial markets. The estimates used for, but not limited to, the collectability of trade receivables, fair value of long-lived assets, income taxes, inventory valuation and fair value of financial instruments could be impacted. We have assessed the impact and are not aware of any specific events or circumstances that required an update to our estimates and assumptions or materially affected the carrying value of our assets or liabilities as of the date of issuance of this Annual Report on Form 10-K. These estimates may change as new events occur and additional information is obtained. Actual results could differ materially from these estimates under different assumptions or conditions.

Cash equivalents. We consider investments in all liquid debt instruments with original maturities of three months or less to be cash equivalents.

Trade receivables, net of allowance. Trade receivables consist of amounts owed to us from customer sales and are recorded when revenue is recognized. The allowance for trade receivables represents our best estimate of the probable losses associated with potential customer defaults. In developing our allowance for trade receivables, we use a two stage process which includes calculating a general formula to develop an allowance to appropriately address the uncertainty surrounding collection risk of our entire portfolio and specific allowances for customers where the risk of collection has been reasonably identified either due to liquidity constraints or disputes over contractual terms and conditions.

Our method of calculating the general formula consists of estimating the recoverability of trade receivables based on historical experience, current collection trends, and external business factors such as economic factors, including regional bankruptcy rates, and political factors. Our analysis of trade receivable collection risk is performed quarterly, and the allowance is adjusted accordingly. The allowance for trade receivable was $0.4 million and $0.3 million as of December 31, 2020 and 2019, respectively. The provision to the allowance for receivables charged against operations was $0.4 million and $0.3 million for the years ended December 31, 2020 and 2019, respectively.

Inventories. Inventories are stated at the lower of cost or market value. Inventory costs include those costs directly attributable to products before sale, including all manufacturing overhead but excluding distribution costs. All inventories are determined on a first-in, first-out ("FIFO") basis.

Property, plant and equipment. We record property, plant and equipment, including capitalized interest, at cost. We recognize acquired property, plant and equipment, from acquisitions at its estimated fair value. Depreciation is provided principally on a straight-line basis over the estimated useful lives of the assets. The major classifications of property, equipment and software, including their respective expected useful lives, consisted of the following:

Asset type	Useful Life
Land	—
Land improvements	20 years
Buildings	20-40 years
Machinery and Equipment	3-18 years
Software	3-10 years

Gains and losses are reflected in income upon sale or retirement of assets. Expenditures that extend the useful lives of property, plant and equipment or increase productivity are capitalized. Ordinary repairs and maintenance are expensed as incurred through operating expense.

Capitalized interest. For the years ended December 31, 2020, 2019 and 2018 we capitalized interest expense of $12.0 million, $5.7 million and $0.2 million, respectively. These costs were associated with the construction of certain long-lived assets and have been capitalized as part of the cost of those assets. We amortize capitalized interest over the estimated useful lives of the assets.

Impairments of long-lived assets. We review the recoverability of the net book value of long-lived assets whenever events and circumstances indicate that the net book value of an asset may not be recoverable from the estimated undiscounted future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the net book value, we recognize an impairment loss equal to an amount by which the net book value exceeds the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell. There were no significant impairments during the three years ended December 31, 2020.

Asset retirement obligations. We record asset retirement obligations ("AROs") at fair value at the time the liability is incurred if we can reasonably estimate the settlement date. The associated AROs are capitalized as part of the carrying amount of related long-lived assets. In future periods, the liability is accreted to its present value and the capitalized cost is depreciated over the useful life of the related asset. We also adjust the liability for changes resulting from the passage of time and/or revisions to the timing or the amount of the original estimate. Upon retirement of the long-lived asset, we either settle the obligation for its recorded amount or incur a gain or loss.

We have mining operations and legal reclamation obligations related to our facilities upon closure of the mines. The AROs primarily relate to post-closure reclamation of brine wells and sites involved in the surface mining and manufacturing of lithium in Argentina. Also, we have obligations at certain of our manufacturing facilities and offices in the event of permanent plant shutdown.

The carrying amounts for the AROs for the years ended December 31, 2020 and 2019 are $0.3 million and $0.2 million, respectively. These amounts are included in "Other long-term liabilities" on the consolidated balance sheets.

Deferred compensation plan. FMC has a deferred compensation plan, in which highly compensated Lithium Business employees were eligible to participate prior to the IPO. In 2019, all existing account balances of Livent employee participants under the FMC deferred compensation plan were transferred to the Livent Non-qualified Saving Plan ("Livent NQSP") deferred compensation plan. We have established a trust fund administered by a third party to provide funding for benefits payable under the Livent NQSP to which highly compensated Livent employees can elect to defer part of their compensation. The assets held in the trust consist of money market investments, a managed portfolio of equity securities and Livent common stock. For each reporting period, the Company records a net mark-to-market adjustment to Selling, general and administrative expense in our consolidated statements of operations for the investments in the trust fund and the corresponding obligation to participants in the Livent NQSP. The money market investments and equity securities assets are included in Other assets in the accompanying consolidated balance sheets. The investments in Livent common stock under the Livent NQSP are included in Treasury stock on our consolidated balance sheets. The deferred compensation obligation to participants is included in Other long-term liabilities on our consolidated balance sheets. See Note 14 and Note 16 for additional details on the Livent NQSP deferred compensation plan.

4.125% Convertible Senior Notes due 2025 (the “2025 Notes”). We account for our 2025 Notes under Accounting Standards Codification 470-20, Debt with Conversion and Other Options. See Note 3 and Note 10 for details.

Financial instruments. Our financial instruments are trade receivables, trade payables, investments held in trust fund, and derivatives. Trade receivables and trade payables are recorded at cost, which approximates fair value due to the short-term nature of the instruments. Investments held in trust are for the Livent NQSP as discussed in "Deferred compensation plan" subsection above. Prior to the Separation, FMC entered into derivative contracts on Livent's behalf to hedge exposures at the corporate level. Prior to the Separation, these activities represented activities managed at the corporate level and were not specific to our business; the associated assets or liabilities related to these transactions were not included in the consolidated balance sheets, but the gains or losses associated with these transactions were included in the consolidated and combined statements of operations as these costs are deemed costs incurred to run our business. Subsequent to the Separation, Livent entered into derivative contracts to hedge exposures and the associated assets or liabilities were recorded in our consolidated balance sheets and the gains or losses associated with these transactions were included in the consolidated and combined statements of operations.

Equity method investments. Livent has entered into agreements with The Pallinghurst Group relating to Quebec Lithium Partners ("QLP"), a joint venture owned equally by The Pallinghurst Group and Livent, and the conduct of certain business operations and oversight previously conducted by Nemaska Lithium Inc. The Company accounts for the investment in QLP as an equity method investment included in Investments in our consolidated balance sheets. See Note 15 for details.

Leases. We adopted ASC 842 and elected the modified retrospective transition method which required an application date of January 1, 2019. Under the modified retrospective transition method, all prior period disclosures continue to be in accordance with ASC 840.

The Company determines if an arrangement is a lease at the inception of the contract. Our operating leases are included in Operating lease right-of-use ("ROU") assets, Operating lease liabilities - current, and Operating lease liabilities - long term in the consolidated balance sheets. The operating lease ROU assets and operating lease liabilities are recognized based on the present value of future minimum lease payments over the lease term at commencement date. As most of our leases do not provide an implicit interest rate, we utilize an estimated incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. In determining the discount rate used in the present value calculation, the Company has elected to apply the portfolio approach for leases provided the leases commenced at or around the same time. This election allows the Company to account for leases at a portfolio level provided that the resulting accounting at this level would not differ materially from the accounting at the individual lease level. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

The Company has elected not to separate lease and non-lease components and accounts for each separate lease component and non-lease component associated with that lease component as a single lease component. Operating lease ROU assets include all contractual lease payments and initial direct costs incurred less any lease incentives. Facility leases generally only contain lease expense and non-component items such as taxes and pass through charges. Additionally, we have elected not to apply the recognition requirements of ASC 842 to leases which have a lease term of less than one year at the commencement date.

Most of the Company's leases for corporate facilities contain terms for renewal and extension of the lease agreement. The exercise of lease renewal options is generally at the Company’s sole discretion. The Company includes the lease extensions when it is reasonably certain we will exercise the extension. The Company’s lease agreements do not contain any material variable lease payments, material residual value guarantees or any material restrictive covenants. We currently do not have any finance leases. See Note 15 for information on related disclosures regarding leases.

Restructuring and other charges. We continually perform strategic reviews and assess the return on our businesses. This sometimes results in a plan to restructure the operations of our business. We record an accrual for severance and other exit costs under the provisions of the relevant accounting guidance.

Additionally, as part of these restructuring plans, write-downs of long-lived assets may occur. Two types of assets are impacted: assets to be disposed of by sale and assets to be abandoned. Assets to be disposed of by sale are measured at the lower of carrying amount or estimated net proceeds from the sale. Assets to be abandoned with no remaining future service potential are written down to amounts expected to be recovered. The useful life of assets to be abandoned that have a remaining future service potential are adjusted and depreciation is recorded over the adjusted useful life.

Finite-lived intangible assets. Finite-lived intangible assets consist of a patent, which is being amortized over a period of 15 years.

Revenue recognition. Revenue from product sales is recognized when (or as) we satisfy a performance obligation by transferring the promised goods to a customer, that is, when control of the good transfers to the customer. The customer is then invoiced at the agreed-upon price with payment terms generally ranging from 30 to 180 days.

In determining when the control of goods is transferred, we typically assess, among other things, the transfer of risk and title and the shipping terms of the contract. The transfer of title and risk typically occurs either upon shipment to the customer or upon receipt by the customer. As such, we typically recognize revenue when goods are shipped based on the relevant incoterm for the product order, or in some regions, when delivery to the customer's requested destination has occurred. When we perform shipping and handling activities after the transfer of control to the customer (e.g., when control transfers prior to delivery), they are considered fulfillment activities, and accordingly, the costs are accrued for when the related revenue is recognized. For FOB shipping point terms, revenue is recognized at the time of shipment since the customer gains control at this point in time.

We record amounts billed for shipping and handling fees as revenue. Costs incurred for shipping and handling are recorded as costs of sales. Amounts billed for sales and use taxes, value-added taxes, and certain excise and other specific transactional taxes imposed on revenue-producing transactions are presented on a net basis and excluded from revenue in the consolidated and combined statements of operations. We record a liability until remitted to the respective taxing authority. See Note 4 for further details regarding revenue recognition.

Research and Development. Research and development costs are expensed as incurred.

Income and other taxes. We provide current income taxes on income reported for financial statement purposes adjusted for transactions that do not enter into the computation of income taxes payable and recognize deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities. Prior to separation, pursuant to the tax matters agreement with FMC, in jurisdictions where we file consolidated returns with FMC, we have recorded our allocated share of the consolidated liability as part of the income tax payable in our consolidated balance sheets. In taxing jurisdictions where we file as a standalone entity we have recorded the tax liability/benefit to income tax payable/receivable. We do not provide income taxes on the equity in undistributed earnings of consolidated foreign subsidiaries as it is our intention that such earnings will remain invested in those companies.

Segment information. We operate as one reportable segment based on the commonalities among our products and services and the manner in which we review and evaluate operating performance. Geographical revenue disclosures based on the location of our customers are included in Note 4 within these consolidated and combined financial statements.

Stock-based compensation. Prior to the consummation of the Separation, we did not sponsor any stock compensation plans. Instead, our eligible employees participated in FMC's sponsored stock-based compensation plans. Prior to the consummation of the Separation, our employees continued to participate in the FMC's stock-based compensation plans and we recognized stock-based compensation expense based on the awards granted to our employees. We also recorded an allocation of stock-based compensation for corporate employees based on segment operating profit, defined by FMC as segment revenue less operating expenses. Stock-based compensation expense for the three years ended December 31, 2020 has been recognized for all share options and other equity-based arrangements. Stock-based compensation cost is measured at the date of grant, based on the fair value of the award, and is recognized over the employee's requisite service period. We made a policy election to recognize forfeitures in stock based compensation expense as they occur. See Note 11 for more information.

As of December 31, 2020, there were 6,290,000 shares of Livent common stock authorized and registered for issuance under the Livent Plan. Effective January 8, 2021, Livent registered an additional 4,393,837 shares of Livent common stock which were authorized for issuance pursuant to the evergreen provision under the Livent Plan.

Environmental obligations. We provide for environmental-related obligations when they are probable and amounts can be reasonably estimated. Where the available information is sufficient to estimate the amount of liability, that estimate has been used.

Included in our environmental liabilities are costs for the operation, maintenance and monitoring of site remediation plans ("OM&M"). Such reserves are based on our best estimates for these OM&M plans. Over time we may incur OM&M costs in excess of these reserves. However, we are unable to reasonably estimate an amount in excess of our recorded reserves because we cannot reasonably estimate the period for which such OM&M plans will need to be in place or the future annual cost of such remediation, as conditions at these environmental sites change over time. Such additional OM&M costs could be significant in total but would be incurred over an extended period of years.

Environmental remediation charges represent the costs for the continuing charges associated with environmental remediation at operating sites from previous years and from products that are no longer manufactured. Livent has one environmental remediation site located in Bessemer City, North Carolina. The charges associated with the cost of remediation for the years ended December 31, 2020, 2019 and 2018 are $0.1 million, $0.9 million and $0.2 million, respectively. These amounts are recorded as a component within “Restructuring and other charges” on the consolidated and combined statements of operations. The total environmental remediation liability as of December 31, 2020 and 2019 was $6.7 million and $6.9 million, respectively.

Foreign currency. We translate the assets and liabilities of our foreign operations at exchange rates in effect at the balance sheet date. For foreign operations for which the functional currency is not the U.S. dollar, we record translation gains and losses as a component of accumulated other comprehensive loss in equity. The foreign operations’ statements of operations are translated at the monthly exchange rates for the period. Transactions denominated in foreign currency other than our functional currency of the operation are recorded upon initial recognition at the exchange rate at the date of the transaction. After initial recognition, monetary assets and liabilities denominated in foreign currency are remeasured at each reporting date into the functional currency at the exchange rate at that date. Exchange rate differences are recognized as foreign currency transaction gain or loss recorded as a component of Costs of sales in our consolidated and combined statements of operations. We recorded transaction and remeasurement (losses)/gains of $(14.2) million, $(14.8) million and $2.4 million for the years ended December 31, 2020, 2019 and 2018, respectively.

Note 3: Recently Issued and Adopted Accounting Pronouncements and Regulatory Items

New Accounting guidance and regulatory items

In August 2020, the Financial Accounting Standard Board ("FASB") issued Accounting Standards Update ("ASU") No. 2020-06, *Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity.* The ASU reduces the number of accounting models for convertible debt instruments by eliminating the cash conversion model. As compared with current U.S. GAAP, more convertible debt instruments will be reported as a single liability instrument and the interest rate of more convertible debt instruments will be closer to the coupon interest rate. The ASU also aligns the consistency of diluted Earnings Per Share ("EPS") calculations for convertible instruments by requiring that (1) an entity use the if-converted method and (2) share settlement be included in the diluted EPS calculation for both convertible instruments and equity contracts when those contracts include an option of cash settlement or share settlement. The ASU is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The FASB has specified that an entity should adopt the guidance as of the beginning of its annual fiscal year. Under Accounting Standards Codification 470-20, Debt with Conversion and Other Options, we separately account for the liability and equity components of our 4.125% Convertible Senior Notes due 2025 (the "2025 Notes"), which may be settled entirely or partially in cash upon conversion, in a manner that reflects the issuer's economic interest cost. The effect of ASC 470-20 on the accounting for the 2025 Notes is that the equity component is required to be included in the additional paid-in capital section of stockholders' equity on our consolidated balance sheet, and the value of the equity component is treated as original issue discount for purposes of accounting for the debt component of the 2025 Notes. As a result, we currently are required to record a greater amount of non-cash interest expense in current periods presented as a result of the amortization of the discounted carrying value of the 2025 Notes to their face amount over the term of the 2025 Notes. We currently use the if-converted method when calculating the potential dilutive effect of our 2025 Notes, if any. See Note 10 and Note 13 for further details. ASU 2020-06 allows adoption through either a modified retrospective method or fully retrospective method of transition. In applying the modified retrospective transition method, the cumulative effect of the accounting change should be recognized as an adjustment to the opening balance of retained earnings at the date of adoption. For the full retrospective method, the cumulative effect of the accounting change should be recognized as an adjustment to the opening balance of retained earnings in the first comparative period presented. We early adopted ASU 2020-06 effective January 1, 2021 under the full retrospective method. On an annual basis, we expect the adoption of ASU 2020-06 to reduce our recognized interest expense related to the 2025 Notes in our consolidated and combined statements of operations by approximately $7.0 million.

In April 2020, FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848)*. The amendments in this ASU provide optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. An entity may optionally elect to apply the amendments effective in the first interim period that includes or is subsequent to March 12, 2020 through December 31, 2022. The FASB also issued ASU No. 2021-01, Reference Rate Reform (Topic 848). The amendments in this ASU provide optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments in this ASU affect the guidance in ASU No. 2020-04 and are effective for all entities as of March 12, 2020 through December 31, 2022. We are evaluating the effect the guidance will have on our consolidated financial statements.

In December 2019, the FASB issued ASU No. 2019-12, *Simplifying the Accounting for Income Taxes (Topic 740)*. The amendments in this ASU simplified the accounting for income taxes by removing certain exceptions to the general principle in Topic 740. The amendments also contain improvements and clarifications of certain guidance in Topic 740. The new amendments are effective for fiscal years beginning after December 15, 2020 (i.e. a January 1, 2021 effective date), with early adoption permitted. We believe the adoption will not have a material impact on our consolidated and combined financial statements.

Recently adopted accounting guidance

In November 2019, the FASB issued ASU No. 2019-11, *Codification Improvements to Topic 326, Financial Instruments - Credit Losses ("ASU 2019-11").* The amendments in this ASU contain improvements and clarifications of certain guidance in Topic 326. We adopted the provisions of ASU 2019-11 on January 1, 2020; the adoption did not have a material impact on our consolidated and combined financial statements.

In April 2019, the FASB issued ASU No. 2019-04, *Codification Improvements to Topic 326, Financial Instruments - Credit*

Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments, ("ASU 2019-04"). The amendments in this ASU affect a variety of Topics in the Codification and represent changes to clarify, correct errors in, or improve the Codification. Subsequently, in May 2019 the FASB issued ASU No. 2019-05, Financial Instruments - Credit Losses (Topic 326) Targeted Transition Relief, ("ASU 2019-05"). The amendments in this ASU provide entities with targeted transition relief that is intended to increase comparability of financial statement information for some entities that otherwise would have measured similar financial instruments using different measurement methodologies. We adopted the provisions of ASU 2019-04 and ASU 2019-05 on January 1, 2020; the adoption did not have a material impact on our consolidated and combined financial statements.

In March 2019, the FASB issued ASU No. 2019-01, *Codification Improvements to Leases (Topic 842):* Amendments to the FASB Accounting Standards Codification ("ASU 2019-01"). The amendments in this ASU contain improvements and clarifications of certain guidance in Topic 842. We adopted the provision of ASU 2019-01 on January 1, 2020; the adoption did not have a material impact on our consolidated and combined financial statements.

In August 2018, the FASB issued ASU No. 2018-15, *Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract* ("ASU 2018-15"). The amendments in ASU 2018-15 align the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The new standard is effective for fiscal years beginning after December 15, 2019 (i.e. a January 1, 2020 effective date) with early adoption permitted in any interim period. We elected to early adopt ASU 2018-15 effective July 1, 2019, using the prospective transition method. The adoption did not have a material impact on our consolidated and combined financial statements.

In February 2018, the FASB issued ASU No. 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*. This new standard permits a company to reclassify the income tax effects of the change in the U.S federal corporate income tax rate on the gross deferred tax amounts and related valuation allowances as well as other income tax effects related to the application of the Tax Cuts and Jobs Act ("Tax Act") within accumulated other comprehensive income ("AOCI") to retained earnings. There are also new required disclosures such as a description of the accounting policy for releasing income tax effects from AOCI as well as certain disclosures in the period of adoption if a company elects to reclassify the income tax effects. The new standard is effective for fiscal years beginning after December 15, 2018 (i.e. a January 1, 2019 effective date), and interim periods within those fiscal years. The adoption did not have a material impact on our consolidated and combined financial statements.

In August 2017, the FASB issued ASU No. 2017-12, *Derivatives and Hedging (Topic 815)*. This ASU amends and simplifies existing hedge accounting guidance and allows for more hedging strategies to be eligible for hedge accounting. In addition, the ASU amends disclosure requirements and how hedge effectiveness is assessed. The new standard is effective for fiscal years beginning after December 15, 2018 (i.e. a January 1, 2019 effective date), with early adoption permitted in any interim period after issuance of this ASU. The adoption did not have a material impact on our consolidated and combined financial statements.

In February 2016, the FASB issued its new lease accounting guidance in ASU No. 2016-02, *Leases (Topic 842)*. Under the new guidance, lessees will be required to recognize for all leases (with the exception of short-term leases) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The new standard is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years (i.e. a January 1, 2019 effective date). Our total assets and total liabilities increased approximately $16 million in the period of adoption, however, the adoption did not have a material impact on our results of operations or cash flows.

Note 4: Revenue Recognition

Disaggregation of revenue

We disaggregate revenue from contracts with customers by geographical areas and by product categories.

The following table provides information about disaggregated revenue by major geographical region:

	Year Ended December 31,		
(in Millions)	**2020**	**2019**	**2018**
North America [(1)]	$ 53.3	$ 76.2	$ 84.4
Latin America	0.2	1.0	2.0
Europe, Middle East & Africa	49.2	59.0	74.5
Asia Pacific [(1)]	185.5	252.2	281.6
Total Revenue	**$ 288.2**	**$ 388.4**	**$ 442.5**

(1) In 2020, countries with sales in excess of 10% of combined revenue consisted of Japan, the U.S. and China. Sales for the year ended December 31, 2020 for Japan, the U.S. and China totaled $97.7 million, $52.6 million and $55.3 million, respectively, while sales for the year ended December 31, 2019 totaled $160.4 million, $75.2 million and $53.2 million, respectively, and sales for the year ended December 31, 2018 totaled $116.5 million, $82.4 million and $118.6 million, respectively.

For the years ended December 31, 2020, 2019 and 2018, one customer accounted for approximately 26%, 28% and 14% of total revenue, respectively and our 10 largest customers accounted in aggregate for approximately 64%, 60% and 53% of our revenue, respectively. A loss of any material customer could have a material adverse effect on our business, financial condition and results of operations.

The following table provides information about disaggregated revenue by major product category:

	Year Ended December 31,		
(in Millions)	**2020**	**2019**	**2018**
Lithium Hydroxide	$ 157.5	$ 213.8	$ 222.7
Butyllithium	87.1	99.9	99.0
High Purity Lithium Metal and Other Specialty Compounds	31.7	52.4	62.5
Lithium Carbonate and Lithium Chloride	11.9	22.3	58.3
Total Revenue	**$ 288.2**	**$ 388.4**	**$ 442.5**

Our lithium products are developed and sold to global and regional customers in the EV, electronics, agrochemicals, pharmaceuticals, polymer and specialty alloy metals market among others. Lithium hydroxide products are used in advanced batteries for all-electric vehicles as well as other products that require portable energy storage such as power tools and military devices. Lithium hydroxide is also sold into grease applications for use in automobiles, aircraft, railcars, agricultural and other types of equipment. Butyllithium products are primarily used as polymer initiators, and in the synthesis of agrochemicals and pharmaceuticals. High purity lithium metal and other specialty compounds include lithium phosphate, pharmaceutical-grade lithium carbonate, high purity lithium chloride and specialty organics. Additionally, we sell whatever lithium carbonate and lithium chloride we do not use internally to our customers for various applications.

Sale of Goods

Revenue from product sales is recognized when (or as) we satisfy a performance obligation by transferring the promised goods to a customer, that is, when control of the good transfers to the customer. The customer is then invoiced at the agreed-upon price with payment terms generally ranging from 30 to 180 days.

In determining when the control of goods is transferred, we typically assess, among other things, the transfer of risk and title and the shipping terms of the contract. The transfer of title and risk typically occurs either upon shipment to the customer or upon receipt by the customer. As such, we typically recognize revenue when goods are shipped based on the relevant incoterm for the product order, or in some regions, when delivery to the customer's requested destination has occurred. When we perform shipping and handling activities after the transfer of control to the customer (e.g., when control transfers prior to delivery), they are considered fulfillment activities, and accordingly, the costs are accrued for when the related revenue is recognized. For FOB shipping point terms, revenue is recognized at the time of shipment since the customer gains control at this point in time.

We record amounts billed for shipping and handling fees as revenue. Costs incurred for shipping and handling are recorded as distribution costs. Amounts billed for sales and use taxes, value-added taxes, and certain excise and other specific transactional taxes imposed on revenue-producing transactions are presented on a net basis and excluded from revenue in the consolidated and combined statements of operations. We record a liability until remitted to the respective taxing authority.

Variable Consideration

As a part of our customary business practice, we may offer sales incentives to our customers, such as volume discounts or rebates. Variable consideration given can differ by product. For all such contracts that include any variable consideration, we estimate the amount of variable consideration that should be included in the transaction price utilizing either the expected value method or the most likely amount method depending on the nature of the variable consideration. Variable consideration is included in the transaction price if, in our judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. Although determining the transaction price requires significant judgment, we have significant historical experience with incentives provided to customers and estimating the expected consideration considering historical patterns of incentive payouts. These estimates are re-assessed each reporting period as required.

In addition to the variable consideration described above, in certain instances, we may require our customers to meet certain volume thresholds within their contract term. We estimate what amount of variable consideration should be included in the transaction price at contract inception and continually reassesses this estimation each reporting period to determine situations when the minimum volume thresholds will not be met. Variable consideration is included in the transaction price if, in our judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. In those circumstances, we apply the guidance on breakage and estimate the amount of the shortfall and recognize it over the remaining performance obligations in the contract.

Right of Return

We warrant to our customers that our products conform to mutually agreed product specifications. This offering is accounted for as a right of return and the transaction price is adjusted for an estimate of expected returns.

Contract asset and contract liability balances

We satisfy our obligations by transferring goods and services in exchange for consideration from customers. The timing of performance sometimes differs from the timing the associated consideration is received from the customer, thus resulting in the recognition of a contract liability. We recognize a contract liability if the customer's payment of consideration is received prior to completion of our related performance obligation.

The following table presents the opening and closing balances of our receivables, net of allowances and contract liabilities from contracts with customers.

	Balance as of		
(in Millions)	**December 31, 2020**	**December 31, 2019**	**Increase (Decrease)**
Receivables from contracts with customers, net of allowances	$ 76.3	$ 90.0	$ (13.7)

The balance of receivables from contracts with customers listed in the table above represents the current trade receivables, net of allowance for doubtful accounts. The allowance for receivables represents our best estimate of the probable losses associated with potential customer defaults. We determine the allowance based on historical experience, current collection trends, and external business factors such as economic factors, including regional bankruptcy rates, and political factors.

Performance obligations

At contract inception, we assess the goods and services promised in our contracts with customers and identify a performance obligation for each promise to transfer a good or service (or bundle of goods or services) that is distinct. To identify the performance obligations, we consider all the goods or services promised in the contract, whether explicitly stated or implied based on customary business practices. Based on our evaluation, we have determined that our current contracts do not contain more than one single performance obligation. Revenue is recognized when (or as) the performance obligation is satisfied, which is when the customer obtains control of the good or service.

Periodically, we may enter into contracts with customers which require them to submit a forecast of non-binding purchase obligations to us. These forecasts are typically provided by the customer to us in good faith, and there are no penalties or obligations if the forecasts are not met. Accordingly, we have determined that these are optional purchases and do not represent material rights and are not considered as unsatisfied (or partially unsatisfied) performance obligations for the purposes of this disclosure.

Occasionally, we may enter into multi-year take or pay supply agreements with customers. The aggregate amount of revenue expected to be recognized related to these contracts' performance obligations that are unsatisfied or partially unsatisfied is approximately $58 million in 2021. These approximate revenues do not include amounts of variable consideration attributable to contract renewals or contract contingencies. Based on our past experience with the customers under these arrangements, we expect to continue recognizing revenue in accordance with the contracts as we transfer control of the product to the customer (refer to the sales of goods section for our determination of transfer of control). However, in the case a shortfall of volume purchases occurs, we will recognize the amount payable by the customer over the remaining performance obligations in the contract.

Practical Expedients and Exemptions

We have elected the following practical expedients following the adoption of ASC 606:

a. Costs of obtaining a contract: We incur certain costs such as sales commissions which are incremental to obtaining the contract. We have taken the practical expedient of expensing such costs to obtain a contract, as and when they are incurred, when the expected amortization period is one year or less.

b. Significant financing component: We elected not to adjust the promised amount of consideration for the effects of a significant financing component if we expect, at contract inception, that the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

c. Remaining performance obligations: We elected not to disclose the aggregate amount of the transaction price allocated to remaining performance obligations for our contracts that are one year or less, as the revenue is expected to be recognized within one year. Additionally, we have elected not to disclose information about variable considerations for remaining, wholly unsatisfied performance obligations for which the criteria in paragraph 606-10-32-40 have been met.

d. Shipping and handling costs: We elected to account for shipping and handling activities that occur after the customer has obtained control of a good as fulfillment activities (i.e., an expense) rather than as a promised service.

e. Measurement of transaction price: We have elected to exclude from the measurement of transaction price all taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction and collected by us from a customer.

Note 5: Inventories, Net

Inventories consisted of the following:

	December 31,	
(in Millions)	**2020**	**2019**
Finished goods	$ 36.1	$ 45.3
Semi-finished goods	46.2	48.8
Raw materials, supplies, and other	23.3	19.3
FIFO inventory, net	**$ 105.6**	**$ 113.4**

Note 6: Property, Plant and Equipment, Net

Property, plant and equipment consisted of the following:

	December 31,	
(in Millions)	**2020**	**2019**
Land and land improvements	$ 85.8	$ 85.2
Buildings	83.0	68.3
Machinery and equipment	314.9	274.1
Construction in progress	284.0	243.4
Total cost	**$ 767.7**	**$ 671.0**
Accumulated depreciation	(222.4)	(202.2)
Property, plant and equipment, net	**$ 545.3**	**$ 468.8**

Depreciation expense was $22.0 million, $19.1 million, and $15.0 million in 2020, 2019 and 2018, respectively.

Note 7: Restructuring and Other Charges

The following table shows total restructuring and other charges included in the consolidated and combined statements of operations:

	Year Ended December 31,		
(in Millions)	**2020**	**2019**	**2018**
Restructuring charges:			
Demolition and exit charges (1)	$ —	$ —	$ 1.9
Severance-related and exit costs (2)	6.2	—	—
Asset disposal charges (3)	—	—	0.5
Other charges:			
Corporate severance-related costs (4)	—	3.5	—
Environmental remediation (5)	0.1	0.9	0.2
Other (6)	4.4	1.8	—
Total restructuring and other charges	**$ 10.7**	**$ 6.2**	**$ 2.6**

(1) Primarily represents costs associated with demolition and other miscellaneous exit costs.

(2) Includes severance costs for management changes at certain operating and administrative facilities and exit costs of $1.6 million for the closing of leased office space.

(3) Primarily represents fixed asset write-offs which were or are to be abandoned.

(4) Represents severance costs and stock-based compensation expense for accelerated vesting related to corporate management changes.

(5) Costs associated with environmental remediation with respect to certain discontinued products. There is one environmental remediation site in Bessemer City, North Carolina. See Note 8 for more details.

(6) Includes legal fees related to IPO securities litigation in 2020 and 2019, including $2.0 million accrued as of December 31, 2020, for the IPO securities litigation settlement, net of insurance reimbursement. See Note 15 for more details.

Roll forward of plant restructuring reserves

In 2017, we began restructuring efforts at our manufacturing site located in Bessemer City, North Carolina. The objective of this restructuring plan is to optimize both the assets and cost structure by reducing certain production lines at the plant. The restructuring decision resulted primarily in shutdown costs. The following table shows a roll forward of restructuring reserve that will result in cash spending. These amounts are included in "Accrued and other current liabilities" on the consolidated balance sheets and they exclude asset retirement obligations.

(in Millions)	Restructuring Reserve Total
Balance December 31, 2018	**$ 3.6**
Cash payments	(0.3)
Balance December 31, 2019	**$ 3.3**
Cash payments	(0.1)
Balance December 31, 2020	**$ 3.2**

Note 8: Environmental Obligations

We are subject to various federal, state, local and foreign environmental laws and regulations that govern emissions of air pollutants, discharges of water pollutants, and the manufacture, storage, handling and disposal of hazardous substances, hazardous wastes and other toxic materials and remediation of contaminated sites. We are also subject to liabilities arising under the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) and similar state laws that impose responsibility on persons who arranged for the disposal of hazardous substances, and on current and previous owners and operators of a facility for the clean-up of hazardous substances released from the facility into the environment. We are also subject to liabilities under the Resource Conservation and Recovery Act (“RCRA”) and analogous state laws that require owners and operators of facilities that have treated, stored or disposed of hazardous waste pursuant to a RCRA permit to follow certain waste management practices and to clean up releases of hazardous substances into the environment associated with past or present practices. In addition, when deemed appropriate, we enter certain sites with potential liability into voluntary remediation compliance programs, which are also subject to guidelines that require owners and operators, current and previous, to clean up releases of hazardous substances into the environment associated with past or present practices.

Environmental liabilities consist of obligations relating to waste handling and the remediation and/or study of sites at which we are alleged to have released or disposed of hazardous substances. As of the periods presented, the Bessemer City site located in North Carolina is the only site for which we have a reserve. We have provided reserves for potential environmental obligations that we consider probable and for which a reasonable estimate of the obligation can be made. Accordingly, total reserves of $6.7 million and $6.9 million existed for the years ended December 31, 2020 and 2019, respectively.

The estimated reasonably possible environmental loss contingencies exceed amount accrued by approximately $3 million at December 31, 2020. This reasonably possible estimate is based upon information available as of the date of the filing and the actual future losses may be higher given the uncertainties regarding the status of laws, regulations, enforcement policies, the impact of potentially responsible parties, technology and information related to the site.

Although potential environmental remediation expenditures in excess of the reserves and estimated loss contingencies could be significant, the impact on our future consolidated and combined financial results is not subject to reasonable estimation due to numerous uncertainties concerning the nature and scope of possible contamination, identification of remediation alternatives under constantly changing requirements, selection of new and diverse clean-up technologies to meet compliance standards, and the timing of potential expenditures. The liabilities arising from potential environmental obligations that have not been reserved for at this time may be material to any one quarter’s or year’s results of operations in the future. However, we believe any liability arising from such potential environmental obligations is not likely to have a material adverse effect on our liquidity or financial condition as it may be satisfied over many years.

The table below is a roll forward of our total environmental reserves from December 31, 2018 to December 31, 2020.

(in Millions)	Environmental Reserves Total	
Balance December 31, 2018	**$**	**6.4**
Change in reserves		0.9
Cash payments		(0.4)
Balance December 31, 2019	**$**	**6.9**
Change in reserves		0.1
Cash payments		(0.3)
Balance December 31, 2020	**$**	**6.7**

The table below provides detail of current and long-term environmental reserves.

	December 31,			
(in Millions)	2020		2019	
Environmental reserves, current [1]	$	0.6	$	0.5
Environmental reserves, long-term [2]		6.1		6.4
Total environmental reserves	**$**	**6.7**	**$**	**6.9**

(1) These amounts are included within “Accrued and other liabilities” on the consolidated balance sheets.
(2) These amounts are included in "Environmental liabilities" on the consolidated balance sheets.

Note 9: Income Taxes

Domestic and foreign components of income from operations before income taxes are shown below:

	Year Ended December 31,					
(in Millions)	2020		2019		2018	
Domestic	$	(23.1)	$	9.9	$	39.2
Foreign		(2.3)		47.9		114.5
Total	**$**	**(25.4)**	**$**	**57.8**	**$**	**153.7**

The provision for income taxes attributable to income from operations consisted of:

	Year Ended December 31,					
(in Millions)	2020		2019		2018	
Current:						
Federal [1]	$	(1.9)	$	3.5	$	11.8
Foreign		4.6		7.4		18.4
State		—		0.1		—
Total current	**$**	**2.7**	**$**	**11.0**	**$**	**30.2**
Deferred:						
Federal	$	(1.6)	$	1.2	$	(0.1)
Foreign		(7.4)		(4.8)		(2.9)
State		(0.2)		0.2		(0.1)
Total deferred		**(9.2)**		**(3.4)**		**(3.1)**
Total	**$**	**(6.5)**	**$**	**7.6**	**$**	**27.1**

(1) The year ended December 31, 2018 include the one-time impacts of the of the Tax Act, primarily related to transition tax.

The effective income tax rate applicable to income from operations before income taxes was different from the statutory U.S. federal income tax rate due to the factors listed in the following table:

	Year Ended December 31,		
(in Millions)	2020	2019	2018
U.S. Federal statutory rate	$ (5.3)	$ 12.1	$ 32.2
Impacts of Tax Cuts and Jobs Act Enactment (1)	—	—	0.6
Foreign earnings subject to different tax rates	0.6	(3.6)	(3.8)
Foreign derived intangible income (2)	—	(1.1)	(1.7)
State and local income taxes, less federal income tax benefit	(0.2)	0.3	(0.1)
Tax on intercompany dividends and deemed dividends for tax purposes	0.1	4.4	4.1
Changes to unrecognized tax benefits	2.1	0.6	0.4
Other permanent items	(0.2)	(0.8)	(2.2)
Change in valuation allowance	0.3	0.3	2.2
Exchange gains and losses (2)	(5.9)	(1.8)	(4.0)
Withholding taxes net of credits	1.1	—	—
Other(3)	0.9	(2.8)	(0.6)
Total tax (benefit)/provision	**$ (6.5)**	**$ 7.6**	**$ 27.1**

(1) Includes the one-time impacts of the of the Tax Act, primarily related to transition tax.
(2) Includes the impact of transaction gains or losses on net monetary assets for which no corresponding tax expense or benefit is realized and the tax provision for statutory taxable gains or losses in foreign jurisdictions for which there is no corresponding amount in income before taxes.
(3) The year ended December 31, 2019 includes a $3.2 million tax benefit due to revisions to our tax liabilities upon completion of prior year tax returns.

Significant components of our deferred tax assets and liabilities were attributable to:

	December 31,	
(in Millions)	2020	2019
Environmental and restructuring	$ 1.4	$ 1.3
Net operating loss carry-forwards	15.3	8.1
Other assets and reserves	5.1	5.1
Deferred tax assets	**$ 21.8**	**$ 14.5**
Valuation allowance, net	(3.6)	(4.1)
Deferred tax assets, net of valuation allowance	**$ 18.2**	**$ 10.4**
Property, plant and equipment, net	(10.2)	(8.9)
Convertible notes discount	(8.5)	—
Deferred tax liabilities	**(18.7)**	**(8.9)**
Net deferred tax (liabilities)/assets	**$ (0.5)**	**$ 1.5**

We evaluate our deferred income taxes quarterly to determine if valuation allowances are required or should be adjusted. U.S. GAAP requires companies to assess whether valuation allowances should be established against deferred tax assets based on all available evidence, both positive and negative, using a “more likely than not” standard. In assessing the need for a valuation allowance, appropriate consideration is given to all positive and negative evidence related to the realization of deferred tax assets. This assessment considers, among other matters, the nature and severity of current and cumulative losses, forecasts of future profitability, the duration of statutory carry-forward periods, and tax planning alternatives.

At December 31, 2020, we had total domestic net operating loss carry-forwards of $1.0 million (tax effected) which has an indefinite carryforward period. As of December 31, 2020 we had total foreign net operating loss carry-forwards of $14.3 million (tax effected) in India, the Netherlands, Switzerland, Argentina and U.K. expiring over various tax years. The tax losses incurred in Switzerland and the Netherlands of $3.3 million are attributable to restructuring that occurred in 2018 in connection with the IPO and continued non-operational related activities. In addition, these activities provide for limited forecasts of future taxable income, and as a result, we have recorded a valuation allowance through income tax expense for the years ended December 31, 2019 and 2020.

Income taxes are not provided for any additional outside basis differences inherent in our investments in subsidiaries because the investments and related unremitted earnings are essentially permanent in duration or we have concluded that no additional tax liability will arise upon disposal. Determining the amount of unrecognized deferred tax liability related to any remaining undistributed foreign earnings is not practicable due to the complexity of the hypothetical calculation.

Uncertain Income Tax Positions

U.S. GAAP accounting guidance for uncertainty in income taxes prescribes a model for the recognition and measurement of a tax position taken or expected to be taken in a tax return, and provides guidance on derecognition, classification, interest and penalties, disclosure and transition.

We file tax returns in various jurisdictions. Pursuant to the TMA with FMC we have recorded amounts in uncertain tax positions at December 31, 2018 for tax positions that relate to our legacy business before IPO. In jurisdictions where we filed consolidated returns with FMC, and do not maintain the entity at IPO, our uncertain tax positions have been reduced as of December 31, 2020. We have recorded a $1.3 million indemnification asset from FMC regarding uncertain tax positions that are related to our legacy business before IPO and for which we are indemnified by FMC. Our significant foreign jurisdictions, which total 3, are open for examination and adjustment during varying periods from 2015 - 2018.

As of December 31, 2020, we had total unrecognized tax benefits of $2.7 million, of which $1.3 million would unfavorably impact the effective tax rate from operations if recognized. As of December 31, 2019, we had total unrecognized tax benefits of $2.4 million, of which $0.2 million would unfavorably impact the effective tax rate if recognized. Interest and penalties related to unrecognized tax benefits are reported as a component of income tax expense. For the years ended December 31, 2020, 2019 and 2018, we recognized interest and penalties of $0.7 million, $0.2 million, and $0.3 million, respectively, in the consolidated and combined statements of income. As of December 31, 2020 and 2019, we have accrued interest and penalties in the consolidated balance sheets of $1.1 million and $0.4 million, respectively.

Due to the potential for resolution of federal, state, or foreign examinations, and the expiration of various jurisdictional statutes of limitation, it is reasonably possible that our liability for unrecognized tax benefits will decrease within the next 12 months by a range of zero to $1.0 million.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

(in Millions)	2020	2019	2018
Balance at beginning of year	$ 2.4	$ 2.6	$ 7.5
Increases related to positions taken in the current year	0.7	0.9	0.6
Increases for tax positions on acquisitions	—	—	(0.7)
Decreases related to positions taken in prior years	—	—	(1.1)
Decreases related to lapse of statutes of limitations	(0.4)	(1.1)	(0.4)
Increase in unrecognized tax benefits due to foreign currency translation	—	—	(3.3)
Balance at end of year (1)	**$ 2.7**	**$ 2.4**	**$ 2.6**

(1) At December 31, 2020, 2019, and 2018 we recognized an offsetting non-current asset of $2.7 million, $2.5 million, and $3.2 million respectively, relating to specific uncertain tax positions presented above. We have recorded a $0.4 million indemnification liability at December 31, 2020 to FMC for assets where the offsetting uncertain tax position is with FMC.

Note 10: Debt

Long-term debt

Long-term debt consists of the following:

(in Millions)	Interest Rate Percentage: LIBOR borrowings	Interest Rate Percentage: Base rate borrowings		Maturity Date	December 31, 2020	December 31, 2019
Revolving Credit Facility [1]	2.4%	4.5%		2023	$ 35.6	$ 154.6
4.125% Convertible Senior Notes due 2025			4.125%	2025	245.8	—
Discount - 2025 Notes [2]					(44.7)	—
Total long-term debt [3]					**$ 236.7**	**$ 154.6**

(1) As of December 31, 2020 and December 31, 2019, there were $14.4 million and $11.0 million, respectively, in letters of credit outstanding under our Revolving Credit Facility and $275.0 million and $234.4 million available funds as of December 31, 2020 and December 31, 2019, respectively. Fund availability is subject to the Company meeting its debt covenants.

(2) Includes transaction costs.

(3) As of December 31, 2020 and December 31, 2019, the Company had no debt maturing within one year.

4.125% Convertible Senior Notes due 2025

On June 25, 2020, the Company issued $225 million in aggregate principal amount of 4.125% Convertible Senior Notes due in July 2025 (the "2025 Notes") in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933. We also granted the initial purchasers of the 2025 Notes a 13-day option to purchase up to an additional $33.75 million in aggregate principal amount (the "Over-Allotment Option"). On July 7, 2020 we closed on the Over-Allotment Option and issued an additional $20.75 million in aggregate principal amount of 2025 Notes. Total net cash proceeds received including Over-Allotment Option were $238.2 million net of $7.6 million of third-party transaction costs, including initial purchasers' discounts and commissions. The Company used or will use the net proceeds received to finance or refinance eligible green projects designed to align with the provisions of the International Capital Market Association Green Bond Principles 2018, including repaying amounts outstanding under its Revolving Credit Facility.

Each $1,000 of principal of the 2025 Notes is initially convertible into 114.4885 shares of our common stock, which is equivalent to an initial conversion price of $8.73 per share, subject to adjustment upon the occurrence of specified events. We may not redeem the 2025 Notes prior to July 20, 2023. We may redeem for cash all or any portion of the 2025 Notes, at our option, on or after July 20, 2023 if the last reported sale price of our common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which we provide notice of redemption at a redemption price equal to 100% of the principal amount of the 2025 Notes to be redeemed, plus accrued and unpaid interest.

Holders of the 2025 Notes may convert their notes at any time, at their option, on or after January 15, 2025. Further, holders of the 2025 Notes may convert their notes at any time, at their option, prior to January 15, 2025 only under the following circumstances: (1) during any calendar quarter commencing after September 30, 2020 (and only during such calendar quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each trading day; (2) during the five-business day period after any five-consecutive trading day period in which the trading price per $1,000 principal amount of the 2025 Notes for each trading day of such period is less than 98% of the product of the last reported sale price of our common stock and the conversion rate on each such trading day, (3) if we call any or all of the 2020 Notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date or (4) if specified corporate events occur. Upon conversion, the 2025 Notes will be settled in cash, shares of our common stock or a combination thereof, at our election. If a fundamental change occurs prior to the maturity date, holders of the 2025 Notes may require us to repurchase all or a portion of their 2025 Notes for cash at a repurchase price equal to 100% of the principal amount plus any accrued and unpaid interest. In addition, if specific corporate events occur prior to the maturity date or if we deliver a notice of redemption, we will increase the conversion rate for a holder who elects to convert its 2025 Notes in connection with such an event or notice of redemption in certain circumstances. In the first quarter of 2021, the holders of the 2025 Notes were notified that the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on, an including, December 31, 2020 was greater than or equal to 130% of the conversion price on each trading day, and as a result, the holders have the option to convert all or any portion of their 2025 Notes through March 31, 2021. The 2025 Notes are classified as long-term debt.

In accordance with U.S. GAAP relating to embedded conversion features, we initially valued and bifurcated the conversion feature associated with the 2025 Notes. We recorded a debt discount with a corresponding increase to additional paid-in capital of $42.6 million for the conversion feature, $3.6 million of which was recorded in the third quarter of 2020 relating to the Over-Allotment Option. The resulting debt discount is being amortized to interest expense at an effective interest rate of 8.35% over the five-year term of the 2025 Notes. The Company recorded $4.1 million of interest expense related to the amortization of the discount and transaction costs for the twelve months ended December 31, 2020, $0.4 million of which was capitalized for the twelve months ended December 31, 2020. The Company recorded $5.2 million of accrued interest expense related to the principal amount for the twelve months ended December 31, 2020. Transaction costs of $1.4 million were allocated to the embedded conversion feature as a reduction of additional paid-in capital, $0.2 million of which was recorded in the second half of 2020, related to the Over-Allotment Option. We recognized a deferred tax liability of $9.1 million as a reduction to additional paid-in capital as of December 31, 2020 related to the book and tax basis differences of the debt discount and transaction costs.

The following table summarizes the final amounts recorded upon closing for the original issuance and Over-Allotment Option related to debt discount and liability and equity allocations of the transaction costs.

(in Millions)	(a) $225.0 million principal	(b) $20.75 million principal Over-Allotment	(a) + (b) Total 2025 Notes
Discount	**$ 39.0**	**$ 3.6**	**$ 42.6**
Transaction costs			
Liability (1)	$ 5.5	$ 0.7	$ 6.2
Equity	1.2	0.2	1.4
Total transaction costs	**$ 6.7**	**$ 0.9**	**$ 7.6**

(1) Amortization of transaction costs was $0.6 million for the twelve months ended December 31, 2020.

Revolving Credit Facility

On September 28, 2018, we entered into a credit agreement among us, our subsidiary, FMC Lithium USA Corp., as borrowers (the “Borrowers”), certain of our wholly owned subsidiaries as guarantors (the "Guarantors"), the lenders party thereto (the “Lenders”), Citibank, N.A., as administrative agent (the "Agent"), and certain other financial institutions party thereto, as joint lead arrangers (the “Original Credit Agreement”, and as amended by the First Amendment and Second Amendment (as defined below), the "Credit Agreement"). The Credit Agreement provides for a $400 million senior secured revolving credit facility, $50 million of which is available for the issuance of letters of credit for the account of the Borrowers, with an option, subject to certain conditions and limitations, to increase the aggregate amount of the revolving credit commitments to $600 million (the “Revolving Credit Facility”). The issuance of letters of credit and the proceeds of revolving credit loans made pursuant to the Revolving Credit Facility are available, and will be used, for general corporate purposes, including capital expenditures and permitted acquisitions, of the Borrowers and their subsidiaries.

Revolving loans under the Credit Agreement will bear interest at a floating rate, which will be a base rate or a Eurodollar rate equal to the London interbank offered rate for the relevant interest period, plus, in each case, an applicable margin based on our leverage ratio, as determined in accordance with the provisions of the Credit Agreement. The base rate will be the greatest of: the rate of interest announced publicly by Citibank, N.A. in New York City from time to time as its “base rate”; the federal funds effective rate plus 0.5%; and a Eurodollar rate for a one-month interest period plus 1%. Each Borrower on a joint and several basis is required to pay a commitment fee quarterly in arrears on the average daily unused amount of each Lender’s revolving credit commitment at a rate equal to an applicable percentage based on the leverage ratio, as determined in accordance with the provisions of the Credit Agreement. The applicable margin and the commitment fee are subject to adjustment as provided in the Credit Agreement.

The Borrowers’ domestic material subsidiaries (the “Guarantors”) will guarantee the obligations of the Borrowers under the

Revolving Credit Facility. The obligations of the Borrowers and the Guarantors are secured by all of the present and future assets of the Borrowers and the Guarantors, including the Borrowers' facility and real estate in Bessemer City, North Carolina, subject to certain exceptions and exclusions as set forth in the Credit Agreement and other security and collateral documents.

Fees incurred to secure the Revolving Credit Facility have been deferred and will be amortized over the term of the arrangement.

On May 6, 2020, we entered into the First Amendment to the Credit Agreement (the "First Amendment") with FMC Lithium USA Corp., the Guarantors, the Lenders and the Agent. Among other things, the First Amendment amended and restated the Original Credit Agreement to (i) increase our maximum total net leverage ratio for the fiscal quarters ending June 30, 2020, September 30, 2020 and December 31, 2020 from 3.5 to 6.0, (ii) put a cap of $325 million on our overall borrowings under the Revolving Credit Facility until March 31, 2021, (iii) amend our negative covenant on indebtedness to permit unsecured indebtedness (including convertible debt) up to $350 million, (iv) amend our negative covenants on investments to permit additional investments in Minera del Altiplano S.A., our Argentine subsidiary, (v) restrict our ability to declare or pay cash dividends until March 31, 2021 and (vi) increase the applicable margin on our borrowings by 25 basis points, in each case as described in the First Amendment. We recorded $0.9 million of deferred financing costs in the consolidated balance sheets for First Amendment consent, arrangement and legal fees and a $0.1 million loss on debt extinguishment in the consolidated and combined statements of operations for the write off of existing deferred financing costs to recognize the temporary reduction in overall borrowing capacity related to the First Amendment. The carrying value of our deferred financing costs was $2.4 million as of December 31, 2020.

The foregoing description of the First Amendment does not purport to be complete and is qualified in its entirety by reference to the First Amendment, including the amended and restated Credit Agreement attached thereto, which is filed as Exhibit 10.1 to our Quarterly Report on Form 10-Q for the three months ended March 31, 2020.

On August 3, 2020, we entered into the Second Amendment to the Credit Agreement (the "Second Amendment") with FMC Lithium USA Corp., the Guarantors, the Lenders and the Agent. The Second Amendment amended the Credit Agreement, as previously amended by the First Amendment, to replace our maximum total net leverage ratio of 6.0 for the fiscal quarters ending September 30, 2020 and December 31, 2020 with a maximum first lien leverage ratio (as defined in the Credit Agreement) of 3.5. The maximum first lien leverage ratio of 3.5 will continue to apply for the fiscal quarter ended March 31, 2021 and for each fiscal quarter thereafter. The first lien leverage ratio as of any date is the ratio of financial covenant debt as of such date secured by a lien on any asset or property of Livent or its restricted subsidiaries on a pari passu or senior basis with the loans and commitments under the Credit Agreement, minus unrestricted cash and cash equivalents on our balance sheet as of such date, to Earnings Before Interest, Taxes, Depreciation and Amortization, as defined in the Credit Agreement, for the last four fiscal quarters ending on or before such date.

The foregoing description of the Second Amendment does not purport to be complete and is qualified in its entirety by reference to the Second Amendment and the Credit Agreement, which Second Amendment is filed as Exhibit 10.2 to our Quarterly Report on Form 10-Q for the three months ended June 30, 2020.

Covenants

The Credit Agreement contains certain affirmative and negative covenants that are binding on the Borrowers and their subsidiaries, including, among others, restrictions (subject to exceptions and qualifications) on the ability of the Borrowers and their subsidiaries to create liens, to undertake fundamental changes, to incur debt, to sell or dispose of assets, to make investments, to make restricted payments such as dividends, distributions or equity repurchases, to change the nature of their businesses, to enter into transactions with affiliates and to enter into certain burdensome agreements. Furthermore, the Borrowers are subject to financial covenants regarding leverage (measured as the ratio of debt to adjusted earnings) and interest coverage (measured as the ratio of adjusted earnings to interest expense). Our maximum allowable first lien leverage ratio is 3.5 as of December 31, 2020. Our minimum allowable interest coverage ratio is 3.5. We were in compliance with all requirements of the covenants at December 31, 2020.

Note 11: Stock-based Compensation

Livent Corporation Incentive Compensation and Stock Plan

As of December 31, 2020, the total shares of Livent common stock authorized for issuance under the Livent Corporation Incentive Compensation and Stock Plan (the "Livent Plan") is 6,290,000 shares. Effective January 8, 2021, Livent registered an additional 4,393,837 shares of Livent common stock which were authorized for issuance pursuant to the evergreen provision under the Livent Plan. The Livent Plan provides for the grant of a variety of cash and equity awards to officers, directors, employees and consultants, including stock options, restricted stock, restricted stock units (including performance units), stock appreciation rights, and management incentive awards. The Compensation and Organization Committee of the Livent Board of Directors (the “Livent Committee”) has the authority to amend the Livent Plan at any time, approve financial targets, award grants, establish performance objectives and conditions and the times and conditions for payment of awards.

Stock options granted under the Livent Plan may be incentive or non-qualified stock options. The exercise price for stock options may not be less than the fair market value of the stock at the date of grant. Awards granted under the Livent Plan vest or become exercisable or payable at the time designated by the Livent Committee. The options granted in 2020 will vest on the third anniversary of the date of grant, subject generally to continued employment, and cost is recognized over the vesting period. Incentive and non-qualified options granted under the Livent Plan expire not later than 10 years from the grant date.

Under the Livent Plan, awards of restricted stock units ("RSUs") vest over periods designated by the Livent Committee. The RSUs granted in 2020 to employees vest on the same schedule as the stock options granted in 2020. The RSUs granted to non-employee directors in 2020 vest at the Company's next annual meeting of stockholders following the grant date. Compensation cost is recognized over the vesting periods based on the market value of Livent common stock on the grant date of the award.

Conversion of FMC Corporation Incentive Compensation and Stock Plan ("FMC Plan") Awards

FMC has a share-based compensation plan, in which Lithium Business employees were eligible to participate prior to the IPO. Effective March 1, 2019 (the "Distribution Date") each outstanding FMC equity award pursuant to the FMC Plan held by a Lithium Business employee was converted into a Livent equity award ("Converted Award") pursuant to the Livent Plan. The number of Livent shares subject to each Converted Award (and in the case of stock options, the exercise price of the award) was adjusted to preserve the aggregate intrinsic value of the original FMC Plan award as measured before and after the conversion, subject to rounding. Each such Converted Award remains subject to the same terms and conditions (including vesting and payment schedules) as were applicable immediately prior to the above described conversion, except that the Converted Awards held by Lithium Business employees are not subject to any performance-based vesting conditions. Additionally, each outstanding award of FMC RSUs held by FMC employees and issued prior to 2019 was converted into Adjusted FMC RSUs which will vest in both FMC and Livent common stock shares, subject to the same terms and conditions as were applicable immediately prior to the conversion.

Stock Compensation

We recognized the following stock compensation expense for awards under the Livent Plan:

	Year Ended December 31,		
(in Millions)	2020	2019	2018
Stock Option Expense, net of taxes of $0.2, $0.4 and less than $0.1	$ 1.1	$ 1.7	$ 0.2
Restricted Stock Expense, net of taxes of $0.5, $0.8 and $0.1	2.6	2.8	0.2
Total Stock Compensation Expense, net of taxes of $0.7, $1.2 and $0.1 (1)	**$ 3.7**	**$ 4.5**	**$ 0.4**

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(1) Gross stock compensation charges of $4.1 million, $0.2 million and $0.1 million were recorded to "Selling, general and administrative expenses", "Restructuring and other charges", and "Separation-related costs", respectively, in our consolidated and combined statements of operations for the year ended December 31, 2020. Gross stock compensation charges of $4.3 million, $1.2 million and $0.2 million were recorded to "Selling, general and administrative expenses", "Restructuring and other charges", and "Separation-related costs", respectively, in our consolidated and combined statements of operations for the year ended December 31, 2019. For the year ended December 31, 2018, this expense is classified as "Selling, general and administrative expenses" in our consolidated and combined statements of operations. After the Separation, an additional $0.4 million of stock compensation expense, not included in the table above, was recorded net of taxes of $0.1 million in the fourth quarter of 2018 related to awards held by Livent employees that were issued under the FMC Corporation Incentive Compensation and Stock Plan.

Stock Options

The grant date fair values of the stock options granted in the year ended December 31, 2020, were estimated using the Black-Scholes option valuation model, the key assumptions for which are listed in the table below. The expected volatility assumption is based on the historical volatility of a group of twelve of our publicly traded peers that operate in the specialty chemical sector and five companies that have recently been spun off from larger publicly traded companies. The expected life represents the period of time that options granted are expected to be outstanding. The risk-free interest rate is based on U.S. Treasury securities with terms equal to the expected timing of stock option exercises as of the grant date. The dividend yield assumption reflects anticipated dividends on Livent's common stock. Livent stock options granted in 2020 cliff vest on the third anniversary following the grant date and expire ten years from the date of grant.

The following table contains Black Scholes valuation assumptions for stock option granted for the years ended December 31, 2020, 2019 and 2018:

	2020	2019	2018
Expected dividend yield	—%	—%	—%
Expected volatility	20.2% - 20.7%	20.1% - 21.0%	21.7%
Expected life (in years)	6.5	6.5	6.75
Risk-free interest rate	1.20% - 1.73%	1.86% - 2.55%	3.11%

The weighted-average grant date fair value of options granted during the years ended December 31, 2020, 2019 and 2018 was $2.29 per share, $3.26 and $5.23 per share, respectively.

The following table shows stock option activity, for the year ended December 31, 2020:

	Number of Options Granted But Not Exercised	Weighted-Average Remaining Contractual Life (in Years)	Weighted-Average Exercise Price Per Share	Aggregate Intrinsic Value (in Millions)
Outstanding December 31, 2019	**1,638,161**	**6.4 years**	**$ 12.38**	**$ 0.5**
Granted	309,330		$ 9.69	
Exercised	(169,273)		$ 7.23	$ 0.4
Forfeited	(23,724)		$ 14.84	
Cancelled	(29,000)		$ 9.62	
Outstanding December 31, 2020	**1,725,494**	**6.2 years**	**$ 12.45**	**$ 11.0**
Exercisable at December 31, 2020	**560,366**	**4.5 years**	**$ 8.60**	**$ 5.7**

As of December 31, 2020, we had total remaining unrecognized compensation cost related to unvested stock options of $1.7 million which will be amortized over the weighted-average remaining requisite service period of approximately 1.9 years. No stock options were exercised during the years ended December 31, 2019 and 2018.

Restricted Stock Unit Awards

The grant date fair value of RSUs under the Livent Plan is based on the market price per share of Livent's common stock on the date of grant, and the related compensation cost is amortized to expense on a straight-line basis over the vesting period during which the employees perform related services, which for the RSUs granted in 2020 is cliff vesting on the third anniversary following the grant date.

The following table shows RSU activity for the year ended December 31, 2020:

	Restricted Stock Units		
	Number of awards	Weighted-Average Grant Date Fair Value	
Nonvested December 31, 2019	**631,991**	**$**	**12.62**
Granted	249,205	$	7.31
Vested	(178,979)	$	10.27
Forfeited	(15,211)	$	12.01
Nonvested December 31, 2020	**687,006**	**$**	**11.50**

The weighted-average grant date fair value of RSUs granted during the years ended December 31, 2020, 2019 and 2018 was $7.31 per share, $11.50 per share and $16.94 per share, respectively. The intrinsic value of RSUs vested during the years ended December 31, 2020 and 2019 was $1.6 million and $0.7 million, respectively. The total fair value of RSUs vested during the years ended December 31, 2020 and 2019 was $1.7 million and $0.7 million, respectively. No RSUs vested during 2018.

As of December 31, 2020, there was total remaining unrecognized compensation cost related to unvested RSUs of $2.6 million which will be amortized over the weighted-average remaining requisite service period of approximately 1.6 years

FMC Corporation Incentive Compensation and Stock Plan ("FMC Plan")

FMC has a share-based compensation plan, in which Lithium Business employees were eligible to participate prior to the IPO. Prior to the IPO, the Lithium Business was allocated an apportioned amount of stock-based compensation expenses related to these awards based on the awards and terms previously granted to its employees as well as an allocation of FMC’s corporate employee expenses. The consolidated and combined financial statements include share-based compensation expense associated with our employees and FMC's costs that have been allocated to us based on awards and terms previously granted. The grant-date fair value of these awards is expensed over the vesting period during which employees perform related services. For the years ended December 31, 2019 and 2018, share-based compensation expense associated with the FMC Plan of $0.4 million and $2.7 million was included in the consolidated and combined financial statement, respectively.

Treatment of Outstanding Equity Awards pursuant to the FMC Plan - Effective March 1, 2019 (the "Distribution Date") each outstanding FMC equity award pursuant to the FMC Plan held by a Lithium Business employee was converted into a Livent equity award ("Converted Award") pursuant to the Livent Plan. The number of Livent shares subject to each Converted Award (and in the case of stock options, the exercise price of the award) was adjusted to preserve the aggregate intrinsic value of the original FMC Plan award as measured before and after the conversion, subject to rounding. Each such Converted Award will remain subject to the same terms and conditions (including vesting and payment schedules) as were applicable immediately prior to the above described conversion, except that the Converted Awards held by Lithium Business employees will not be subject to any performance-based vesting conditions. Additionally, each outstanding award of FMC RSUs held by FMC employees and issued prior to 2019 was converted into Adjusted FMC RSUs which will vest in both FMC and Livent common stock shares, subject to the same terms and conditions as were applicable immediately prior to the conversion.

Note 12: Equity

For the period from December 31, 2017 to December 31, 2020, the Company had 2 billion shares of common stock authorized. The following table reflects the changes in Livent's common shares issued and outstanding for each period presented:

	Issued	Treasury	Outstanding
Balance at December 31, 2017	—	—	—
Issued to FMC - transfer of Lithium Business assets	123,000,000	—	123,000,000
Initial public offering	20,000,000	—	20,000,000
Over-allotment Option Exercise	3,000,000	—	3,000,000
Balance at December 31, 2018	**146,000,000**	**—**	**146,000,000**
Adjusted FMC RSU awards (1)	5,092	—	5,092
Livent RSU awards	80,604	—	80,604
Purchases of treasury stock - deferred compensation plan	—	(104,012)	(104,012)
Balance at December 31, 2019	**146,085,696**	**(104,012)**	**145,981,684**
Adjusted FMC RSU awards (1)	131,648	—	131,648
Livent RSU awards	124,513	—	124,513
Livent stock option awards	119,392	—	119,392
Net sales of treasury stock - deferred compensation plan	—	4,744	4,744
Balance at December 31, 2020	**146,461,249**	**(99,268)**	**146,361,981**

(1) See Note 11 for more information on Adjusted FMC RSU awards held by FMC employees.

Accumulated other comprehensive loss

Summarized below is the roll forward of accumulated other comprehensive loss, net of tax.

(in Millions)	Foreign currency adjustments	Derivative Instruments (1)	Total
Accumulated other comprehensive loss, net of tax at December 31, 2017	**$ (45.6)**	**$ —**	**$ (45.6)**
Other comprehensive loss before reclassifications	(2.4)	(1.2)	(3.6)
Accumulated other comprehensive loss, net of tax at December 31, 2018	**$ (48.0)**	**$ (1.2)**	**$ (49.2)**
Other comprehensive income before reclassifications	(0.3)	—	(0.3)
Amounts reclassified from accumulated other comprehensive loss	—	1.2	1.2
Accumulated other comprehensive loss, net of tax at December 31, 2019	**$ (48.3)**	**$ —**	**$ (48.3)**
Other comprehensive income before reclassifications	3.9	—	3.9
Accumulated other comprehensive loss, net of tax at December 31, 2020	**$ (44.4)**	**$ —**	**$ (44.4)**

(1) See Note 14 for more information.

Reclassifications of accumulated other comprehensive loss

The table below provides details about the reclassifications from accumulated other comprehensive loss and the affected line items in the consolidated and combined statements of income for each of the periods presented.

Details about Accumulated Other Comprehensive Loss Components	Amounts Reclassified from Accumulated Other Comprehensive Loss (1)	Affected Line Item in the Consolidated and Combined Statements of Income
(in Millions)	Year ended December 31, 2019	
Derivative instruments		
Foreign currency contracts	$ 1.3	Costs of sales
Total before tax	**1.3**	
	(0.1)	Provision for income taxes
Amount included in net income	**$ 1.2**	
Total reclassifications for the period	**$ 1.2**	Amount included in net income

(1) Amounts in parentheses indicate charges to the consolidated and combined statements of income. No amounts were reclassified for the years ended December 31, 2020 and 2018.

Dividends

For the years ended December 31, 2020, 2019 and 2018, we paid no dividends. We do not expect to pay any dividends in the foreseeable future.

Note 13: (Loss)/Earnings Per Share

(Loss)/earnings per common share ("EPS") is computed by dividing net (loss)/income by the weighted average number of common shares outstanding during the period on a basic and diluted basis.

Our potentially dilutive securities include potential common shares related to our stock options and restricted stock units granted in connection with the IPO. See Note 11 for further information regarding the IPO Awards. Diluted (loss)/earnings per share (“Diluted EPS”) considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect. Diluted EPS excludes the impact of potential common shares related to our stock options in periods in which the option exercise price is greater than the average market price of our common stock for the period. We use the if-converted method when calculating the potential dilutive effect of our 2025 Notes.

The weighted average common shares outstanding for both basic and diluted (loss)/earnings per share for periods prior to the Separation date was calculated, in accordance with ASC 260, Earnings Per Share (ASC 260), using 123 million shares of common stock outstanding, which reflects the number of shares held by FMC prior to the IPO.

In connection with our IPO, we issued 20 million shares of our common stock to the public at a public offering price of $17.00 per share. The IPO closed on October 15, 2018. On November 13, 2018 the Company closed on the sale of an additional 3 million shares of its common stock pursuant to the exercise of the over-allotment option. In accordance with ASC 260, the 23 million shares issued in connection with the IPO and Over-allotment Option Exercise will be included in earnings per share calculations for periods subsequent to the closing of the IPO and Over-allotment Option Exercise and are not included in the earning per share calculations for periods prior to the closing of the IPO and Over-allotment Option Exercise.

(Loss)/earnings applicable to common stock and common stock shares used in the calculation of basic and diluted (loss)/earnings per share are as follows:

	Year Ended December 31,		
(in Millions, Except Per Share Data)	2020	2019	2018
Numerator:			
Net (loss)/income	$ (18.9)	$ 50.2	$ 126.6
Denominator:			
Weighted average common shares outstanding - basic	146.2	146.0	127.7
Dilutive share equivalents from share-based plans (1)	—	0.4	—
Weighted average common shares outstanding - diluted	146.2	146.4	127.7
Basic (loss)/earnings per common share:			
Net (loss)/income per weighted average share - basic	**$ (0.13)**	**$ 0.34**	**$ 0.99**
Diluted (loss)/earnings per common share:			
Net (loss)/income per weighted average share - diluted	**$ (0.13)**	**$ 0.34**	**$ 0.99**

(1) For the year ended December 31, 2020, weighted average dilutive share equivalents associated with the 2025 Notes of 15.1 million were excluded from the diluted shares outstanding calculation because the result would have been antidilutive. The issuance of the 2025 Notes is further discussed in Note 10. Dilutive share equivalents related to outstanding RSU awards for 2018 were less than 0.1 million.

Anti-dilutive stock options

For the years ended December 31, 2020, 2019 and 2018, options to purchase 1,684,731 shares of our common stock at an average exercise price of $13.13 per share, 1,127,253 shares of our common stock at an average exercise price of $14.43 per share and 716,256 shares of our common stock at an average exercise price of $16.99 per share, respectively, were anti-dilutive and not included in the computation of diluted earnings per share because the exercise price of the options was greater than the average market price of the common stock for the full year.

Additional dilution - the FMC Plan

FMC has a share-based compensation plan, in which Lithium Business employees were eligible to participate prior to the IPO. Effective March 1, 2019 (the "Distribution Date"), each outstanding FMC equity award pursuant to the FMC Plan held by a Lithium Business employee was converted into a Livent equity award ("Converted Award") pursuant to the Livent Plan. The number of Livent shares subject to each Converted Award (and in the case of stock options, the exercise price of the award) was adjusted to preserve the aggregate intrinsic value of the original FMC Plan award as measured before and after the conversion, subject to rounding. Additionally, each outstanding award of FMC RSUs held by FMC employees and issued prior to 2019 was converted into Adjusted FMC RSUs which will vest in both FMC and Livent common stock shares, subject to the same terms and conditions as were applicable immediately prior to the conversion. See Note 11 for more information on the FMC Plan. There were 0.4 million and 0.3 million incremental shares related to the Converted Awards and Adjusted FMC RSUs that were included for diluted (loss)/earnings per share for the year ended December 31, 2020 and 2019, respectively.

Note 14: Financial Instruments, Risk Management and Fair Value Measurements

Our financial instruments include cash and cash equivalents, trade receivables, other current assets, investments held in trust fund, accounts payable, and amounts included in accruals meeting the definition of financial instruments. Investments in the Livent NQSP deferred compensation plan trust fund are considered Level 1 investments based on readily available quoted prices in active markets for identical assets. The carrying value of cash and cash equivalents, trade receivables, other current assets, and accounts payable approximates their fair value and are considered Level 1 investments. Our other financial instruments include the following:

Financial Instrument	Valuation Method
Foreign exchange forward contracts	Estimated amounts that would be received or paid to terminate the contracts at the reporting date based on current market prices for applicable currencies.

The estimated fair value of our foreign exchange forward contracts have been determined using standard pricing models which take into account the present value of expected future cash flows discounted to the balance sheet date. These standard pricing models utilize inputs derived from, or corroborated by, observable market data such as interest rate yield curves and currency and commodity spot and forward rates. In addition, we test a subset of our valuations against valuations received from the transaction's counterparty to validate the accuracy of our standard pricing models. Accordingly, the estimates presented may not be indicative of the amounts that we would realize in a market exchange at settlement date and do not represent potential gains or losses on these agreements.

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 (exit price). The inputs used to measure fair value are classified into the following hierarchy:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Unadjusted quoted prices in active markets for similar assets or liabilities, or unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3 - Unobservable inputs for the asset or liability.

The estimated fair value and the carrying amount of debt was $267.6 million and $236.7 million, respectively, as of December 31, 2020. Our 2025 Notes are classified as Level 2 in the fair value hierarchy. The estimated fair value and the carrying amount of debt was $154.6 million as of December 31, 2019.

Use of Derivative Financial Instruments to Manage Risk

We mitigate certain financial exposures connected to currency risk through a program of risk management that includes the use of derivative financial instruments. We enter into foreign exchange forward contracts to reduce the effects of fluctuating foreign currency exchange rates.

We formally document all relationships between hedging instruments and hedged items, as well as the risk management objective and strategy for undertaking various hedge transactions. This process includes relating derivatives that are designated as fair value or cash flow hedges to specific assets and liabilities on the balance sheet or to specific firm commitments or forecasted transactions. We also assess both at the inception of the hedge and on an ongoing basis, whether each derivative is highly effective in offsetting changes in fair values or cash flows of the hedged item. If we determine that a derivative is not highly effective as a hedge, or if a derivative ceases to be a highly effective hedge, we discontinue hedge accounting with respect to that derivative prospectively.

Foreign Currency Exchange Risk Management

We conduct business in many foreign countries, exposing earnings, cash flows, and our financial position to foreign currency risks. The majority of these risks arise as a result of foreign currency transactions. The primary currencies for which we have exchange rate exposure are the Euro, the British pound, the Chinese yuan, the Argentine peso, and the Japanese yen. We currently do not hedge foreign currency risks associated with the Argentine peso due to the limited availability and the high cost of suitable derivative instruments. Our policy is to minimize exposure to adverse changes in currency exchange rates. This is accomplished through a controlled program of risk management that could include the use of foreign currency debt and forward foreign exchange contracts. We also use forward foreign exchange contracts to hedge firm and highly anticipated foreign currency cash flows, with an objective of balancing currency risk to provide adequate protection from significant fluctuations in the currency markets.

Concentration of Credit Risk

Our counterparties to derivative contracts are primarily major financial institutions. We limit the dollar amount of contracts entered into with any one financial institution and monitor counterparties' credit ratings. We also enter into master netting agreements with each financial institution, where possible, which helps mitigate the credit risk associated with our financial instruments. While we may be exposed to credit losses due to the nonperformance of counterparties, we consider this risk remote.

Accounting for Derivative Instruments and Hedging Activities

Cash Flow Hedges

We recognize all derivatives on the balance sheet at fair value. On the date we enter into the derivative instrument, we generally designate the derivative as a hedge of the variability of cash flows to be received or paid related to a forecasted transaction (cash flow hedge). We record in Accumulated Other Comprehensive Income ("AOCI") changes in the fair value of derivatives that are designated as and meet all the required criteria for, a cash flow hedge. We then reclassify these amounts into earnings as the underlying hedged item affects earnings. In contrast we immediately record in earnings changes in the fair value of derivatives that are not designated as cash flow hedges. As of December 31, 2020 and 2019, we did not have any open derivative cash flow hedge contacts.

Derivatives Not Designated As Cash Flow Hedging Instruments

We hold certain forward contracts that have not been designated as cash flow hedging instruments for accounting purposes. Contracts used to hedge the exposure to foreign currency fluctuations associated with certain monetary assets and liabilities are not designated as cash flow hedging instruments and changes in the fair value of these items are recorded in earnings.

We had open forward contracts not designated as cash flow hedging instruments for accounting purposes with various expiration dates to buy, sell or exchange foreign currencies with a U.S. dollar equivalent of approximately $36.9 million at December 31, 2020.

Fair Value of Derivative Instruments

The Company had no open derivative cash flow hedge contracts as of December 31, 2020 and 2019. The following tables summarize the gains or losses related to our cash flow hedges and derivatives not designated as cash flow hedging instruments. The Company had no open derivative cash flow hedge contracts as of December 31, 2020 and 2019.

Derivatives in Cash Flow Hedging Relationships

(in Millions)	Total Foreign Exchange Contracts
Accumulated other comprehensive loss, net of tax at December 31, 2018	**$ (1.2)**
Reclassification of deferred hedging losses, net of tax [(1)]	1.2
Total derivative instrument impact on comprehensive income, net of tax	1.2
Accumulated other comprehensive loss, net of tax at December 31, 2019	**$ —**

(1) Amounts are included in "Cost of sales" on the consolidated and combined statements of income.

Derivatives Not Designated as Cash Flow Hedging Instruments

(in Millions)	Location of Gain or (Loss) Recognized in Income on Derivatives	Amount of Pre-tax Gain or (Loss) Recognized in Income on Derivatives [(1)] Year Ended December 31, 2020	2019	2018
Foreign Exchange contracts	Cost of sales [(2)]	$ (1.7)	$ (1.2)	$ (0.6)
Total		**$ (1.7)**	**$ (1.2)**	**$ (0.6)**

(1) Amounts in the columns represent the gain or loss on the derivative instrument offset by the gain or loss on the hedged item.

(2) A loss of $0.1 million, gain of $0.1 million, and gain of $0.2 million related to intercompany loan hedges is included in Restructuring and other charges in the consolidated and combined statement of operations for the years ended December 31, 2020, 2019 and 2018, respectively.

Fair-Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market participants are defined as buyers or sellers in the principle or most advantageous market for the asset or liability that are independent of the reporting entity, knowledgeable and able and willing to transact for the asset or liability.

Fair-Value Hierarchy

We have categorized our assets and liabilities that are recorded at fair value, based on the priority of the inputs to the valuation technique, into a three-level fair-value hierarchy. The fair-value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the assets and liabilities fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair-value measurement of the instrument.

Recurring Fair Value Measurements

The following tables present our fair-value hierarchy for those assets and liabilities measured at fair-value on a recurring basis in our consolidated balance sheets as of December 31, 2020 and 2019.

(in Millions)	December 31, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments in deferred compensation plan [1]	$ 2.6	$ 2.6	$ —	$ —
Total Assets	$ 2.6	$ 2.6	$ —	$ —
Liabilities				
Deferred compensation plan obligation [2]	$ 4.5	$ 4.5	$ —	$ —
Total Liabilities	$ 4.5	$ 4.5	$ —	$ —

(in Millions)	December 31, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments in deferred compensation plan[1]	$ 1.6	$ 1.6	$ —	$ —
Total Assets	**$ 1.6**	**$ 1.6**	**$ —**	**$ —**
Liabilities				
Deferred compensation plan obligation [2]	$ 2.5	$ 2.5	$ —	$ —
Total Liabilities	**$ 2.5**	**$ 2.5**	**$ —**	**$ —**

(1) Balance is included in “Other assets” in the consolidated balance sheets. Livent NQSP investments in Livent common stock are recorded as "Treasury stock" in the consolidated balance sheets and carried at historical cost. A mark-to-market loss of $1.0 million and $0.1 million related to the Livent common stock was recorded in "Selling, general and administrative expense" in the consolidated and combined statements of operations for the years ended December 31, 2020 and December 31, 2019, respectively, with a corresponding offset to the deferred compensation plan obligation in the consolidated balance sheets.

(2) Balance is included in “Other long-term liabilities” in the consolidated balance sheets.

(3) See the Fair Value of Derivative Instruments table within this Note for classifications on our consolidated balance sheets.

Note 15: Commitments and Contingencies

Commitments

Leases

All of our leases are operating leases as of December 31, 2020. We have operating leases for corporate offices, manufacturing facilities, and land. Our leases have remaining lease terms of 2 years to 15 years. Quantitative disclosures about our leases under ASC 842 for the years ended December 31, 2020 and 2019 are summarized in the table below.

	Year ended December 31,	
(in Millions)	**2020**	**2019**
Lease Cost		
Operating lease cost [(1)]	$ 2.2	$ 2.2
Short-term lease cost	0.5	—
Variable lease cost [(1)]	0.2	0.2
Sublease income	—	(0.3)
Total lease cost [(1)]	$ 2.9	$ 2.1
Other information		
Cash paid for amounts included in the measurement of lease liabilities:		
Cash paid for operating leases	$ 2.1	$ 1.6

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(1) Lease expense is classified as "Selling, general and administrative expenses" in our consolidated and combined statements of operations.

Under ASC 840, the Company's operating lease rent expense was $1.5 million for the year ended December 31, 2018. As of December 31, 2020, our operating leases had a weighted average remaining lease term of 11.7 years and a weighted average discount rate of 4.4%.

The table below presents a maturity analysis of our operating lease liabilities for each of the next five years and a total of the amounts for the remaining years.

(in Millions)	**Undiscounted cash flows**
2021	$ 2.0
2022	2.0
2023	1.8
2024	1.8
2025	1.8
Thereafter	11.2
Total future minimum lease payments	20.6
Less: Imputed interest	(4.4)
Total	$ 16.2

Contingencies

We are a party to various legal proceedings, including those noted in this section. Livent records reserves for estimated losses from contingencies when information available indicates that a loss is probable and the amount of the loss, or range of loss, can be reasonably estimated. As additional information becomes available, management adjusts its assessments and estimates. Legal costs are expensed as incurred.

In addition to the legal proceedings noted below, we have certain contingent liabilities arising in the ordinary course of business. Some of these contingencies are known but are so preliminary that the merits cannot be determined, or if more advanced, are not deemed material based on current knowledge; and some are unknown - for example, claims with respect to which we have no notice or claims which may arise in the future from products sold, guarantees or warranties made, or indemnities provided. Therefore, we are unable to develop a reasonable estimate of our potential exposure of loss for these contingencies, either individually or in the aggregate, at this time. There can be no assurance that the outcome of these contingencies will be favorable, and adverse results in certain of these contingencies could have a material adverse effect on the consolidated financial position, results of operations in any one reporting period, or liquidity.

IPO Securities Litigation

Beginning on May 13, 2019, purported stockholders of the Company filed putative class action complaints in the Pennsylvania Court of Common Pleas, Philadelphia County, and in the U.S. District Court for the Eastern District of Pennsylvania, in connection with the Company’s October 2018 IPO. On August 20, 2019, the actions then pending in federal court were consolidated under the caption, Nikolov v. Livent Corp., et al., No. 19-cv-02218. In an order entered on September 23, 2019, the actions then pending in state court were consolidated under the caption, In re Livent Corporation Securities Litigation, No. 2019-0501229. The operative complaints in both the state and federal actions assert claims against the Company and certain of its current and former executives and directors in connection with the Company’s October 2018 IPO. The actions also name as defendants the underwriters in the IPO and FMC Corporation, whom the Company is generally obligated to indemnify. The complaints allege generally that the offering documents for the IPO failed to adequately disclose certain information related to the Company’s business and prospects, in purported violation of Sections 11, 12(a)(2), and/or 15 of the Securities Act. The complaints seek unspecified damages and other relief on behalf of all persons and entities who purchased or otherwise acquired Livent common stock pursuant and/or traceable to the IPO offering documents. On October 11, 2019, defendants moved to dismiss the state action in its entirety, and on November 18, 2019, defendants moved to dismiss the federal action in its entirety. On June 29, 2020, the state court denied the motion to dismiss the state action, while on July 2, 2020, the federal court granted the motion to dismiss the federal action in its entirety. On July 7, 2020, in light of the federal court’s decision, defendants filed a motion for reconsideration of the state court’s denial of the motion to dismiss the state action. On July 29, 2020, defendants filed a motion seeking permission to appeal the state court’s order denying defendant’s motion to dismiss. On July 31, 2020, plaintiffs in the federal action filed a notice of appeal.

On October 27, 2020, defendants entered into a stipulation of settlement with the state court plaintiffs to pay $7.4 million to resolve all claims related to the IPO. On October 29, 2020, the state court plaintiffs filed a motion seeking preliminary approval of the settlement. Preliminary approval was granted on December 22, 2020 and the final approval court hearing is scheduled for April 15, 2021. If approved, the settlement would resolve all pending litigation relating to the IPO, including the claims in both the state and federal actions. All deadlines in the state and federal actions are currently stayed in light of the settlement.

As of December 31, 2020, the Company has accrued a net loss contingency of $2.0 million, consisting of a $7.4 million settlement accrued liability offset by a $5.4 million insurance reimbursement receivable, in connection with the pending settlement.

Nemaska arrangement

In October 2016, we entered into a long-term supply agreement (the “Agreement”) with Nemaska Lithium Shawinigan Transformation Inc. (“Nemaska”), a subsidiary of Nemaska Lithium Inc. based in Quebec, Canada. Pursuant to the Agreement, Nemaska was to provide lithium carbonate to us. Due to significant delays, Nemaska reported that it was not in a position to start delivering lithium carbonate according to the schedule in the Agreement. To enforce our right to supply under the Agreement, in July 2018, we filed for arbitration before the International Chamber of Commerce (in accordance with the Agreement’s terms).

On December 22, 2019, Nemaska, Nemaska Lithium Inc. and certain affiliates filed for creditor protection in Canada under the Companies’ Creditors Arrangement Act (the "CCAA") in the Superior Court of Québec (the “CCAA Court”). By order of the CCAA Court, the arbitration was stayed until further order of the CCAA Court. Nemaska did not assert any counterclaims against us in the context of the arbitration, nor any claim before the CCAA Court or otherwise, and we were not aware of any basis for Nemaska to assert any claims against us.

On May 29, 2020, we filed an application (the “Application”) with the CCAA Court to obtain remittance of US $20 million held in escrow by a third party for the benefit of Livent (the “Escrow Funds”), composed of: (i) US $10 million corresponding to the reimbursement of a payment made by Livent under the Agreement and (ii) US $10 million corresponding to a termination penalty under the Agreement. On the same day, we also filed an appeal of a Notice of Disallowance, filed by the Monitor in the CCAA Court, which had partially disallowed our previously filed proofs of claim against Nemaska and Nemaska Lithium Inc.

On June 22, 2020, we acknowledged the termination of the Agreement, withdrew our arbitration claims with prejudice, and requested the remittance of the Escrow Funds.

On August 24, 2020, Nemaska Lithium Inc. announced that it had accepted a sale proposal structured as a credit bid under the CCAA from a group made up of Orion Mine Finance, Investissement Quebec and The Pallinghurst Group (The Pallinghurst Group acting through a new entity named Quebec Lithium Partners; the "Nemaska Transaction"). In connection with the consummation of the Nemaska Transaction, Livent agreed to settle its claims against Nemaska Lithium Inc. and agreed to withdraw its Application before the CCAA Court in exchange for payment of an agreed upon portion of the Escrow Funds (subject to the final determination of any appeals).

On October 15, 2020, the Nemaska Transaction was approved by the CCAA Court pursuant to an approval and vesting order. Appeals of this order were filed with the Quebec Court of Appeals by two creditors of Nemaska, and were subsequently dismissed. These creditors have sought leave to appeal to the Supreme Court of Canada and judgment is pending.

Livent has entered into agreements with The Pallinghurst Group relating to Quebec Lithium Partners (a joint venture owned equally by The Pallinghurst Group and Livent) and the conduct of certain business operations previously conducted by Nemaska Lithium Inc.

Argentine Customs Authority

On July 31, 2020, we received notice from the Argentine Customs Authority that it was conducting an audit of Minera del Altiplano SA, our subsidiary in Argentina (“MdA”). The audit relates to the export of Lithium Carbonate from Argentina for the period January 10, 2015 through December 31, 2017. Although this relates to a period of time when MdA was a subsidiary of FMC, the Company agreed to bear any possible liability for this matter under the terms of the Tax Matters Agreement that it entered into with FMC at the Separation Date. At this point, a range of reasonably possible liabilities, if any, cannot be estimated by the Company.

Note 16: Supplemental Information

The following tables present details of prepaid and other current assets, other assets, accrued and other liabilities and other long-term liabilities as presented on the consolidated balance sheets:

	December 31,	
(in Millions)	**2020**	**2019**
Prepaid and other current assets		
Argentina government receivable [1]	$ 10.8	$ 7.8
Tax related items	15.7	14.1
Other receivables	8.6	9.9
Prepaid expenses	8.2	9.2
Bank Acceptance Drafts [2]	0.2	7.4
Other current assets [3]	12.8	3.4
Total	**$ 56.3**	**$ 51.8**

	December 31,	
(in Millions)	**2020**	**2019**
Other assets		
Argentina government receivable [1]	$ 55.8	$ 55.0
Advance to contract manufacturers [4]	16.3	15.9
Capitalized software, net	1.8	1.1
Prepayment associated with long-term supply agreement [5]	—	10.0
Tax related items [6]	2.7	3.6
Other long-term assets	11.8	5.9
Total	**$ 88.4**	**$ 91.5**

(1) We have various subsidiaries that conduct business within Argentina. At December 31, 2020 and 2019, $39.5 million and $38.0 million of outstanding receivables due from the Argentina government, which primarily represent export tax and export rebate receivables, were denominated in U.S. dollars. As with all outstanding receivable balances we continually review recoverability by analyzing historical experience, current collection trends and regional business and political factors among other factors.
(2) Bank Acceptance Drafts are a common Chinese finance note used to settle trade transactions. Livent accepts these notes from Chinese customers based on criteria intended to ensure collectability and limit working capital usage.
(3) December 31, 2020 includes a $5.4 million receivable for insurance reimbursement related to the IPO litigation settlement which was netted with the IPO litigation settlement accrual in "Restructuring and other" in the consolidated and combined statement of operations (See Note 7 and Note 15 for details).
(4) We record deferred charges related to certain contract manufacturing agreements which we amortize over the term of the underlying contract.
(5) See Note 15 for further discussion about Nemaska arrangement and long-term supply agreement settlement.
(6) Represents an offsetting non-current deferred asset of $2.7 million relating to specific uncertain tax positions and other tax related items. See footnote (1) of the reconciliation table of the beginning and ending amount of unrecognized tax benefits within Note 9 for more information.

	December 31,	
(in Millions)	**2020**	**2019**
Accrued and other current liabilities		
Restructuring reserves	$ 3.2	$ 3.3
Severance	2.5	—
Retirement liability - 401K	2.6	2.7
Accrued payroll	12.5	6.7
Environmental reserves, current	0.6	0.5
Other accrued and other current liabilities[1]	15.3	23.2
Total	**$ 36.7**	**$ 36.4**

	December 31,	
(in Millions)	**2020**	**2019**
Other long-term liabilities		
Asset retirement obligations	$ 0.3	$ 0.2
Contingencies related to uncertain tax positions [2]	3.4	4.1
Deferred compensation plan obligation	4.5	2.5
Self insurance reserves	1.5	1.9
Accrued investment in unconsolidated affiliate	6.2	—
Other long-term liabilities	1.3	1.3
Total	**$ 17.2**	**$ 10.0**

(1) December 31, 2020 includes a $7.4 million settlement accrual related to IPO litigation. See Note 15 for details about IPO litigation settlement. 2020 and 2019 amounts include accrued capital expenditures related to our expansion projects.
(2) At December 31, 2020, we have recorded a liability for uncertain tax positions of $3.0 million and a $0.4 million indemnification liability to FMC for assets where the offsetting uncertain tax position is with FMC.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors Livent Corporation:

Opinion on the Consolidated and Combined Financial Statements

We have audited the accompanying consolidated balance sheets of Livent Corporation and subsidiaries (the Company) as of December 31, 2020 and 2019, the related consolidated and combined statements of operations, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2020, and the related notes (collectively, the consolidated and combined financial statements). In our opinion, the consolidated and combined financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 26, 2021 expressed an unqualified opinion on the effectiveness of the Company’s internal control over financial reporting.

Changes in Accounting Principles

As discussed in Notes 2 and 3 to the consolidated and combined financial statements, the Company changed its method of accounting for leases as of January 1, 2019 due to the adoption of Financial Accounting Standard Boards’s Accounting Standards Codification (ASC) Topic 842, Leases.

Basis for Opinion

These consolidated and combined financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated and combined financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated and combined financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated and combined financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated and combined financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated and combined financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

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

Assessment of uncertain tax positions

As discussed in Note 9 to the consolidated and combined financial statements, the Company has recorded unrecognized tax benefits of $2.7 million as of December 31, 2020. This balance primarily relates to tax positions from periods prior to the Company’s initial public offering in 2018 and for which the Company is indemnified for by its former parent, FMC Corporation.

We identified the assessment of the Company’s unrecognized tax benefits, other than those that are indemnified by the Company’s former parent, as a critical audit matter. This is due to the complex auditor judgment that was required in evaluating the Company’s interpretation of tax laws in the international jurisdictions in which the Company operates, its intercompany charges and cross-jurisdictional transfer pricing (collectively “intercompany pricing”) policies, and its estimate of the ultimate resolution of the tax positions.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the critical audit matter. This included certain controls related to the interpretation of tax law and related to intercompany pricing policies. We also tested certain controls related to the application of tax law and intercompany pricing policies in the liability estimation process. Since tax laws, as well as intercompany pricing, are complex and often subject to interpretation, we involved tax and transfer pricing professionals with specialized skills and knowledge, who assisted in:

– evaluating the Company’s interpretation of tax law and the potential impact of intercompany pricing policies on the unrecognized tax benefits
– assessing intercompany pricing studies for compliance with applicable laws and regulations
– assessing the reliability of the data used in the intercompany pricing studies
– inspecting settlement documents with applicable taxing authorities, and assessing the expiration of statutes of limitations
– assessing the amounts recognized in the financial statements to check that they are consistent with the amounts determined for the related uncertain tax positions.

In addition, we evaluated the Company’s ability to accurately estimate its unrecognized tax benefits by comparing historical unrecognized tax benefits to actual results upon conclusion of tax examinations or expiration of the statute of limitations.

/s/ **KPMG LLP**

We have served as the Company’s auditor since 2017.

Philadelphia, Pennsylvania

February 26, 2021

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Exchange Act Rule 13a-15(f). Livent's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. Internal control over financial reporting includes those written policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of Livent;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles;
- provide reasonable assurance that receipts and expenditures of Livent are being made only in accordance with authorization of management and directors of Livent; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements.

Internal control over financial reporting includes the controls themselves, monitoring and internal auditing practices and actions taken to correct deficiencies as identified.

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

We assessed the effectiveness of our internal control over financial reporting as of December 31, 2020. We based this assessment on criteria for effective internal control over financial reporting described in "Internal Control—Integrated Framework (COSO 2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Management's assessment included an evaluation of the design of our internal control over financial reporting and testing of the operational effectiveness of our internal control over financial reporting. We reviewed the results of our assessment with the Audit Committee of our Board of Directors.

Based on this assessment, we determined that, as of December 31, 2020, Livent has effective internal control over financial reporting.

KPMG LLP, our independent registered public accounting firm, has issued an attestation report on the effectiveness of internal control over financial reporting as of December 31, 2020, which appears on the following page.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Livent Corporation:

Opinion on Internal Control Over Financial Reporting

We have audited Livent Corporation and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2020 and 2019, the related consolidated and combined statements of operations, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2020, and the related notes (collectively, the consolidated and combined financial statements), and our report dated February 26, 2021 expressed an unqualified opinion on those consolidated and combined financial statements.

Basis for Opinion

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

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

/s/ **KPMG LLP**

Philadelphia, Pennsylvania

February 26, 2021

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures. Based on management's evaluation (with the participation of the Company's Chief Executive Officer and Chief Financial Officer), the Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) are effective to provide reasonable assurance that information required to be disclosed by the Company in reports filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

(b) Management's Annual Report on Internal Control over Financial Reporting. Refer to Management's Report on Internal Control Over Financial Reporting which is included in Item 8 of Part II of this Annual Report on Form 10-K and is incorporated by reference to this Item 9A.

(c) Attestation Report of the Independent Registered Public Accounting Firm. Refer to Report of Independent Registered Public Accounting Firm which is included in Item 8 of Part II of this Annual Report on Form 10-K and is incorporated by reference to this Item 9A.

(d) Change in Internal Controls over Financial Reporting. There have been no changes in internal controls over financial reporting that occurred during the quarter ended December 31, 2020 that materially affected or are reasonably likely to materially affect our internal control over financing reporting.

ITEM 9B. OTHER INFORMATION

The Livent Corporation Executive Severance Plan (the "Plan") provides severance benefits to certain executives that have a qualifying termination within 24 months following a change in control of the Company. The Plan was amended on February 22, 2021, to enhance the severance benefits provided thereunder, by adding a severance payout in an amount equal to one time (for Tier III participants), two times (for Tier II participants) or three times (for Tier I participants) the annual Company contribution made on the executive's behalf to the Livent Savings and Investment Plan and Livent Non-qualified Savings Plan immediately prior to the change in control. Each participating executive is designated to be a Tier I, Tier II or Tier III participant in accordance with the Plan. With respect to our executive officers identified in Item 4A of this Annual Report on Form 10-K, Paul W. Graves, President, Chief Executive Officer and Director, and Gilberto Antoniazzi, Vice President and Chief Financial Officer, are each designated as Tier I participants, and Sara Ponessa, Vice President, General Counsel and Secretary, is designated as a Tier II participant. Each participant under the Plan has executed an updated executive severance agreement under the Plan consistent with the above.

On February 22, 2021, the Compensation Committee of the Board of Directors of the Company granted 57,740 restricted stock units ("RSUs") to Mr. Graves, 15,357 RSUs to Mr. Antoniazzi and 10,285 RSUs to Ms. Ponessa, and a non-qualified stock option (an "NQO") to purchase 200,512 shares to Mr. Graves, an NQO to purchase 53,328 shares to Mr. Antoniazzi, and an NQO to purchase 35,717 shares to Ms. Ponessa. The RSUs will vest and the NQOs will become exercisable on the third anniversary of the grant date, subject to the executive's continued service. In addition, upon the earlier occurrence of a change in control (if the award is not assumed or continued), or the executive's death, disability, or involuntary termination within two years following a change in control, the RSUs will vest and the NQOs will become exercisable. The RSUs will also vest on a pro rata basis upon an involuntary termination that does not occur in connection with a change in control. The executive must execute a release of claims in order to vest into the awards on an accelerated basis upon disability or an involuntary termination.

In consultation with its independent compensation consultant, the Compensation Committee used a peer group of comparable companies as a reference point in determining the sizing of these grants. The grants set long-term incentive award values that the Compensation Committee believes are aligned with competitive market levels for comparable positions at the peer companies and reflective of performance and contribution level of the executives. A more fulsome description of the Compensation Committee's determinations with respect to these grants will be included in the Company's annual proxy statement in 2022.

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information concerning directors, appearing under the caption "III. Board of Directors" in our Proxy Statement to be filed with the SEC in connection with the Annual Meeting of Stockholders scheduled to be held on April 29, 2021 (the "Proxy Statement"), information concerning executive officers, appearing under the caption "Item 4A. Executive Officers of the Registrant" in Part I of this Form 10-K, information concerning the Audit Committee, appearing under the caption "IV. Information About the Board of Directors and Corporate Governance - Committees and Independence of Directors - Audit Committee" in the Proxy Statement, and information concerning the Code of Ethics, appearing under the caption "IV. Information About the Board of Directors and Corporate Governance - Corporate Governance - Code of Ethics and Business Conduct Policy" in the Proxy Statement, and is incorporated herein by reference in response to this Item 10.

ITEM 11. EXECUTIVE COMPENSATION

The information contained in the Proxy Statement in the section titled "VI. Executive Compensation" with respect to executive compensation, in the section titled "IV. Information About the Board of Directors and Corporate Governance—Director Compensation" and "—Corporate Governance—Compensation and Organization Committee Interlocks and Insider Participation" is incorporated herein by reference in response to this Item 11.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information contained in the section titled "V. Security Ownership of Livent Corporation" in the Proxy Statement, with respect to security ownership of certain beneficial owners and management, is incorporated herein by reference in response to this Item 12.

Equity Compensation Plan Information

The table below sets forth information with respect to compensation plans under which equity securities of Livent are authorized for issuance as of December 31, 2020. All of the equity compensation plans pursuant to which we are currently granting equity awards have been approved by stockholders.

Plan Category	Number of Securities to be issued upon exercise of outstanding options and restricted stock units (A) (1)	Weighted-average exercise price of outstanding options awards (B) (2)	Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (A)) (C) (3)
Equity Compensation Plans approved by stockholders	3,579,841	$ 12.45	2,710,159

(1) Includes 1,973,020 stock options and 452,701 Restricted Stock Units granted to Livent employees, 235,498 Restricted Stock Units held by Livent non-employee directors and 918,622 Restricted Stock Units held by FMC personnel but subject to settlement in Livent common stock as a result of the bifurcation of certain FMC equity awards in connection with the Distribution.

(2) Taking into account all outstanding awards included in this table, the weighted-average exercise price of such stock options is $12.45 and the weighted-average term-to-expiration is 6.2 years.

(3) The Livent Plan contains an "evergreen" provision, pursuant to which the number of shares of Livent common stock available for issuance under the Livent Plan will be increased by an amount equal to the lesser of (a) 3% of the number of issued and outstanding shares of common stock as of January 1 of each year or (b) such other number of shares of common stock as determined by the Board of Directors in its discretion. On January 8, 2021, the Company registered 4,393,837 additional shares of Livent common stock which were authorized for issuance pursuant to the evergreen provision under the Livent Plan. Any shares underlying the evergreen provision pool cannot be granted pursuant to new awards after December 31, 2028.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information contained in the Proxy Statement concerning our independent directors and related party transactions under the caption “IV. Information About the Board of Directors and Corporate Governance—Committees and Independence of Directors” and the information contained in the Proxy Statement concerning our related party transactions policy, appearing under the caption “IV. Information About the Board of Directors and Corporate Governance—Corporate Governance—Related Party Transactions Policy,” is incorporated herein by reference in response to this Item 13.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information contained in the Proxy Statement in the section titled "II. The Proposals to be Voted On—Ratification of Appointment of Independent Registered Public Accounting Firm" is incorporated herein by reference in response to this Item 14.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Documents filed with this Report

1. Consolidated and combined financial statements of Livent Corporation and its subsidiaries are incorporated under Item 8 of this Form 10-K.

The schedules not included herein are omitted because they are not applicable or the required information is presented in the financial statements or related notes.

2. Exhibits: See attached Index of Exhibits

(b) Exhibits

Exhibit No.	Exhibit Description
*3.1	Certificate of Incorporation of Livent Corporation (Exhibit 3.1 to Amendment No. 1 to the Registrant's Registration Statement on Form S-1/A filed on October 1, 2018 (the "2018 Form S-1/A"))
*3.2	By-Laws of Livent Corporation (Exhibit 3.2 to the 2018 Form S-1/A)
*4.1	Form of Common Stock Certificate (Exhibit 4.1 to the 2018 Form S-1/A)
4.2	Description of Common Stock
*4.3	Indenture, dated as of June 25, 2020, between Livent Corporation and U.S. Bank National Association. (Exhibit 4.1 to Current Report on Form 8-K filed on June 25, 2020)
*4.4.	Form of 4.125% Convertible Senior Notes due 2025 (Exhibit 4.2 to Current Report on Form 8-K filed on June 25, 2020)
*10.1	Separation and Distribution Agreement, dated as of October 15, 2018, by and between Livent Corporation and FMC Corporation (Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on October 15, 2018 (the "October 15, 2018 Form 8-K"))
*10.2	Transition Services Agreement, dated as of October 15, 2018, by and between Livent Corporation and FMC Corporation (Exhibit 10.2 to the October 15, 2018 Form 8-K)
*10.3	Shareholders' Agreement, dated as of October 15, 2018, by and between Livent Corporation and FMC Corporation (Exhibit 10.3 to the October 15, 2018 Form 8-K)
*10.4	Tax Matters Agreement, dated as of October 15, 2018, by and between Livent Corporation and FMC Corporation (Exhibit 10.4 to the October 15, 2018 Form 8-K)
*10.5	Registration Rights Agreement, dated as of October 15, 2018, by and between Livent Corporation and FMC Corporation (Exhibit 10.5 to the October 15, 2018 Form 8-K)
†*10.6	Amended and Restated Employee Matters Agreement, dated as of February 4, 2019, by and between Livent Corporation and FMC Corporation (Exhibit 10.6 to the Registrant's Annual Report on Form 10-K filed on February 28, 2019 (the "2018 Form 10-K"))
*10.7	Trademark License Agreement, dated as of October 15, 2018, by and between Livent Corporation and FMC Corporation (Exhibit 10.7 to the October 15, 2018 Form 8-K)
*10.8	Agreement dated as of February 21, 1991, as amended among the Province of Catamarca, Argentina, FMC Corporation and Minera del Altiplano S.A. (Exhibit 10.9 to the Registrant's Registration Statement on Form S-1 filed on August 27, 2018)
*10.9	Credit Agreement, dated as of September 28, 2018, among Livent Corporation, FMC Lithium USA Corp., the guarantor subsidiaries described therein, Citibank, N.A., as administrative agent, and the lenders and issuing banks listed therein (Exhibit 10.10 to the 2018 Form S-1/A)
†*10.10	Livent Corporation Incentive Compensation and Stock Plan, as of October 10, 2018 (Exhibit 99 to the Registrant's Registration Statement on Form S-8 filed on October 11, 2018)
†*10.11	Form of IPO RSU Award Agreement under the Livent Corporation Incentive Compensation and Stock Plan (Exhibit 10.11 to the 2018 Form S-1/A)
†*10.12	Form of IPO Option Award Agreement under the Livent Corporation Incentive Compensation and Stock Plan (Exhibit 10.12 to the 2018 Form S-1/A)
†10.13	Form of Employee RSU Award Agreement under the Livent Corporation Incentive Compensation and Stock Plan
†10.14	Form of Employee Option Award Agreement under the Livent Corporation Incentive Compensation and Stock Plan
†*10.15	Form of Non-Employee Director RSU Award Agreement under the Livent Corporation Incentive Compensation and Stock Plan (Annual Equity Grant) (Exhibit 10.13 to the 2018 Form S-1/A)
†*10.16	Form of Non-Employee Director RSU Award Agreement under the Livent Corporation Incentive Compensation and Stock Plan (Retainer Grant) (Exhibit 10.14 to the 2018 Form S-1/A)
†*10.17	Livent Corporation Compensation Policy for Non-Employee Directors, as of December 11, 2018 (Exhibit 10.17 to the 2018 Form 10-K)
†*10.18	Livent Corporation Executive Severance Guidelines for Corporate Officers, as of October 10, 2018 (Exhibit 10.18 to the 2018 Form 10-K)

Exhibit No.	Exhibit Description
†10.19	Livent Corporation Executive Severance Plan, dated as of February 22, 2021, with Form of Agreement..
†10.20	Executive Severance Agreement, dated as of February 23, 2021, by and between Livent Corporation and Paul Graves. Pursuant to Instruction 2 to Item 601 of Regulation S-K, Executive Severance Agreements that are substantially identical in all material respects, except as to the parties thereto, the Executive Severance Agreement between Livent Corporation and Gilberto Antoniazzi was not filed.
†*10.21	Livent Non-qualified Savings Plan Adoption Agreement, as of January 1, 2019 (Exhibit 10.21 to the 2018 Form 10-K)
†*10.22	Livent Non-qualified Savings Plan, as of January 1, 2019 (Exhibit 10.22 to the 2018 Form 10-K)
†10.23	Executive Severance Agreement, dated as of February 24, 2021, by and between Livent Corporation and Sara Ponessa
*10.24	First Amendment to the Credit Agreement, dated May 6, 2020, by and among Livent Corporation, FMC Lithium USA Corp., the guarantor subsidiaries described therein, Citibank, N.A., as administrative agent, and the lenders and issuing banks listed therein (Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the three months ended March 31, 2020)
*10.25	Second Amendment to the Credit Agreement, dated August 3, 2020, by and among Livent Corporation, FMC Lithium USA Corp., the guarantor subsidiaries described therein, Citibank, N.A., as administrative agent, and the lenders and issuing banks listed therein (Exhibit 10.2 to the Registrants Quarterly Report on Form 10-Q for the three months ended June 30, 2020)
10.26	First Amendment to Trademark License Agreement, dated as of May 11, 2020, by and among FMC Corporation and Livent Corporation
21.1	Subsidiaries of the Registrant
23.1	Consent of KPMG LLP
23.2	Consent of Bloomberg New Energy Finance
23.3	Consent of Roskill Consulting Group Limited
23.4	Consent of EV-Volumes
31.1	Certifying Statement of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certifying Statement of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certifying Statement of the Chief Executive Officer pursuant to Section 1350 of Title 18 of the United States Code
32.2	Certifying Statement of the Chief Financial Officer pursuant to Section 1350 of Title 18 of the United States Code
101	Interactive Data File

* Incorporated by reference
† Management contract or compensatory plan or arrangement

ITEM 16. FORM 10-K SUMMARY

Optional disclosure, not included in this Report.

SIGNATURES

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

LIVENT CORPORATION
(Registrant)

By: /S/ PAUL W. GRAVES
Paul W. Graves
President, Chief Executive Officer and Director

Date: February 26, 2021

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

Signature	Title	Date
/S/ PAUL W. GRAVES **Paul W. Graves**	President, Chief Executive Officer and Director	February 26, 2021
/S/ GILBERTO ANTONIAZZI **Gilberto Antoniazzi**	Vice President and Chief Financial Officer	February 26, 2021
/S/ RONALD STARK **Ronald Stark**	Chief Accounting Officer	February 26, 2021
/S/ PIERRE R. BRONDEAU **Pierre R. Brondeau**	Chairman and Director	February 26, 2021
/S/ ROBERT C. PALLASH **Robert C. Pallash**	Director	February 26, 2021
/S/ G. PETER D'ALOIA **G. Peter D'Aloia**	Director	February 26, 2021
/S/ MICHAEL F. BARRY **Michael F. Barry**	Director	February 26, 2021
/S/ STEVEN T. MERKT **Steven T. Merkt**	Director	February 26, 2021
/S/ ANDREA E. UTECHT **Andrea E. Utecht**	Director	February 26, 2021
/S/ CHRISTINA LAMPE-ÖNNERUD **Christina Lampe-Önnerud**	Director	February 26, 2021
/S/ PABLO MARCET **Pablo Marcet**	Director	February 26, 2021

Exhibit 4.2

DESCRIPTION OF COMMON STOCK

The following description of our Common Stock is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") and our Amended and Restated Bylaws (the "Bylaws"), each of which are incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.2 is a part. We encourage you to read our Articles of Incorporation, our Bylaws and the applicable provisions of the DGCL, for additional information.

References in this section to "we," "us" and "our" refer to Livent and not to any of its subsidiaries.

General

Our authorized capital stock will consist of 2,000,000,000 shares of common stock, par value $0.001 per share, and 50,000,000 shares of preferred stock, par value $0.001 per share. The outstanding shares of our Common Stock are fully paid and nonassessable.

Common Stock

Voting rights. The holders of common stock are entitled to one vote per share on all matters to be voted upon by the stockholders.

Dividend rights. Subject to preferences that may be applicable to any outstanding preferred stock, the holders of common stock are entitled to receive ratably such dividends, if any, as may be declared from time to time by the Board of Directors out of funds legally available therefor. See "Dividend Policy."

Rights upon liquidation. In the event of liquidation, dissolution or winding up of Livent, the holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities, subject to prior distribution rights of preferred stock, if any, then outstanding.

Other rights. The holders of our common stock have no preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to the common stock.

Preferred Stock

Our Board of Directors has the authority to issue the preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, dividend rates, conversion rights, voting rights, terms of redemption, redemption prices, liquidation preferences and the number of shares constituting any series or the designation of such series, without further vote or action by the stockholders.

The issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control of Livent without further action by the stockholders and may adversely affect the voting and other rights of the holders of common stock. At present, Livent has no plans to issue any of the preferred stock.

Election and Removal of Directors

Our Board of Directors currently consists of seven directors and may have between three and fifteen directors. The exact number of directors will be fixed from time to time by resolution of the Board of Directors. Directors shall be elected by a majority of the votes cast in an election. Prior to such election, incumbent nominees will tender a contingent resignation that will become effective if (i) the nominee does not receive a majority of the votes cast with respect to his or her election at the annual meeting and (ii) our Board of Directors accepts such resignation.

No director may be removed except for cause, and directors may be removed for cause by an affirmative vote of shares representing a majority of the shares then entitled to vote at an election of directors. Any vacancy occurring on the Board of Directors and any newly created directorship may be filled only by a majority of the remaining directors in office.

Staggered Board

Our Board of Directors is currently divided into three classes serving staggered three-year terms. At each annual meeting of stockholders, directors will be elected to succeed the class of directors whose terms have expired. This classification of our Board of Directors could have the effect of increasing the length of time necessary to change the composition of a majority of the Board of Directors. In general, at least two annual meetings of stockholders will be necessary for stockholders to effect a change in a majority of the members of the Board of Directors.

Limits on Written Consents

Our certificate of incorporation provides that any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders in lieu of a meeting.

Stockholder Meetings

Our certificate of incorporation and our bylaws provide that special meetings of our stockholders may be called only by the chairman of our Board of Directors or a majority of the directors. Our certificate of incorporation and our bylaws specifically deny any power of any other person to call a special meeting.

Amendment of Certificate of Incorporation

The provisions of our certificate of incorporation described under "-Election and Removal of Directors," "-Limits on Written Consents" and "-Stockholder Meetings" may be amended only by the affirmative vote of holders of at least 80% of the voting power of our outstanding shares of voting stock, voting together as a single class. The affirmative vote of holders of at least a majority of the voting power of our outstanding shares of stock will generally be required to amend other provisions of our certificate of incorporation.

Amendment of Bylaws

Our bylaws may generally be altered, amended or repealed, and new bylaws may be adopted, with:

- the affirmative vote of a majority of directors present at any regular or special meeting of the Board of Directors called for that purpose;
- the affirmative vote of a majority of the voting power of our outstanding shares of voting stock, voting together as a single class; provided that any alteration, amendment or repeal of, or adoption of any bylaw inconsistent with, specified provisions of the bylaws, including the location of shareholder meetings, rules relating to the agenda of our annual meetings and director nomination procedures requires the affirmative vote of at least 80% of the voting power of our outstanding shares of voting stock, voting together as a single class.

Other Limitations on Stockholder Actions

Our bylaws also impose some procedural requirements on stockholders who wish to:

- make nominations in the election of directors;
- propose that a director be removed;
- propose any repeal or change in our bylaws; or
- propose any other business to be brought before an annual or special meeting of stockholders.

Under these procedural requirements, in order to bring a proposal before a meeting of stockholders, a stockholder must deliver timely notice of a proposal pertaining to a proper subject for presentation at the meeting to our corporate secretary along with the following:

- a description of the business or nomination to be brought before the meeting;
- the stockholder's name and address;
- the number of shares beneficially owned by the stockholder and evidence of such ownership; and
- any material interest of the stockholder in the proposal;

To be timely, a stockholder must generally deliver notice:

- in connection with an annual meeting of stockholders, not less than 60 nor more than 90 days prior to the date of the annual meeting of stockholders; provided, however, that in the event that less than seventy days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder must be received not later than the close of business on the 10th day following the date on which such notice of the date of the annual meeting was mailed or such public disclosure was made.

In order to submit a nomination for our Board of Directors, a stockholder must also submit any information with respect to the nominee that we would be required to include in a proxy statement, as well as some other information. If a stockholder fails to follow the required procedures, the stockholder's proposal or nominee will be ineligible and will not be voted on by our stockholders.

Provisions of Our Certificate of Incorporation Relating to Corporate Opportunities

In order to address potential conflicts of interest between FMC and us, our certificate of incorporation contains provisions regulating and defining the conduct of our affairs as they may involve FMC and its officers, directors and/or employees, and our powers, rights, duties and liabilities and those of our officers, directors and stockholders in connection with our relationship with FMC. In general, and except as set forth in any agreement between us and FMC, these provisions recognize that we and FMC may engage in the same or similar business activities and lines of business, have an interest in the same areas of corporate opportunities and will continue to have contractual and business relations with each other, including directors, officers and/or employees of FMC serving as our directors or officers. In addition, FMC has no duty to communicate or present corporate opportunities to us, and shall not be liable to us or our shareholders for breach of any fiduciary duty as our shareholder by reason of the fact that FMC pursues or acquires such corporate opportunity for itself.

Limitation of Liability of Directors and Officers

Our certificate of incorporation will provide that no director will be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except as required by applicable law, as in effect from time to time. Currently, Delaware law requires that liability be imposed for the following:

- any breach of the director's duty of loyalty to our company or our stockholders;
- any act or omission not in good faith or which involved intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; and
- any transaction from which the director derived an improper personal benefit.

As a result, neither we nor our stockholders have the right, through stockholders' derivative suits on our behalf, to recover monetary damages against a director for breach of fiduciary duty as a director, including breaches resulting from grossly negligent behavior, except in the situations described above.

Our bylaws will provide that, to the fullest extent permitted by law, we will indemnify any officer or director of our company against all damages, claims and liabilities arising out of the fact that the person is or was our director or officer, or served any other enterprise at our request as a director, officer, employee, agent or fiduciary. We will reimburse the expenses, including attorneys' fees, incurred by a person indemnified by this provision when we receive an undertaking to repay such amounts if it is ultimately determined that the person is not entitled to be indemnified by us. Amending this provision will not reduce our indemnification obligations relating to actions taken before an amendment.

Forum Selection

The Court of Chancery of the State of Delaware is the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of Livent, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of Livent to Livent or Livent's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, or (iv) any action asserting a claim governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of Livent shall be deemed to have notice of and consented to the foregoing forum selection provisions.

Delaware Business Combination Statute

We are subject to Section 203 of the Delaware General Corporation Law, which regulates corporate acquisitions.

Section 203 prevents an "interested stockholder," which is defined generally as a person owning 15% or more of a corporation's voting stock, or any affiliate or associate of that person, from engaging in a broad range of "business combinations" with the corporation for three years after becoming an interested stockholder unless:

- the board of directors of the corporation had previously approved either the business combination or the transaction that resulted in the stockholder's becoming an interested stockholder;
- upon completion of the transaction that resulted in the stockholder's becoming an interested stockholder, that person owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, other than statutorily excluded shares; or
- following the transaction in which that person became an interested stockholder, the business combination is approved by the board of directors of the corporation and holders of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

Under Section 203, the restrictions described above also do not apply to specific business combinations proposed by an interested stockholder following the announcement or notification of designated extraordinary transactions involving the corporation and a person who had not been an interested stockholder during the previous three years or who became an interested stockholder with the approval of a majority of the corporation's directors, if such extraordinary transaction is approved or not opposed by a majority of the directors who were directors prior to any person becoming an interested stockholder during the previous three years or were recommended for election or elected to succeed such directors by a majority of such directors.

Section 203 may make it more difficult for a person who would be an interested stockholder to effect various business combinations with a corporation for a three-year period. Section 203 also may have the effect of preventing changes in our management and could make it more difficult to accomplish transactions which our stockholders may otherwise deem to be in their best interests.

Business Combinations Provision in Charter

In addition to any vote required by applicable law, the following transactions involving us and persons beneficially owning 10% or more of the voting power of our outstanding shares of common stock (each, an "Interested Shareholder") must be approved by the holders of at least 80% of the voting power of our outstanding voting stock, unless approved by a majority of our disinterested directors:

- any merger or consolidation of Livent or any majority-owned subsidiary of Livent with (a) any Interested Shareholder or (b) any other corporation (whether or not itself an Interested Stockholder) which is, or after such merger or consolidation would be, an affiliate of an Interested Stockholder;
- any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Interested Stockholder or any affiliate of any Interested Stockholder of any assets of Livent or any majority-owned subsidiary of Livent having an aggregate fair market value of $50,000,000 or more;
- the issuance or transfer by Livent or any majority-owned subsidiary (in one transaction or a series of transactions) of any securities of Livent or any majority-owned subsidiary to any Interested Stockholder or any affiliate of any Interested Stockholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate fair market value of $50,000,000 or more;
- the adoption of any plan or proposal for the liquidation or dissolution of Livent proposed by or on behalf of an Interested Stockholder of any affiliate of any Interested Stockholder; or
- any reclassification of securities (including any reverse stock split), or recapitalization of Livent, or any merger or consolidation of Livent with any of its majority-owned subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Stockholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of Livent or any majority-owned subsidiary which is directly or indirectly owned by any Interested Stockholder or any affiliate of any Interested Stockholder.

Anti-Takeover Effects of Some Provisions

Some provisions of our certificate of incorporation and bylaws could make the following more difficult:

- acquisition of control of us by means of a proxy contest or otherwise, or
- removal of our incumbent officers and directors.

These provisions, as well as our ability to issue preferred stock, are designed to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our Board of Directors. We believe that the benefits of increased protection give us the potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us, and that the benefits of this increased protection outweigh the disadvantages of discouraging those proposals, because negotiation of those proposals could result in an improvement of their terms.

Listing

Our common stock has been approved to list on the NYSE under the symbol "LTHM."

Transfer Agent and Registrar

The transfer agent and registrar for the common stock will be Equiniti Trust Company.

RESTRICTED STOCK UNIT AWARD AGREEMENT UNDER THE LIVENT CORPORATION INCENTIVE COMPENSATION AND STOCK PLAN

This RESTRICTED STOCK UNIT AWARD AGREEMENT (this "Agreement") is made by and between Livent Corporation (the "Company") and [Participant Name] (the "Participant").

WHEREAS, the Company maintains the Livent Corporation Incentive Compensation and Stock Plan (as it may be amended from time to time, the "Plan");

WHEREAS, Article 11 of the Plan authorizes the grant of Awards in the form of Restricted Stock Units;

WHEREAS, in recognition of the Participant's past and anticipated future contributions to the Company and to further align the Participant's personal financial interests with those of the Company's stockholders, the Committee has approved this grant of Restricted Stock Units to the Participant on the terms described herein, effective as of [Grant Date] (the "Grant Date"); and

WHEREAS, the terms of the Plan are incorporated herein by reference and made a part of this Agreement and will control the rights and obligations of the Company and the Participant under this Agreement. In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided in connection herewith, the provisions of the Plan will prevail. Capitalized terms not otherwise defined herein will have the same meanings as in the Plan.

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

1. Grant of Restricted Stock Units. Pursuant to the Plan, effective as of the Grant Date, the Committee hereby grants to the Participant this Award of [Number of Shares Granted] Restricted Stock Units on the terms and conditions set forth herein (the "Units"). Each Unit, once vested, represents an unfunded, unsecured right of the Participant to receive one share of Common Stock (each, a "Share") at a specified time. The Units will become vested, and the underlying Shares will be issued in respect of vested Units, as set forth in this Agreement.

2. Vesting.

(a) [Vesting Terms]

(b) Upon the Participant's Termination of Employment for any reason, any Unit (or portion thereof) that has not become vested on or prior to the effective date of such Termination of Employment will then be forfeited immediately and automatically and the Participant will have no further rights with respect thereto.

3. Settlement. Shares will be issued in respect of vested Units within 65 days following the date upon which such Units vest. Fractional Shares will be rounded up to the next whole Share.

4. Non-Transferability. Neither the Units nor any right with respect thereto may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance will be void and unenforceable against the Company.

5. Stockholder Rights.

(a) The Participant will not have any stockholder rights or privileges, including voting or dividend rights, with respect to the Shares subject to Units until such Shares are actually issued and registered in the Participant's name in the Company's books and records.

(b) The foregoing notwithstanding, if the Company declares and pays a cash dividend or distribution with respect to Shares while Units are outstanding hereunder, the Company will make a special cash payment to the Participant equal to the amount of the dividend or distribution that would have been payable to the Participant had he or she been the record holder of a number of Shares equal to the number of Units outstanding hereunder (whether or not vested) on the record date of such dividend or distribution. Such special cash payment will be paid at the same time as the related dividend or distribution and will be subject to withholding for applicable taxes.

6. No Limitation on Rights of the Company. For the avoidance of doubt, the grant of the Units will not in any way affect the right or power of the Company to make adjustments, reclassifications or changes in its capital or business structure or to merge, consolidate, reincorporate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

7. Clawback Policy. Without limiting the generality of Article 14 of the Plan, to the extent the Participant is a current or former executive officer of the Company, the Units, any Shares or other securities or property issued in respect of the Units, and the rights of the Participant hereunder, are subject to any policy (whether currently in existence or later adopted) established by the Company providing for clawback or recovery of amounts paid or credited to current or former executive officers of the Company. The Committee will make any determination for clawback or recovery under any such policy in its sole discretion and in accordance with any applicable law or regulation, and the Participant agrees to be bound by any such determination.

8. No Continuation of Service. Nothing in this Agreement or in the Plan will confer on the Participant any right to continue in employment or service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or Affiliate employing or retaining the Participant) to terminate the Participant's employment or service at any time for any reason, with or without cause.

9. Tax Treatment and Withholding.

(a) The Participant has had the opportunity to review with his or her own tax advisors the federal, state and local tax consequences of the transactions contemplated by this Agreement. The Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

(b) The Company may withhold any tax (or other governmental obligation) arising in connection with this Award (or any distribution thereon). It is a condition to the Company's obligation to issue Shares hereunder that the Participant pay to the Company such amount as may be required to satisfy all tax withholding obligations (or other governmental obligations) arising in connection with this Award (or otherwise make arrangements acceptable to the Company for the satisfaction of such tax withholding obligations). If the required withholding amount required is not timely paid or satisfied, the Participant's right to receive such Shares will be permanently forfeited. Notwithstanding the foregoing, and in accordance with Section 17.03 of the Plan, the Participant may satisfy any such withholding requirement by transferring to the Company pursuant to such procedures as the Committee may require, effective as of the date on which such requirement arises, a number of vested Shares owned and designated by the Participant having an aggregate Fair Market Value as of such date that is at least equal to the minimum, and not more than the maximum, amount required to be withheld. If the Committee permits the Participant to satisfy any such withholding requirement pursuant to the preceding sentence, the Company shall remit to the Internal Revenue Service and appropriate state and local revenue agencies, for the credit of the Participant, an amount of cash withholding equal to the Fair Market Value of the Shares transferred to the Company as provided above.

10. Notices.

(a) Any notice required to be given or delivered to the Company under the terms of this Agreement will be addressed to it in care of its Secretary, Livent Corporation, 2929 Walnut Street, Philadelphia, PA 19104, and any notice to the Participant will be addressed to the Participant's address now on file with the Company, or to such other address as either may designate to the other in writing. Except as otherwise provided below in Section 10(b), any notice will be deemed to be duly given when enclosed in a properly sealed envelope addressed as stated above and deposited, postage paid, in a post office or branch post office regularly maintained by the United States government.

(b) The Participant hereby authorizes the Company to deliver electronically any prospectuses or other documentation related to this Award, the Plan and any other compensation or benefit plan or arrangement in effect from time to time (including, without limitation, reports, proxy statements or other documents that are required to be delivered to participants in such plans or arrangements pursuant to federal or state laws, rules or regulations). For this purpose, electronic delivery will include, without limitation, delivery by means of e-mail or e-mail notification that such documentation is available on the Company's Intranet site. Upon written request, the Company will provide to the Participant a paper copy of any document also delivered to the Participant electronically. The authorization described in this Section 10(b) may be revoked by the Participant at any time by written notice to the Company.

11. Beneficiaries. In the event of the death of the Participant, the issuance of Shares hereunder (if any) shall be made in accordance with the Participant's written beneficiary designation on file with the Company or its representative and/or agent (if such a designation has been duly filed with the Company or its representative and/or agent, in the form prescribed by the Company and in accordance with the notice provisions of Section 10(a)). In the absence of any such beneficiary designation, the delivery of Shares hereunder (if any) will be made to the person or persons to whom the Participant's rights shall pass by will or by the applicable laws of intestacy.

12. Government Regulation. The Company's obligation to deliver Shares in respect of vested Units will be subject to all applicable laws, rules and regulations and to such approvals by any governmental agencies or national securities exchanges as may be required.

13. Administration. By entering into this Agreement, the Participant agrees and acknowledges that (a) the Company has provided or made available to the Participant a copy of the Plan, (b) he or she has read the Plan, (c) all Units are subject to the Plan and (d) pursuant to the Plan, the Committee is authorized to interpret the Plan and to adopt rules and regulations not inconsistent with the Plan as it deems appropriate. The Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee with respect to questions arising under the Plan or this Agreement.

14. References. References herein to rights and obligations of the Participant shall apply, where appropriate, to the Participant's legal representative or estate without regard to whether specific reference to such legal representative or estate is contained in a particular provision of this Agreement.

15. Binding Effect. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

16. Entire Agreement; Amendment. This Agreement, together with the Plan, represents the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreement, written or otherwise, relating to the subject matter hereof. This Agreement may only be amended by a writing signed by each of the parties hereto, except that the Company may amend or modify this Agreement without the Participant's consent in accordance with the provisions of the Plan.

17. Governing Law. The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to the principles of conflict of laws.

18. Privacy. By signing this Agreement, the Participant hereby acknowledges and agrees to the Company's transfer of certain personal data of such Participant to the Company and its agents for purposes of implementing, performing or administering the Plan, this Award or any related benefit. Participant expressly gives his or her consent to the Company to process such personal data.

19. Discretionary Nature. The Participant acknowledges and agrees that this award is discretionary, and any future awards will be made in the Committee's discretion; and that the Plan may be terminated, amended or canceled by the Company at any time in accordance with its terms.

20. Section Headings. The headings of sections and paragraphs of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

21. Counterparts. This Agreement may be executed in multiple counterparts (including by facsimile or .pdf signature), each of which will be deemed to be an original, but all of which together will constitute but one and the same instrument.

22. Section 409A of the Code. To the extent applicable, this Agreement is intended to be exempt from the requirements of Section 409A of the Code and the regulations thereunder, and the provisions of this Agreement shall be interpreted accordingly. If any provision of this Agreement or any term or condition of the Units would otherwise frustrate or conflict with this intent, the provision, term or condition shall be interpreted and deemed amended so as to avoid this conflict. Notwithstanding the foregoing, in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with Section 409A of the Code.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company's duly authorized representative and the Participant have each executed this Agreement on the respective date below indicated.

LIVENT CORPORATION

By: ______________________________

Title: ______________________________

Date: ______________________________

PARTICIPANT

Signature: ________________________

Date: ________________________

NONQUALIFIED STOCK OPTION AWARD AGREEMENT UNDER THE LIVENT CORPORATION INCENTIVE COMPENSATION AND STOCK PLAN

This NONQUALIFIED STOCK OPTION AWARD AGREEMENT (this "Agreement") is made by and between Livent Corporation (the "Company") and [Participant Name] (the "Participant").

WHEREAS, the Company maintains the Livent Corporation Incentive Compensation and Stock Plan (as it may be amended from time to time, the "Plan");

WHEREAS, Article 8 of the Plan authorizes the grant of Awards in the form of Nonqualified Stock Options; and

WHEREAS, in recognition of the Participant's past and anticipated future contributions to the Company, and to further align the Participant's personal financial interests with those of the Company's stockholders, the Committee has approved this grant of an award of Nonqualified Stock Options to the Participant on the terms described herein, effective as of [Grant Date] (the "Grant Date"); and

WHEREAS, the terms of the Plan are incorporated herein by reference and made a part of this Agreement and will control the rights and obligations of the Company and the Participant under this Agreement. In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided in connection herewith, the provisions of the Plan will prevail. Capitalized terms not otherwise defined herein will have the same meanings as in the Plan.

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

1. Grant of Option. Pursuant to the Plan, effective as of the Grant Date, the Committee hereby grants the Participant a Nonqualified Stock Option ("Option") to purchase an aggregate of [Number of Shares Granted] shares of Common Stock ("Shares"), at an exercise price of [Exercise Price] per Share ("Exercise Price"), subject to the terms and conditions set forth in this Agreement.

2. Vesting.

(a) [Vesting Terms]

(b) Upon the Participant's Termination of Employment for any reason, any Unvested Option (as defined below) will be forfeited immediately and automatically and the Participant will have no further rights with respect thereto.

(c) For purposes of this Agreement, (i) "Vested Option" means any portion of the Option which has vested and become exercisable in accordance with the terms of this Agreement (including pursuant to Sections Error! Reference source not found.-Error!

Reference source not found.) and (ii) "Unvested Option" means any portion of the Option that is not a Vested Option.

3. Termination of Option. The Option and all rights hereunder, to the extent such rights will not have been exercised, will terminate and become null and void on the earliest to occur of (a) [Expiration Date], (b) [Period] after the date of the Participant's Termination of Employment for any reason other than due to the Participant's death or Disability, (c) [Period] after the Participant's Termination of Employment due to the Participant's Disability or death, (d) the date of the Participant's Termination for Cause, (d) the date the Option is terminated in accordance with the Plan and this Agreement or (e) if so determined by the Committee, the date of a Change in Control, provided the Participant is afforded the opportunity to exercise any Vested Option immediately prior to such Change in Control (such earliest date being referred to herein as the "Option Expiration Date").

4. Right to Exercise. Subject to the terms of this Agreement and the Plan, any Vested Option will remain exercisable from time to time, in whole or in part, until the Option Expiration Date. In no event may the Option (or any portion thereof) be exercised to any extent by the Participant (a) before it becomes a Vested Option or (b) after the Option Expiration Date.

5. Method of Exercise; Settlement.

(a) The Participant may exercise a Vested Option with respect to all or any portion of the Shares underlying such Vested Option at any time prior to the Option Expiration Date by (i) delivering to the Company, in accordance with such procedures as determined by the Company, a written notice specifying the Grant Date, the number of such Shares as to which the Vested Option is being exercised (the "Exercise Notice"), (ii) paying the Company an amount equal to the sum of (1) the aggregate Exercise Price applicable to such Shares being exercised and (2) the amount of any taxes required to be withheld by the Company (collectively, the "Option Payment") in accordance with Section 5(b) and (iii) making such representations and assurances as the Company deems necessary or appropriate to comply with applicable securities laws. The date on which the Participant delivers the Exercise Notice in accordance with this Section 5(a) shall be referred to herein as the "Exercise Date". The Company may from time to time make available alternative methods of exercise upon notice to the Participant.

(b) The Participant may pay the Option Payment by any of the following means (or by a combination thereof): (i) cash or check, certified bank draft or postal or express money order payable to the order of the Company in lawful money of the United States; or (ii) if permitted by the Committee, in its sole discretion, pursuant to such procedures as the Committee may require, by the Participant's (A) transferring to the Company, effective as of the Exercise Date, a number of vested Shares owned and designated by the Participant having an aggregate Fair Market Value as of the Exercise Date equal to the Option Payment, (B) electing a "net cashless exercise" procedure in accordance with Section 8.04 of the Plan, or (C) delivering irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the Option Payment; or (iii) by any other method acceptable to the Committee.

(c) As soon as practicable after receipt of the Exercise Notice and the Option Payment, the Company will, without transfer or issue tax or other incidental expense to the Participant, issue the Shares deliverable upon such exercise by causing its transfer agent to make an appropriate book entry in the name of the Participant.

6. Adjustments. The Committee shall make equitable substitutions or adjustments to the Option (including, without limitation, the Exercise Price) and/or Shares issuable upon the exercise of the Option as it determines to be necessary or appropriate in the event of any stock dividend, stock split, merger, consolidation, separation or other change in capitalization, spin-off, extraordinary dividend or distribution, reorganization (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), reclassification, recapitalization, partial or complete liquidation of the Company or other similar event or transaction; provided, however, that no such substitution or adjustment will be made if such substitution or adjustment would give rise to any tax under Section 409A of the Code, and provided further, that the number of Shares subject to the Option will always be a whole number.

7. Non-Transferability. During the Participant's lifetime, the Option will only be exercisable by the Participant, and neither the Option nor any right with respect thereto may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance will be void and unenforceable against the Company and may result in the Company terminating the Option.

8. Stockholder Rights. The Participant will not have any stockholder rights or privileges, including voting or dividend rights, with respect to the Shares subject to the Option until such Shares are actually issued and registered in the Participant's name in the Company's books and records.

9. No Limitation on Rights of the Company. For the avoidance of doubt, the grant of the Option will not in any way affect the right or power of the Company to make adjustments, reclassifications or changes in its capital or business structure or to merge, consolidate, reincorporate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

10. Clawback Policy. Without limiting the generality of Article 14 of the Plan, to the extent the Participant is a current or former executive officer of the Company, the Option, any Shares or other securities or property issued in respect of the Option or upon exercise of the Option, and the rights of the Participant hereunder, are subject to any policy (whether currently in existence or later adopted) established by the Company providing for clawback or recovery of amounts paid or credited to current or former executive officers of the Company. The Committee will make any determination for clawback or recovery under any such policy in its sole discretion and in accordance with any applicable law or regulation, and the Participant agrees to be bound by any such determination.

11. No Continuation of Service. Nothing in this Agreement or in the Plan will confer on the Participant any right to continue in employment or service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or Affiliate

employing or retaining the Participant) to terminate the Participant's employment or service at any time for any reason, with or without cause.

12. Tax Treatment and Withholding.

(a) The Participant has had the opportunity to review with his or her own tax advisors the federal, state and local tax consequences of the transactions contemplated by this Agreement. The Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

(b) The Company may withhold any tax (or other governmental obligation) arising in connection with the Option, and it is a condition to the Company's obligation to issue Shares upon the exercise of the Option hereunder that the Participant pay to the Company such amount as may be required to satisfy all tax withholding obligations (or other governmental obligations) arising in connection with the Option (or otherwise make arrangements acceptable to the Company for the satisfaction of such tax withholding obligations). If the required withholding amount required is not timely paid or satisfied, the Participant's right to receive such Shares upon exercise of the Option will be permanently forfeited. Notwithstanding the foregoing, and in accordance with Section 17.03 of the Plan, the Participant may satisfy any such withholding requirement by transferring to the Company pursuant to such procedures as the Committee may require, effective as of the date on which such requirement arises, a number of vested Shares owned and designated by the Participant having an aggregate Fair Market Value as of such date that is at least equal to the minimum, and not more than the maximum, amount required to be withheld. If the Committee permits the Participant to satisfy any such withholding requirement pursuant to the preceding sentence, the Company shall remit to the Internal Revenue Service and appropriate state and local revenue agencies, for the credit of the Participant, an amount of cash withholding equal to the Fair Market Value of the Shares transferred to the Company as provided above.

13. Government Regulation. The Company's obligation to deliver Shares upon exercise of the Option will be subject to all applicable laws, rules and regulations and to such approvals by any governmental agencies or national securities exchanges as may be required.

14. Notices.

(a) Any notice required to be given or delivered to the Company under the terms of this Agreement will be addressed to it in care of its Secretary, Livent Corporation, 2929 Walnut Street, Philadelphia, PA 19104, and any notice to the Participant will be addressed to the Participant's address now on file with the Company, or to such other address as either may designate to the other in writing. Except as otherwise provided below in Section 14(b), any notice will be deemed to be duly given when enclosed in a properly sealed envelope addressed as stated above and deposited, postage paid, in a post office or branch post office regularly maintained by the United States government.

(b) The Participant hereby authorizes the Company to deliver electronically any prospectuses or other documentation related to the Option, the Plan and any other compensation or benefit plan or arrangement in effect from time to time (including, without

limitation, reports, proxy statements or other documents that are required to be delivered to participants in such plans or arrangements pursuant to federal or state laws, rules or regulations). For this purpose, electronic delivery will include, without limitation, delivery by means of e-mail or e-mail notification that such documentation is available on the Company's Intranet site. Upon written request, the Company will provide to the Participant a paper copy of any document also delivered to the Participant electronically. The authorization described in this Section 14(b) may be revoked by the Participant at any time by written notice to the Company.

15. Administration. By entering into this Agreement, the Participant agrees and acknowledges that (a) the Company has provided or made available to the Participant a copy of the Plan, (b) he or she has read the Plan, (c) the Option is subject to the Plan and (d) pursuant to the Plan, the Committee is authorized to interpret the Plan and to adopt rules and regulations not inconsistent with the Plan as it deems appropriate. The Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee with respect to questions arising under the Plan or this Agreement.

16. References. References herein to rights and obligations of the Participant shall apply, where appropriate, to the Participant's legal representative or estate without regard to whether specific reference to such legal representative or estate is contained in a particular provision of this Agreement.

17. Binding Effect. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

18. Entire Agreement; Amendment. This Agreement, together with the Plan, represents the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreement, written or otherwise, relating to the subject matter hereof. This Agreement may only be amended by a writing signed by each of the parties hereto, except that the Company may amend or modify this Agreement without the Participant's consent in accordance with the provisions of the Plan.

19. Governing Law. The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware, without reference to the principles of conflict of laws.

20. Privacy. By signing this Agreement, the Participant hereby acknowledges and agrees to the Company's transfer of certain personal data of such Participant to the Company and its agents for purposes of implementing, performing or administering the Plan, this Award or any related benefit. Participant expressly gives his or her consent to the Company to process such personal data.

21. Discretionary Nature. The Participant acknowledges and agrees that this award is discretionary, and any future awards will be made in the Committee's discretion; and that the Plan may be terminated, amended or canceled by the Company at any time in accordance with its terms.

22. Section Headings. The headings of sections and paragraphs of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

23. Counterparts. This Agreement may be executed in multiple counterparts (including by facsimile or .pdf signature), each of which will be deemed to be an original, but all of which together will constitute but one and the same instrument.

24. Section 409A of the Code. To the extent applicable, this Agreement is intended to be exempt from the requirements of Section 409A of the Code and the regulations thereunder, and the provisions of this Agreement shall be interpreted accordingly. If any provision of this Agreement or any term or condition of the Option would otherwise frustrate or conflict with this intent, the provision, term or condition shall be interpreted and deemed amended so as to avoid this conflict. Notwithstanding the foregoing, in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with Section 409A of the Code.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company's duly authorized representative and the Participant have each executed this Agreement on the respective date below indicated.

LIVENT CORPORATION

By: ______________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

PARTICIPANT

Signature: _________________________

LIVENT CORPORATION

EXECUTIVE SEVERANCE PLAN

(as amended through February 22, 2021)

1. Purpose. The purpose of the Plan is to assure the Company that it will have the continued dedication and the availability of objective advice and counsel from key executives of the Company, notwithstanding the possibility, threat or occurrence of a bid to take over control of the Company.

The Board believes it is imperative that, if the Company receives any proposals from a third person concerning a possible business combination with the Company or the acquisition of the Company's assets or equity securities, both the Company and the Board be able to rely upon key executives to continue in their positions and to be available for advice, without concern that those individuals might be distracted by their own personal financial situations and the risks to themselves created by the proposal.

If the Company receives any such proposal, key executives will be called upon to assist in assessing the proposal, to advise management and the Board regarding whether the proposal is in the best interest of the Company and its stockholders, and to take such other actions as the Board might deem appropriate.

2. Eligible Executives. The following individuals will be Participants:

(a) the Chief Executive Officer and the Chief Financial Officer of the Company;

(b) the Chief Operating Officer, the General Counsel and the Chief Human Resources Officer of the Company;

(c) the Vice President, External Affairs & Communications, the Vice President, Investor Relations & Strategy, the Director, Global Operations and the Corporate Controller of the Company; and

(d) other key executives of the Company and its Affiliates who are from time to time named as Participants by the Committee in its sole discretion.

A Participant will cease to be a Participant if and when the Committee determines he or she should no longer be a Participant. The Committee will not determine that a Participant has ceased to be a Participant during any period that the Company knows a Person has taken steps reasonably calculated to effect a Change in Control, and before the Board has determined that that Person has abandoned or terminated its efforts to effect a Change in Control. The decision of the Board that a Person has abandoned or terminated its efforts to effect a Change in Control will be conclusive and binding on all Participants.

3. Terms of the Plan. The terms of the Plan are as set forth in the forms of Agreement attached to this Plan, with Form I applicable to Tier I Participants, Form II applicable to Tier II Participants and Form III applicable to Tier III Participants. The Company will enter into Agreements with each Participant containing the terms set forth in the applicable form. Once an individual becomes a Participant, for periods prior to the date the Company and the Participant execute an Agreement, the Participant will be entitled to participate in the Plan on the terms and conditions set forth in the form of Agreement applicable to the Participant.

4. Certain Definitions. Capitalized terms used in this Plan will have the meanings set forth below.

(a) **"Affiliate"** means a corporation or other entity controlled by, controlling or under common control with the Company, including, without limitation, any corporation partnership, joint venture or other entity during any period in which at least a fifty percent (50%) voting or profits interest is owned, directly or indirectly, by the Company or any successor to the Company.

(b) **"Agreement"** means the executive severance agreements, in the forms attached to the Plan as Exhibit A hereto, that the Company enters into with Participants to memorialize the terms of their entitlement to executive severance benefits.

(c) **"Board"** means the Board of Directors of the Company, as it is constituted from time to time.

(d) **"Change in Control"** means the happening of any of the following events:

(i) An acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty percent (20%) or more of either (A) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); excluding, however, the following: (1) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from the Company, (2) any acquisition by the Company, (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company, or (4) any acquisition pursuant to a transaction which complies with Subsections (A), (B) and (C) of Subsection (3) of this Section 4(d);

(ii) A change in the composition of the Board such that the individuals who, as of the Effective Date, constitute the Board (such Board will be hereinafter referred to as the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, for purposes of this Section 4(d), that any individual who becomes a member of the Board subsequent to the Effective

Date, whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) will be considered as though such individual were a member of the Incumbent Board; but, provided further, that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board will not be so considered as a member of the Incumbent Board;

(iii) Consummation of a reorganization, merger or consolidation, sale or other disposition of all or substantially all of the assets of the Company or acquisition by the Company of the assets or stock of another entity ("**Corporate Transaction**"); excluding, however, such a Corporate Transaction pursuant to which (A) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than sixty percent (60%) of, respectively, the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (other than the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such Corporate Transaction) will beneficially own, directly or indirectly, twenty percent (20%) or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors except to the extent that such ownership existed prior to the Corporate Transaction, and (C) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction; or

(iv) The approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

For the avoidance of doubt, the Distribution (as defined in the Employee Matters Agreement) shall not constitute a Change in Control.

(e) **"Committee"** means the Compensation and Organization Committee of the Board, or any other committee of the Board that has, on the date of determination, the

duties and responsibilities delegated to the Compensation and Organization Committee as of the Effective Date.

(f) **"Company"** means Livent Corporation, a Delaware Corporation, or any successor thereto.

(g) **"Effective Date"** means the date on which the registration statement covering the initial public offering of common stock of the Company, par value $0.001 per share, is declared effective by the Securities and Exchange Commission, subject to prior approval by the Board.

(h) **"Employee Matters Agreement"** means the Employee Matters Agreement, by and between FMC Corporation, a Delaware corporation, and the Company, dated as of October 15, 2018, as such agreement may be amended from time to time.

(i) **"Exchange Act"** means the Securities Exchange Act of 1934, as amended, or any successor thereto.

(j) **"Participant"** means one of the Tier I Participants, Tier II Participants or Tier III Participants.

(k) **"Person"** has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections B(d) and 14(d) thereof, including a **"group"** as provided in Section B(d) thereof.

(l) **"Plan"** means the Livent Corporation Executive Severance Plan, as set forth herein and as hereinafter amended from time to time.

(m) **"Tier I Participants"** means the Chief Executive Officer and the Chief Financial Officer of the Company, and any other employees of the Company or an Affiliate designated by the Committee as Tier I Participants.

(n) **"Tier II Participants"** means the Chief Operating Officer, the General Counsel and the Chief Human Resources Officer of the Company, and any other employees of the Company or an Affiliate designated by the Committee as Tier II Participants.

(o) **"Tier III Participants"** means the Vice President, External Affairs & Communications, the Vice President, Investor Relations & Strategy, the Director, Global Operations and the Corporate Controller of the Company, and any other employees of the Company or an Affiliate designated by the Committee as Tier III Participants.

5. Termination and Amendment of the Plan. The Board or the Committee will have the power at any time, in its discretion, to amend, abandon or terminate the Plan, in whole or in part. Notwithstanding the foregoing, no amendment, abandonment or termination may modify, waive or discharge any provisions of the Agreements, unless each affected Participant agrees in writing, signed by the Participant and an authorized member of the Board or the Committee (or

by either or both parties' legal representatives or successors), to the modification, waiver or discharge.

6. Governing Law. The validity, interpretation, construction and enforcement of this Plan will be governed by the laws of the State of Delaware, without giving effect to that state's conflicts of laws principles. Notwithstanding the foregoing, to the extent state laws are preempted by the laws of the United States, the laws of the United States will control the validity, interpretation, construction and enforcement of this Plan.

7. Administration by the Committee. The Committee is the administrator of the Plan, and has all powers necessary to carry out the Plan's provisions. Among other things, the Committee has the authority, subject to the terms of the Plan and the Agreements, to adopt, alter and replace administrative rules, guidelines and practices governing the Plan, to interpret the terms and provisions of the Plan and any Agreements and to take any action it deems appropriate for the administration of the Plan. The Committee may act only by a majority of its members then in office unless it allocates or delegates its authority to a Committee member or other person to act on its behalf. The Committee may allocate all or any portion of its responsibilities and powers to anyone or more of its members and may delegate all or any part of its responsibilities and powers to any other person or persons. Any such allocation or delegation may be revoked by the Committee at any time. The regularly kept records of the Company and its Affiliates will be final, conclusive and binding on all persons regarding a Participant's date and length of service, amount of compensation and the manner of its payment, type and length of absences from work and all other matters contained in those records. Any authority granted to the Committee may also be exercised by the Board. To the extent that any permitted action taken by the Board conflicts with action taken by the Committee, the Board action will control.

8. Incapacity. If any person entitled to a distribution under the Plan is deemed by the Company or the Committee or their delegates to be incapable of personally receiving and giving a valid receipt for the distribution, then, unless and until a duly appointed guardian or other representative of the person claims the distribution, the Company or its delegate may pay the distribution or any part of it to any other person or institution then contributing toward or providing for the care and maintenance of the person entitled to the distribution. Any payment pursuant to the preceding payment will be a payment for the account of the person entitled to it, and a complete discharge of the Company, the Board, the Committee, their delegates and the Plan from any liability for the payment.

9. Indemnification. The Company and each Affiliate will indemnify and hold harmless each member of the Board and the Committee, or any employee of the Company or any Affiliate (to the extent not indemnified or saved harmless under any liability insurance or any other indemnification arrangement) from any and all claims, losses, liabilities, costs and expenses (including attorneys' fees) arising out of any actual or alleged act or failure to act made in good faith pursuant to the provisions of the Plan, including expenses reasonably incurred in the defense of any claim regarding the administration of the Plan. Notwithstanding the foregoing, no indemnification or defense will be provided under this Plan to any person, regarding any conduct that has been judicially determined, or agreed by the parties, either to have constituted willful misconduct by that person, or to have resulted in his or her receipt of personal profit or advantage to which he or she was not entitled.

10. Limitations on Liability. Notwithstanding any of the preceding provisions of this Plan, neither the Company, the Board, the Committee nor any individual acting as an employee or agent of the Company will be liable to any Participant, former Participant or other person for any claim, loss, liability or expense incurred in connection with the Plan, other than claims for benefits payable under any Agreement.

11. Unclaimed Benefit. If all or any portion of a distribution payable to a Participant cannot be timely paid because the Committee is unable to locate the Participant, after sending a registered letter, return receipt requested, to the last known address of the Participant, then the amount payable to the Participant will be forfeited, and will be retained by the Company as part of its general assets.

Exhibit A

Form of Agreement

FORM OF EXECUTIVE SEVERANCE AGREEMENT

This EXECUTIVE SEVERANCE AGREEMENT is made and entered into as of [DATE] (the **"Effective Date"**), by and between Livent Corporation, a Delaware corporation (hereinafter referred to as the **"Company"**) and [NAME] (hereinafter referred to as the **"Executive"**) (this **"Agreement"**).

WHEREAS, the Executive presently serves the Company in a position of authority and responsibility; and

WHEREAS, pursuant to the terms of the Livent Corporation Executive Severance Plan, the Executive and the Company desire to enter into this Agreement on the terms and the conditions set forth herein.

NOW THEREFORE, to assure the Company that it will have the continued dedication of the Executive and the availability of the Executive's service notwithstanding the possibility, threat, or occurrence of a Change in Control, and to induce the Executive to remain in the employ of the Company, and for other good and valuable consideration, the Company and the Executive agree as follows:

ARTICLE 1
ESTABLISHMENT, TERM, AND PURPOSE

This Agreement is effective from the Effective Date and will continue in effect until [DATE], On that date, and on each subsequent anniversary thereof, the term of this Agreement will be extended automatically for one (1) additional year, unless the Committee delivers written notice six (6) months prior to such date to the Executive that this Agreement will not be extended. If timely notice not to extend is given, this Agreement will terminate at the end of the term, or extended term, then in progress.

However, in the event a Change in Control occurs during the original or any extended term, this Agreement will remain in effect for the longer of: (i) twenty-four (24) months beyond the end of the month in which such Change in Control occurred; and (ii) until all obligations of the Company hereunder have been fulfilled, and until all benefits required hereunder have been paid to the Executive.

ARTICLE 2
DEFINITIONS

Whenever used in this Agreement, the following terms will have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized.

Section 2.01. **"Affiliate"** means a corporation or other entity controlled by, controlling or under common control with the Company, including, without limitation, any corporation

partnership, joint venture or other entity during any period in which at least a fifty percent (50%) voting or profits interest is owned, directly or indirectly, by the Company or any successor to the Company.

Section 2.02. **"Base Salary"** means the salary of record paid to the Executive as annual salary, excluding amounts received under incentive or other bonus plans, whether or not deferred.

Section 2.03. **"Beneficiary"** means the persons or entities designated or deemed designated by the Executive pursuant to Section 10.02 herein.

Section 2.04. **"Board"** means the Board of Directors of the Company.

Section 2.05. "Cause" means:

(a) the Executive's Willful and continued failure to substantially perform the Executive's employment duties in any material respect (other than any such failure resulting from physical or mental incapacity or occurring after issuance by the Executive of a Notice of Termination for Good Reason), after a written demand for substantial performance is delivered to the Executive that specifically identifies the manner in which the Company believes the Executive has failed to perform the Executive's duties, and after the Executive has failed to resume substantial performance of the Executive's duties on a continuous basis within thirty (30) calendar days of receiving such demand;

(b) the Executive's Willful and deliberate conduct (other than conduct covered under (a) above) which is materially injurious to the Company or an Affiliate; or

(c) the Executive's having been convicted of, or pleading guilty or nolo contendere to, a felony under federal or state law on or prior to a Change in Control.

Section 2.06. **"Change in Control"** means the happening of any of the following events:

(a) An acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty percent (20%) or more of either (i) the then outstanding shares of common stock of the Company (the **"Outstanding Company Common Stock"**) or (ii) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the **"Outstanding Company Voting Securities"**): excluding, however, the following: (A) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company, or (D) any acquisition pursuant to a transaction which complies with Subsections (i), (ii) and (iii) of Subsection (c) of this Section 2.06;

(b) A change in the composition of the Board such that the individuals who, as of the Effective Date, constitute the Board (such Board will be hereinafter referred to as the

"Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, for purposes of this Section 2.06, that any individual who becomes a member of the Board subsequent to the Effective Date, whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) will be considered as though such individual were a member of the Incumbent Board; but, provided further, that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board will not be so considered as a member of the Incumbent Board;

(c) Consummation of a reorganization, merger or consolidation, sale or other disposition of all or substantially all of the assets of the Company, or acquisition by the Company of the assets or stock of another entity (**"Corporate Transaction"**); excluding, however, such a Corporate Transaction pursuant to which (i) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than sixty percent (60%) of, respectively, the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (other than the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such Corporate Transaction) will beneficially own, directly or indirectly, twenty percent (20%) or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors except to the extent that such ownership existed prior to the Corporate Transaction, and (iii) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction; or

(d) The approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

For the avoidance of doubt, the Distribution (as defined in the Employee Matters Agreement) shall not constitute a Change in Control.

Section 2.07. **"Code"** means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.

Section 2.08. **"Committee"** means the Compensation and Organization Committee of the Board or any other committee of the Board appointed to perform the functions of the Compensation and Organization Committee.

Section 2.09. **"Company"** means Livent Corporation, a Delaware corporation, or any successor thereto as provided in Article 9 herein.

Section 2.10. **"Date of Separation from Service"** means the date on which a Qualifying Termination occurs.

Section 2.11. **"Disability"** means complete and permanent inability by reason of illness or accident to perform the duties of the occupation at which the Executive was employed when such disability commenced.

Section 2.12. **"Employee Matters Agreement"** means the Employee Matters Agreement, by and between FMC Corporation, a Delaware corporation, and the Company, dated as of October 15, 2018, as such agreement may be amended from time to time.

Section 2.13. **"Exchange Act"** means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto.

Section 2.14. **"Good Reason"** means, without the Executive's express written consent, the occurrence of any one or more of the following:

(a) The assignment of the Executive to duties materially inconsistent with the Executive's authorities, duties, responsibilities and status (including, without limitation, offices, titles and reporting requirements) as an employee of the Company (including, without limitation, any material change in duties or status as a result of the stock of the Company ceasing to be publicly traded or of the Company becoming a subsidiary of another entity), or a reduction or alteration in the nature or status of the Executive's authorities, duties, or responsibilities from the greatest of those in effect (i) immediately preceding the Company's entry into any definitive agreement to conduct the Change in Control, or (ii) immediately preceding the Change in Control;

(b) The Company's requiring the Executive to be based at a location which is at least fifty (50) miles further from the Executive's then current primary residence than such residence is from the office where the Executive is located at the time of the Change in Control, except for required travel on the Company's business to an extent substantially consistent with the Executive's business obligations;

(c) A reduction by the Company in the Executive's Base Salary;

(d) A material reduction in the Executive's level of participation in any of the Company's short- and/or long-term incentive compensation plans, or employee benefit or retirement plans, policies, practices, or arrangements in which the Executive participates from the greatest of the levels in place: (i) immediately preceding the Company's entry into any definitive agreement to conduct the Change in Control, or (ii) immediately preceding the Change in Control;

(e) The failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform this Agreement, as contemplated in Article 9 herein.

provided that any such event shall constitute Good Reason only if Executive notifies the Company in writing of such event within 90 days following the initial occurrence thereof, the Company fails to cure such event within 30 days after receipt from Executive of written notice thereof, and the Executive resigns from the Executive's employment within two years following the initial occurrence of such event.

The existence of Good Reason will not be affected by the Executive's temporary incapacity due to physical or mental illness not constituting a Disability.

Section 2.15. **"Notice of Termination"** means a written notice which indicates the specific termination provision in this Agreement relied upon, and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated.

Section 2.16. **"Person"** has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as provided in Section 13(d).

Section 2.17. **"Qualifying Termination"** means any of the events described in Section 3.02 herein, the occurrence of which triggers the payment of Severance Benefits hereunder.

Section 2.18. **"Separation from Service"** means the Executive's termination of employment with the Company, its Affiliates and with each member of the controlled group (within the meaning of Sections 414(b) or (c) of the Code) of which the Company is a member. The Executive will not be treated as having a Separation from Service during any period the Executive's employment relationship continues, such as a result of a leave of absence, and whether a Separation from Service has occurred shall be determined by the Committee (on a basis consistent with rules under Section 409A) after consideration of all the facts and circumstances, including whether either no further services are to be performed or there is a reasonably anticipated permanent and substantial decrease (e.g., 80% or more) in the level of services to be performed (and the related amount of compensation to be received for such services) below the level of services previously performed (and compensation previously received).

Section 2.19. **"Severance Benefits"** means the payment of severance compensation as provided in Section 3.03 herein.

Section 2.20. **"Willful"** means any act or omission by the Executive that was in good faith and with a reasonable belief that the action or omission was in the best interests of the Company or its Affiliates. Any act or omission based upon authority given pursuant to a duly adopted Board resolution, or, upon the instructions of any senior officer of the Company, or based upon the advice of counsel for the Company will be conclusively presumed to be taken or

omitted by the Executive in good faith and in the best interests of the Company and/or its Affiliates.

ARTICLE 3

SEVERANCE BENEFITS

Section 3.01. Right to Severance Benefits. The Executive will be entitled to receive the Severance Benefits from the Company if a Qualifying Termination occurs on or after a Change in Control and before the end of the twenty-fourth (24th) calendar month following the end of the month in which the Change in Control occurs.

The Executive will not be entitled to receive Severance Benefits if the Executive's employment is terminated (i) for Cause, (ii) due to a voluntary termination without Good Reason, or (iii) due to death or Disability.

Section 3.02. Qualifying Termination. A Qualifying Termination shall occur if:

(a) The Executive incurs a Separation from Service because of an involuntary termination of the Executive's employment by the Company for reasons other than Cause, Disability or death; or

(b) The Executive incurs a Separation from Service because of a voluntary termination by the Executive for Good Reason pursuant to a Notice of Termination delivered to the Company by the Executive.

Section 3.03. Description of Severance Benefits. In the event the Executive becomes entitled to receive Severance Benefits, as provided in Section 3.01 and Section 3.02 herein, the Company will pay to the Executive (or in the event of the Executive's death, the Executive's Beneficiary) and provide the Executive with the following at the time or times provided in Section 4.01 herein:

(a) An amount equal to [1, 2 or 3][1] times the highest rate of the Executive's annualized Base Salary in effect at any time up to and including the Date of Separation from Service.

(b) An amount equal to [1, 2 or 3] times the Executive's highest annualized target Management Incentive Award granted under the Livent Corporation Incentive Compensation and Stock Plan for any plan year up to and including the plan year in which the Executive's Date of Separation from Service occurs.

(c) An amount equal to the Executive's unpaid Base Salary, and unused and accrued vacation pay, earned or accrued through the Date of Separation from Service.

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[1] Insert "3" for Tier I Participants, "2" for Tier II Participants and "1" for Tier III Participants throughout the form.

(d) Any Management Incentive Award otherwise payable (but for Executive's separation) for the plan year in which the Executive's Date of Separation from Service occurred, prorated through the Date of Separation from Service.

(e) An amount equal to [1, 2 or 3] times the annual Company contribution made on the Executive's behalf to the Livent Savings and Investment Plan and the Livent Nonqualified Savings Plan as in effect immediately prior to the date of the Change in Control. For the avoidance of doubt, the "annual Company contribution" shall exclude any pre-tax or post-tax contribution specifically authorized by the Executive.

(f) Provided it is permissible under the terms of the applicable plan and any underlying insurance contract and does not result in adverse tax consequences to the Company or the Executive, as determined by the Committee, a continuation of the Company's welfare benefits of life and accidental death and dismemberment, and disability insurance coverage for [1, 2 or 3] full years after the Date of Separation from Service. These benefits will be provided to the Executive (and to the Executive's covered spouse and dependents) at the same premium cost, and at the same coverage level, as in effect immediately prior to the date of the Change in Control. The continuation of these welfare benefits (or cash benefits in lieu thereof, as described below) will be discontinued prior to the end of the [1, 2 or 3] year period if the Executive has available substantially similar benefits at a comparable cost from a subsequent employer, as determined by the Committee. In the event any such benefit cannot be provided to the Executive under the terms of the applicable plan or contract or would result in adverse tax consequences, the Company shall pay an amount equal to [1, 2 or 3] times the annual Company cost for such benefit as in effect immediately prior to the date of the Change in Control.

(g) Provided it is permissible under the terms of the plan and underlying insurance contract and does not result in adverse tax consequences to the Company or the Executive, as determined by the Committee, for a period of [1, 2 or 3] full years following the Date of Separation from Service, the Company shall provide medical insurance for the Executive (and the Executive's covered spouse and dependents) at the same premium cost, and at the same coverage level, as in effect immediately prior to the date of the Change in Control. The continuation of this medical insurance (or cash benefits in lieu thereof, as described below) will be discontinued prior to the end of the [I, 2 or 3] year period if the Executive has available substantially similar medical insurance at a comparable cost from a subsequent employer, as determined by the Committee. The date that medical benefits provided in this paragraph cease to be provided under this paragraph will be the date of the Executive's qualifying event for continuation coverage purposes under Code Section 4980B(f)(3)(B). In the event such medical insurance cannot be provided to the Executive under the terms of the applicable plan or contract or would result in adverse tax consequences, the Company shall pay an amount equal to [1, 2 or 3] times the annual Company cost for such benefit as in effect immediately prior to the date of the Change in Control.

Awards granted under the Livent Corporation Incentive Compensation and Stock Plan, and other incentive arrangements adopted by the Company will be treated pursuant to the terms of the applicable plan.

The aggregate benefits accrued by the Executive as of the Date of Separation from Service under any savings or retirement plans sponsored by the Company from time to time will be distributed pursuant to the terms of the applicable plan.

Section 3.04. Termination for Disability. If the Executive's employment is terminated due to Disability, the Executive will receive the Executive's Base Salary through the Date of Separation from Service, and the Executive's benefits will be determined in accordance with the Company's disability, retirement, survivor's benefits, insurance and other applicable plans and programs then in effect. If the Executive's employment is terminated due to Disability, the Executive will not be entitled to the Severance Benefits described in Section 3.03.

Section 3.05. Termination upon Death. If the Executive's employment is terminated due to death, the Executive's benefits will be determined in accordance with the Company's retirement, survivor's benefits, insurance and other applicable programs of the Company then in effect. If the Executive's employment is terminated due to death, neither the Executive's estate nor the Executive's Beneficiary will be entitled to the Severance Benefits described in Section 3.03.

Section 3.06. Termination for Cause, or Other Than for Good Reason. Following a Change in Control of the Company, if the Executive's employment is terminated either: (a) by the Company for Cause; or (b) by the Executive (other than for Good Reason), the Company will pay the Executive an amount equal to the Executive's Base Salary and accrued vacation through the Date of Separation from Service, at the rate then in effect, plus all other amounts to which the Executive is entitled under any plans of the Company, at the time such payments are due and the Company will have no further obligations to the Executive under this Agreement.

Section 3.07. Notice of Termination. Any termination of employment by the Company or by the Executive for Good Reason will be communicated by a Notice of Termination.

ARTICLE 4
FORM AND TIMING OF SEVERANCE BENEFITS

Section 4.01. Form and Timing. Subject to Section 4.02:

(a) the amounts payable under Section 3.03(a), (b),(c), and (e) will be paid in a lump sum on the 61st day following the Termination Date (or, if such 61st day is not a business day, the next business day immediately following such 61st day);

(b) the amount payable under Section 3.03(d) will be paid in a lump sum at the same time that Management Incentive Awards are paid to employees generally for the year in which the Executive's Separation from Service occurs, but in no event later than 2½ months following the end of the year in which the Executive's Separation from Service occurs; and

(c) the benefits due under Section 3.03(f) and Section 3.03(g) will continue uninterrupted following the Executive's Separation from Service (but will be discontinued if the requirements of Section 4.02 are not timely satisfied) or in the event a cash payment will be made pursuant to Section 3.03(f) or Section 3.03(g), such payment shall be made in monthly installments, over the period such benefits would have otherwise been provided.

Section 4.02. Release. All rights, payments and benefits due to the Executive under Section 3.03 (other than Section 3.03(c)) shall be conditioned on the Executive's execution of a general release of claims against the Company and its affiliates in a form reasonably prescribed by the Company and on that release becoming irrevocable within 60 days following the Termination Date.

ARTICLE 5
TAXES AND TAX COMPLIANCE

Section 5.01. Withholding of Taxes. The Company will be entitled to withhold from any amounts payable under this Agreement all taxes as it may believe are reasonably required to be withheld (including, without limitation, any United States federal taxes and any other state, city, or local taxes).

Section 5.02. Section 409A Compliance. This Agreement shall be interpreted to avoid any penalty sanctions under Section 409A of the Code. If any payment or benefit cannot be provided or made at the time specified herein without incurring sanctions under Section 409A of the Code, then such benefit or payment shall be provided in full at the earliest time thereafter when such sanctions will not be imposed. All payments to be made upon a termination of employment under this Agreement will be made upon a "separation from service" under Section 409A of the Code. For purposes of Section 409A of the Code, each payment made under this Agreement shall be treated as a separate payment. In no event may the Executive, directly or indirectly, designate the calendar year of payment. Notwithstanding any other provision of this Agreement to the contrary, any payment that constitutes the deferral of compensation (within the meaning of Treas. Reg. § 1.409A-l(b)) that is otherwise required to be made to the Executive prior to the day after the date that is six months from the Date of Separation from Service shall be accumulated, deferred and paid in a lump sum to the Executive (with interest on the amount deferred from the Date of Separation from Service until the day prior to the actual payment at the federal short-term rate on the Date of Separation from Service) on the day after the date that is six months from the Date of Separation from Service; provided, however, if Executive dies prior to the expiration of such six month period, payment to the Executive's Beneficiary shall be made as soon as practicable following the Executive's death. Any reimbursements or in-kind benefits that constitute a deferral of compensation (within the meaning of Treas. Reg. § 1.409A-l(b)) will be provided subject to the requirements of Treas. Reg. §§ 1.409A-3(i)(l)(iv)(A)(3), (4) and (5).

Section 5.03. Parachute Payments.

(a) Notwithstanding anything to the contrary in this Agreement or otherwise, in the event that any payment or benefit received or to be received by the Executive in connection with a Change in Control or the Executive's Separation from Service (whether pursuant to the terms of this Agreement or any other plan, policy, arrangement or agreement maintained or entered into by the Company (or any of its Affiliates or successors) or any Person whose actions result in a Change in Control (or any Person affiliated with such Person)) (all such payments and benefits, the **"Parachute Payments"**) would be subject (in whole or in part) to an excise tax under Section 4999 of the Code (the **"Excise Tax"**), then the Parachute Payments shall either be (i) reduced (but not below zero) so that the present value of the Parachute Payments is one dollar less than three times the Executive's "base amount" (as defined in

Section 280G(b)(3) of the Code) so that no portion of the Parachute Payments shall be subject to the Excise Tax or (ii) paid in full, whichever produces the better net after-tax position to the Executive (taking into account the Excise Tax and any other applicable taxes).

(b) The reduction of the Parachute Payments contemplated in Section 5.03(a) above shall be implemented by determining the Parachute Payment Ratio (as defined below), as determined in good faith by the Company (or its successor), for each Parachute Payment and then reducing the Parachute Payments in order beginning with the Parachute Payment with the highest Parachute Payment Ratio. For Parachute Payments with the same Parachute Payment Ratio, such Parachute Payments shall be reduced based on the time of payment of such Parachute Payments, with amounts having later payment dates being reduced first. For Parachute Payments with the same Parachute Payment Ratio and the same time of payment, such Parachute Payments shall be reduced on a pro rata basis (but not below zero) prior to reducing Parachute Payments with a lower Parachute Payment Ratio. For purposes hereof, the term **"Parachute Payment Ratio"** shall mean a fraction, (i) the numerator of which is the value of the applicable Parachute Payment (as calculated for purposes of Section 280G of the Code), and (ii) the denominator of which is the intrinsic (i.e., economic) value of such Parachute Payment.

ARTICLE 6
THE COMPANY'S PAYMENT OBLIGATION

The Company's obligation to make the payments and the arrangements provided for herein will be absolute and unconditional, and will not be affected by any circumstances, including, without limitation, any offset, counterclaim, recoupment, defense, or other right which the Company may have against the Executive or anyone else. All amounts payable by the Company hereunder will be paid without notice or demand. Each and every payment made hereunder by the Company will be final, and the Company will not seek to recover all or any part of such payment from the Executive or from whomsoever may be entitled thereto, for any reasons whatsoever.

The Executive will not be obligated to seek other employment in mitigation of the amounts payable or arrangements made under any provision of this Agreement, and the obtaining of any such other employment will in no event effect any reduction of the Company's obligations to make the payments and arrangements required to be made under this Agreement, except to the extent provided in Section 3.03(f) and Section 3.03(g) herein. Notwithstanding anything in this Agreement to the contrary, if Severance Benefits are paid under this Agreement, no severance benefits under any program of the Company, other than benefits described in this Agreement, will be paid to the Executive.

ARTICLE 7
FEES AND EXPENSES

To the extent permitted by law, the Company will pay as incurred (within ten (10) days following receipt of an invoice from the Executive) all legal fees, costs of litigation, prejudgment interest, and other expenses incurred in good faith by the Executive as a result of the Company's refusal to provide the Severance Benefits to which the Executive becomes entitled under this Agreement, or as a result of the Company's contesting the validity, enforceability, or

interpretation of this Agreement, or as a result of any conflict between the parties pertaining to this Agreement; provided, however, that the Company will reimburse the Executive only for such expenses arising out of litigation commenced within three (3) years following the Executive's Separation from Service. Notwithstanding any other provision in this Article 7, the Company will reimburse the Executive only for expenses incurred prior to the end of the fifth (5^{th}) year following the Executive's Separation from Service.

ARTICLE 8
OUTPLACEMENT ASSISTANCE

Following a Qualifying Termination (as described in Section 3.02 herein), the Executive will be reimbursed by the Company for the costs of all reasonable outplacement services obtained by the Executive within the two (2) year period after the Date of Separation from Service; provided, however, that reimbursements must be made by the end of the third year following the Date of Separation from Service and the total reimbursement for such outplacement services will be limited to an amount equal to fifteen percent (15%) of the Executive's Base Salary as of the Date of Separation from Service.

ARTICLE 9
SUCCESSORS AND ASSIGNMENT

Section 9.01. Successors to the Company. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, or otherwise) of all or substantially all of the business and/or assets of the Company or of any division or subsidiary thereof to expressly assume and agree to perform the Company's obligations under this Agreement in the same manner and to the same extent that the Company would be required to perform them if no such succession had taken place.

Section 9.02. Assignment by the Executive. This Agreement will inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees, and legatees. If the Executive dies while any amount would still be payable to the Executive hereunder had the Executive continued to live, all such amounts, unless otherwise provided herein, will be paid in accordance with the terms of this Agreement to the Executive's Beneficiary. If the Executive has not named a Beneficiary, then such amounts will be paid to the Executive's devisee, legatee, or other designee, or if there is no such designee, to the Executive's estate, and such designee, or the Executive's estate will be treated as the Beneficiary hereunder.

ARTICLE 10
MISCELLANEOUS

Section 10.01. Employment Status. Except as may be provided under any other agreement between the Executive and the Company, the employment of the Executive by the Company is "at will," and may be terminated by either the Executive or the Company at any time, subject to applicable law.

Section 10.02. Beneficiaries. The Executive may designate one or more persons or entities as the primary and/or contingent Beneficiaries of any Severance Benefits owing to the

Executive under this Agreement. Such designation must be in the form of a signed writing acceptable to the Committee. The Executive may make or change such designations at any time.

Section 10.03. Severability. In the event any provision of this Agreement will be held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Agreement, and the Agreement will be construed and enforced as if the illegal or invalid provision had not been included. Further, the captions of this Agreement are not part of the provisions hereof and will have no force and effect.

Section 10.04. Modification. No provision of this Agreement may be modified, waived, or discharged unless such modification, waiver, or discharge is agreed to in writing and signed by the Executive and by an authorized member of the Committee, or by the respective parties' legal representatives and successors.

Section 10.05. Applicable Law. To the extent not preempted by the laws of the United States, the laws of the state of Delaware will be the controlling law in all matters relating to this Agreement.

Section 10.06. Indemnification. To the full extent permitted by law, the Company will, both during and after the period of the Executive's employment, indemnify the Executive (including by advancing the Executive expenses) for any judgments, fines, amounts paid in settlement and reasonable expenses, including any attorneys' fees, incurred by the Executive in connection with the defense of any lawsuit or other claim to which the Executive is made a party by reason of being (or having been) an officer, director or employee of the Company or any of its subsidiaries. The Executive will be covered by director and officer liability insurance to the maximum extent that that insurance covers any officer or director (or former officer or director) of the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on [DATE].

LIVENT CORPORATION

By: ________________________
Name:
Title:

EXECUTIVE

____

Exhibit 10.20

EXECUTIVE SEVERANCE AGREEMENT

This EXECUTIVE SEVERANCE AGREEMENT is made and entered into as of February 23, 2021 (the "Effective Date"), by and between Livent Corporation, a Delaware corporation (hereinafter referred to as the "Company") and Paul W. Graves (hereinafter referred to as the "Executive") (this "Agreement").

WHEREAS, the Executive presently serves the Company in a position of authority and responsibility; and

WHEREAS, pursuant to the terms of the Livent Corporation Executive Severance Plan, the Executive and the Company desire to enter into this Agreement on the terms and the conditions set forth herein.

NOW THEREFORE, to assure the Company that it will have the continued dedication of the Executive and the availability of the Executive's service notwithstanding the possibility, threat, or occurrence of a Change in Control, and to induce the Executive to remain in the employ of the Company, and for other good and valuable consideration, the Company and the Executive agree as follows:

ARTICLE 1
ESTABLISHMENT, TERM, AND PURPOSE

This Agreement is effective from the Effective Date and will continue in effect until February 23, 2022. On that date, and on each subsequent anniversary thereof, the term of this Agreement will be extended automatically for one (1) additional year, unless the Committee delivers written notice six (6) months prior to such date to the Executive that this Agreement will not be extended. If timely notice not to extend is given, this Agreement will terminate at the end of the term, or extended term, then in progress.

However, in the event a Change in Control occurs during the original or any extended term, this Agreement will remain in effect for the longer of: (i) twenty-four (24) months beyond the end of the month in which such Change in Control occurred; and (ii) until all obligations of the Company hereunder have been fulfilled, and until all benefits required hereunder have been paid to the Executive.

ARTICLE 2
DEFINITIONS

Whenever used in this Agreement, the following terms will have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized.

Section 2.01. "Affiliate" means a corporation or other entity controlled by, controlling or under common control with the Company, including, without limitation, any corporation partnership, joint venture or other entity during any period in which at least a fifty percent (50%) voting or profits interest is owned, directly or indirectly, by the Company or any successor to the Company.

Section 2.02. "Base Salary" means the salary of record paid to the Executive as annual salary, excluding amounts received under incentive or other bonus plans, whether or not deferred.

Section 2.03. "Beneficiary" means the persons or entities designated or deemed designated by the Executive pursuant to Section 10.02 herein.

Section 2.04. "Board" means the Board of Directors of the Company.

Section 2.05. "Cause" means:

(a) the Executive's Willful and continued failure to substantially perform the Executive's employment duties in any material respect (other than any such failure resulting from physical or mental incapacity or occurring after issuance by the Executive of a Notice of Termination for Good Reason), after a written demand for substantial performance is delivered to the Executive that specifically identifies the manner in which the Company believes the Executive has failed to perform the Executive's duties, and after the Executive has failed to resume substantial performance of the Executive's duties on a continuous basis within thirty (30) calendar days of receiving such demand;

(b) the Executive's Willful and deliberate conduct (other than conduct covered under (a) above) which is materially injurious to the Company or an Affiliate; or

(c) the Executive's having been convicted of, or pleading guilty or nolo contendere to, a felony under federal or state law on or prior to a Change in Control.

Section 2.06. "Change in Control" means the happening of any of the following events:

(a) An acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty percent (20%) or more of either (i) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); excluding, however, the following: (A) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company, or (D) any acquisition pursuant to a transaction which complies with Subsections (i), (ii) and (iii) of Subsection (c) of this Section 2.06;

(b) A change in the composition of the Board such that the individuals who, as of the Effective Date, constitute the Board (such Board will be hereinafter referred to as the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, for purposes of this Section 2.06, that any individual who becomes a member of the Board subsequent to the Effective Date, whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) will be considered as though such individual were a member of the Incumbent Board; but, provided further, that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board will not be so considered as a member of the Incumbent Board;

(c) Consummation of a reorganization, merger or consolidation, sale or other disposition of all or substantially all of the assets of the Company, or acquisition by the Company of the assets or stock of another entity ("Corporate Transaction"); excluding, however, such a Corporate Transaction pursuant to which (i) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than sixty percent (60%) of, respectively, the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (other than the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such Corporate Transaction) will beneficially own, directly or indirectly, twenty percent (20%) or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors except to the extent that such ownership existed prior to the Corporate Transaction, and (iii) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction; or

(d) The approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

For the avoidance of doubt, the Distribution (as defined in the Employee Matters Agreement) shall not constitute a Change in Control.

Section 2.07. "Code" means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.

Section 2.08. "Committee" means the Compensation and Organization Committee of the Board or any other committee of the Board appointed to perform the functions of the Compensation and Organization Committee.

Section 2.09. "Company" means Livent Corporation, a Delaware corporation, or any successor thereto as provided in Article 9 herein.

Section 2.10. "Date of Separation from Service" means the date on which a Qualifying Termination occurs.

Section 2.11. "Disability" means complete and permanent inability by reason of illness or accident to perform the duties of the occupation at which the Executive was employed when such disability commenced.

Section 2.12. "Employee Matters Agreement" means the Employee Matters Agreement, by and between FMC Corporation, a Delaware corporation, and the Company, dated as of October 15, 2018, as such agreement may be amended from time to time.

Section 2.13. "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto.

Section 2.14. "Good Reason" means, without the Executive's express written consent, the occurrence of any one or more of the following:

(a) The assignment of the Executive to duties materially inconsistent with the Executive's authorities, duties, responsibilities and status (including, without limitation, offices, titles and reporting requirements) as an employee of the Company (including, without limitation, any material change in duties or status as a result of the stock of the Company ceasing to be publicly traded or of the Company becoming a subsidiary of another entity), or a reduction or alteration in the nature or status of the Executive's authorities, duties, or responsibilities from the greatest of those in effect (i) immediately preceding the Company's entry into any definitive agreement to conduct the Change in Control, or (ii) immediately preceding the Change in Control;

(b) The Company's requiring the Executive to be based at a location which is at least fifty (50) miles further from the Executive's then current primary residence than such residence is from the office where the Executive is located at the time of the Change in Control, except for required travel on the Company's business to an extent substantially consistent with the Executive's business obligations;

(c) A reduction by the Company in the Executive's Base Salary;

(d) A material reduction in the Executive's level of participation in any of the Company's short- and/or long-term incentive compensation plans, or employee benefit or retirement plans, policies, practices, or arrangements in which the Executive participates from the greatest of the levels in place: (i) immediately preceding the Company's entry into any definitive agreement to conduct the Change in Control, or (ii) immediately preceding the Change in Control;

(e) The failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform this Agreement, as contemplated in Article 9 herein.

provided that any such event shall constitute Good Reason only if Executive notifies the Company in writing of such event within 90 days following the initial occurrence thereof, the Company fails to cure such event within 30 days after receipt from Executive of written notice thereof, and the Executive resigns from the Executive's employment within two years following the initial occurrence of such event.

The existence of Good Reason will not be affected by the Executive's temporary incapacity due to physical or mental illness not constituting a Disability.

Section 2.15. "Notice of Termination" means a written notice which indicates the specific termination provision in this Agreement relied upon, and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated.

Section 2.16. "Person" has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as provided in Section 13(d).

Section 2.17. "Qualifying Termination" means any of the events described in Section 3.02 herein, the occurrence of which triggers the payment of Severance Benefits hereunder.

Section 2.18. "Separation from Service" means the Executive's termination of employment with the Company, its Affiliates and with each member of the controlled group (within the meaning of Sections 414(b) or (c) of the Code) of which the Company is a member.The Executive will not be treated as having a Separation from Service during any period the Executive's employment relationship continues, such as a result of a leave of absence, and whether a Separation from Service has occurred shall be determined by the Committee (on a basis consistent with rules under Section 409A) after consideration of all the facts and circumstances, including whether either no further services are to be performed or there is a reasonably anticipated permanent and substantial decrease (e.g., 80% or more) in the level of services to be performed (and the related amount of compensation to be received for such services) below the level of services previously performed (and compensation previously received).

Section 2.19. "Severance Benefits" means the payment of severance compensation as provided in Section 3.03 herein.

Section 2.20. "Willful" means any act or omission by the Executive that was in good faith and with a reasonable belief that the action or omission was in the best interests of the Company or its Affiliates. Any act or omission based upon authority given pursuant to a duly adopted Board resolution, or, upon the instructions of any senior officer of the Company, or based upon the advice of counsel for the Company will be conclusively presumed to be taken or omitted by the Executive in good faith and in the best interests of the Company and/or its Affiliates.

ARTICLE 3
SEVERANCE BENEFITS

Section 3.01. Right to Severance Benefits. The Executive will be entitled to receive the Severance Benefits from the Company if a Qualifying Termination occurs on or after a Change in Control and before the end of the twenty-fourth (24th) calendar month following the end of the month in which the Change in Control occurs.

The Executive will not be entitled to receive Severance Benefits if the Executive's employment is terminated (i) for Cause, (ii) due to a voluntary termination without Good Reason, or (iii) due to death or Disability.

Section 3.02. Qualifying Termination. A Qualifying Termination shall occur if:

(a) The Executive incurs a Separation from Service because of an involuntary termination of the Executive's employment by the Company for reasons other than Cause, Disability or death; or

(b) The Executive incurs a Separation from Service because of a voluntary termination by the Executive for Good Reason pursuant to a Notice of Termination delivered to the Company by the Executive.

Section 3.03. Description of Severance Benefits. In the event the Executive becomes entitled to receive Severance Benefits, as provided in Sections 3.01 and 3.02 herein, the Company will pay to the

Executive (or in the event of the Executive's death, the Executive's Beneficiary) and provide the Executive with the following at the time or times provided in Section 4.01 herein:

(a) An amount equal to three (3) times the highest rate of the Executive's annualized Base Salary in effect at any time up to and including the Date of Separation from Service.

(b) An amount equal to three (3) times the Executive's highest annualized target Management Incentive Award granted under the Livent Corporation Incentive Compensation and Stock Plan for any plan year up to and including the plan year in which the Executive's Date of Separation from Service occurs.

(c) An amount equal to the Executive's unpaid Base Salary, and unused and accrued vacation pay, earned or accrued through the Date of Separation from Service.

(d) Any Management Incentive Award otherwise payable (but for Executive's separation) for the plan year in which the Executive's Date of Separation from Service occurred, prorated through the Date of Separation from Service.

(e) An amount equal to three (3) times the annual Company contribution made on the Executive's behalf to the Livent Savings and Investment Plan and the Livent Nonqualified Savings Plan as in effect immediately prior to the date of the Change in Control. For the avoidance of doubt, the "annual Company contribution" shall exclude any pre-tax or post-tax contribution specifically authorized by the Executive.

(f) Provided it is permissible under the terms of the applicable plan and any underlying insurance contract and does not result in adverse tax consequences to the Company or the Executive, as determined by the Committee, a continuation of the Company's welfare benefits of life and accidental death and dismemberment, and disability insurance coverage for three (3) full years after the Date of Separation from Service. These benefits will be provided to the Executive (and to the Executive's covered spouse and dependents) at the same premium cost, and at the same coverage level, as in effect immediately prior to the date of the Change in Control. The continuation of these welfare benefits (or cash benefits in lieu thereof, as described below) will be discontinued prior to the end of the three (3) year period if the Executive has available substantially similar benefits at a comparable cost from a subsequent employer, as determined by the Committee. In the event any such benefit cannot be provided to the Executive under the terms of the applicable plan or contract or would result in adverse tax consequences, the Company shall pay an amount equal to three (3) times the annual Company cost for such benefit as in effect immediately prior to the date of the Change in Control.

(g) Provided it is permissible under the terms of the plan and underlying insurance contract and does not result in adverse tax consequences to the Company or the Executive, as determined by the Committee, for a period of three (3) full years following the Date of Separation from Service, the Company shall provide medical insurance for the Executive (and the Executive's covered spouse and dependents) at the same premium cost, and at the same coverage level, as in effect immediately prior to the date of the Change in Control. The continuation of this medical insurance (or cash benefits in lieu thereof, as described below) will be discontinued prior to the end of the three (3) year period if the Executive has available substantially similar medical insurance at a comparable cost from a subsequent employer, as determined by the Committee. The date that medical benefits provided in this paragraph cease to be provided under this paragraph will be the date of the Executive's qualifying event for

continuation coverage purposes under Code Section 4980B(f)(3)(B). In the event such medical insurance cannot be provided to the Executive under the terms of the applicable plan or contract or would result in adverse tax consequences, the Company shall pay an amount equal to three (3) times the annual Company cost for such benefit as in effect immediately prior to the date of the Change in Control.

Awards granted under the Livent Corporation Incentive Compensation and Stock Plan, and other incentive arrangements adopted by the Company will be treated pursuant to the terms of the applicable plan.

The aggregate benefits accrued by the Executive as of the Date of Separation from Service under any savings or retirement plans sponsored by the Company from time to time will be distributed pursuant to the terms of the applicable plan.

Section 3.04. Termination for Disability. If the Executive's employment is terminated due to Disability, the Executive will receive the Executive's Base Salary through the Date of Separation from Service, and the Executive's benefits will be determined in accordance with the Company's disability, retirement, survivor's benefits, insurance and other applicable plans and programs then in effect. If the Executive's employment is terminated due to Disability, the Executive will not be entitled to the Severance Benefits described in Section 3.03.

Section 3.05. Termination upon Death. If the Executive's employment is terminated due to death, the Executive's benefits will be determined in accordance with the Company's retirement, survivor's benefits, insurance and other applicable programs of the Company then in effect. If the Executive's employment is terminated due to death, neither the Executive's estate nor the Executive's Beneficiary will be entitled to the Severance Benefits described in Section 3.03.

Section 3.06. Termination for Cause, or Other Than for Good Reason. Following a Change in Control of the Company, if the Executive's employment is terminated either: (a) by the Company for Cause; or (b) by the Executive (other than for Good Reason), the Company will pay the Executive an amount equal to the Executive's Base Salary and accrued vacation through the Date of Separation from Service, at the rate then in effect, plus all other amounts to which the Executive is entitled under any plans of the Company, at the time such payments are due and the Company will have no further obligations to the Executive under this Agreement.

Section 3.07. Notice of Termination. Any termination of employment by the Company or by the Executive for Good Reason will be communicated by a Notice of Termination.

ARTICLE 4
FORM AND TIMING OF SEVERANCE BENEFITS

Section 4.01. Form and Timing. Subject to Section 4.02:

(a) the amounts payable under Sections 3.03(a), (b), (c), and (e) will be paid in a lump sum on the 61st day following the Termination Date (or, if such 61st day is not a business day, the next business day immediately following such 61st day);

(b) the amount payable under Section 3.03(d) will be paid in a lump sum at the same time that Management Incentive Awards are paid to employees generally for the year in which the Executive's

Separation from Service occurs, but in no event later than 2½ months following the end of the year in which the Executive's Separation from Service occurs; and

(c) the benefits due under Sections 3.03(f) and 3.03(g) will continue uninterrupted following the Executive's Separation from Service (but will be discontinued if the requirements of Section 4.02 are not timely satisfied) or in the event a cash payment will be made pursuant to Sections 3.03(f) or 3.03(g), such payment shall be made in monthly installments, over the period such benefits would have otherwise been provided.

Section 4.02. Release. All rights, payments and benefits due to the Executive under Section 3.03 (other than Section 3.03(c)) shall be conditioned on the Executive's execution of a general release of claims against the Company and its affiliates in a form reasonably prescribed by the Company and on that release becoming irrevocable within 60 days following the Termination Date.

ARTICLE 5
TAXES AND TAX COMPLIANCE

Section 5.01. Withholding of Taxes. The Company will be entitled to withhold from any amounts payable under this Agreement all taxes as it may believe are reasonably required to be withheld (including, without limitation, any United States federal taxes and any other state, city, or local taxes).

Section 5.02. Section 409A Compliance. This Agreement shall be interpreted to avoid any penalty sanctions under Section 409A of the Code. If any payment or benefit cannot be provided or made at the time specified herein without incurring sanctions under Section 409A of the Code, then such benefit or payment shall be provided in full at the earliest time thereafter when such sanctions will not be imposed. All payments to be made upon a termination of employment under this Agreement will be made upon a "separation from service" under Section 409A of the Code. For purposes of Section 409A of the Code, each payment made under this Agreement shall be treated as a separate payment. In no event may the Executive, directly or indirectly, designate the calendar year of payment. Notwithstanding any other provision of this Agreement to the contrary, any payment that constitutes the deferral of compensation (within the meaning of Treas. Reg. § 1.409A-1(b)) that is otherwise required to be made to the Executive prior to the day after the date that is six months from the Date of Separation from Service shall be accumulated, deferred and paid in a lump sum to the Executive (with interest on the amount deferred from the Date of Separation from Service until the day prior to the actual payment at the federal short-term rate on the Date of Separation from Service) on the day after the date that is six months from the Date of Separation from Service; provided, however, if Executive dies prior to the expiration of such six month period, payment to the Executive's Beneficiary shall be made as soon as practicable following the Executive's death. Any reimbursements or in-kind benefits that constitute a deferral of compensation (within the meaning of Treas. Reg. § 1.409A-1(b)) will be provided subject to the requirements of Treas. Reg. §§ 1.409A-3(i)(1)(iv)(A)(3), (4) and (5).

Section 5.03. Parachute Payments.

(a) Notwithstanding anything to the contrary in this Agreement or otherwise, in the event that any payment or benefit received or to be received by the Executive in connection with a Change in Control or the Executive's Separation from Service (whether pursuant to the terms of this Agreement or any other plan, policy, arrangement or agreement maintained or entered into by the Company (or any of its Affiliates or successors) or any Person whose actions result in a Change in Control (or any Person

affiliated with such Person)) (all such payments and benefits, the "Parachute Payments") would be subject (in whole or in part) to an excise tax under Section 4999 of the Code (the "Excise Tax"), then the Parachute Payments shall either be (i) reduced (but not below zero) so that the present value of the Parachute Payments is one dollar less than three times the Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) so that no portion of the Parachute Payments shall be subject to the Excise Tax or (ii) paid in full, whichever produces the better net after-tax position to the Executive (taking into account the Excise Tax and any other applicable taxes).

(b) The reduction of the Parachute Payments contemplated in Section 5.03(a) above shall be implemented by determining the Parachute Payment Ratio (as defined below), as determined in good faith by the Company (or its successor), for each Parachute Payment and then reducing the Parachute Payments in order beginning with the Parachute Payment with the highest Parachute Payment Ratio. For Parachute Payments with the same Parachute Payment Ratio, such Parachute Payments shall be reduced based on the time of payment of such Parachute Payments, with amounts having later payment dates being reduced first. For Parachute Payments with the same Parachute Payment Ratio and the same time of payment, such Parachute Payments shall be reduced on a pro rata basis (but not below zero) prior to reducing Parachute Payments with a lower Parachute Payment Ratio. For purposes hereof, the term "Parachute Payment Ratio" shall mean a fraction, (i) the numerator of which is the value of the applicable Parachute Payment (as calculated for purposes of Section 280G of the Code), and (ii) the denominator of which is the intrinsic (i.e., economic) value of such Parachute Payment.

ARTICLE 6
THE COMPANY'S PAYMENT OBLIGATION

The Company's obligation to make the payments and the arrangements provided for herein will be absolute and unconditional, and will not be affected by any circumstances, including, without limitation, any offset, counterclaim, recoupment, defense, or other right which the Company may have against the Executive or anyone else. All amounts payable by the Company hereunder will be paid without notice or demand. Each and every payment made hereunder by the Company will be final, and the Company will not seek to recover all or any part of such payment from the Executive or from whomsoever may be entitled thereto, for any reasons whatsoever.

The Executive will not be obligated to seek other employment in mitigation of the amounts payable or arrangements made under any provision of this Agreement, and the obtaining of any such other employment will in no event effect any reduction of the Company's obligations to make the payments and arrangements required to be made under this Agreement, except to the extent provided in Sections 3.03(f) and (g) herein. Notwithstanding anything in this Agreement to the contrary, if Severance Benefits are paid under this Agreement, no severance benefits under any program of the Company, other than benefits described in this Agreement, will be paid to the Executive.

ARTICLE 7
FEES AND EXPENSES

To the extent permitted by law, the Company will pay as incurred (within ten (10) days following receipt of an invoice from the Executive) all legal fees, costs of litigation, prejudgment interest, and other expenses incurred in good faith by the Executive as a result of the Company's refusal to provide the Severance Benefits to which the Executive becomes entitled under this Agreement, or as a result of the Company's contesting the validity, enforceability, or interpretation of this Agreement, or as a result of

any conflict between the parties pertaining to this Agreement; provided, however, that the Company will reimburse the Executive only for such expenses arising out of litigation commenced within three (3) years following the Executive's Separation from Service. Notwithstanding any other provision in this Article 7, the Company will reimburse the Executive only for expenses incurred prior to the end of the fifth (5^{th}) year following the Executive's Separation from Service.

ARTICLE 8
OUTPLACEMENT ASSISTANCE

Following a Qualifying Termination (as described in Section 3.02 herein), the Executive will be reimbursed by the Company for the costs of all reasonable outplacement services obtained by the Executive within the two (2) year period after the Date of Separation from Service; provided, however, that reimbursements must be made by the end of the third year following the Date of Separation from Service and the total reimbursement for such outplacement services will be limited to an amount equal to fifteen percent (15%) of the Executive's Base Salary as of the Date of Separation from Service.

ARTICLE 9
SUCCESSORS AND ASSIGNMENT

Section 9.01. Successors to the Company. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, or otherwise) of all or substantially all of the business and/or assets of the Company or of any division or subsidiary thereof to expressly assume and agree to perform the Company's obligations under this Agreement in the same manner and to the same extent that the Company would be required to perform them if no such succession had taken place.

Section 9.02. Assignment by the Executive. This Agreement will inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees, and legatees. If the Executive dies while any amount would still be payable to the Executive hereunder had the Executive continued to live, all such amounts, unless otherwise provided herein, will be paid in accordance with the terms of this Agreement to the Executive's Beneficiary. If the Executive has not named a Beneficiary, then such amounts will be paid to the Executive's devisee, legatee, or other designee, or if there is no such designee, to the Executive's estate, and such designee, or the Executive's estate will be treated as the Beneficiary hereunder.

ARTICLE 10
MISCELLANEOUS

Section 10.01. Employment Status. Except as may be provided under any other agreement between the Executive and the Company, the employment of the Executive by the Company is "at will," and may be terminated by either the Executive or the Company at any time, subject to applicable law.

Section 10.02. Beneficiaries. The Executive may designate one or more persons or entities as the primary and/or contingent Beneficiaries of any Severance Benefits owing to the Executive under this Agreement. Such designation must be in the form of a signed writing acceptable to the Committee. The Executive may make or change such designations at any time.

Section 10.03. Severability. In the event any provision of this Agreement will be held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Agreement, and

the Agreement will be construed and enforced as if the illegal or invalid provision had not been included. Further, the captions of this Agreement are not part of the provisions hereof and will have no force and effect.

Section 10.04. Modification. No provision of this Agreement may be modified, waived, or discharged unless such modification, waiver, or discharge is agreed to in writing and signed by the Executive and by an authorized member of the Committee, or by the respective parties' legal representatives and successors.

Section 10.05. Applicable Law. To the extent not preempted by the laws of the United States, the laws of the state of Delaware will be the controlling law in all matters relating to this Agreement.

Section 10.06. Indemnification. To the full extent permitted by law, the Company will, both during and after the period of the Executive's employment, indemnify the Executive (including by advancing the Executive expenses) for any judgments, fines, amounts paid in settlement and reasonable expenses, including any attorneys' fees, incurred by the Executive in connection with the defense of any lawsuit or other claim to which the Executive is made a party by reason of being (or having been) an officer, director or employee of the Company or any of its subsidiaries. The Executive will be covered by director and officer liability insurance to the maximum extent that that insurance covers any officer or director (or former officer or director) of the Company.

Section 10.07. Termination of Prior Agreement. The prior Executive Severance Agreement between the Company and Executive, dated as of October 10, 2018, is hereby terminated and shall have no further force or effect.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on February 23, 2021.

LIVENT CORPORATION

Alicia M. Markmann.

By: ______________________
Alicia M. Markmann
CHRO

EXECUTIVE

____
Paul W. Graves
President & CEO

EXECUTIVE SEVERANCE AGREEMENT

This EXECUTIVE SEVERANCE AGREEMENT is made and entered into as of February 24, 2021 (the "Effective Date"), by and between Livent Corporation, a Delaware corporation (hereinafter referred to as the "Company") and Sara Ponessa (hereinafter referred to as the "Executive") (this "Agreement").

WHEREAS, the Executive presently serves the Company in a position of authority and responsibility; and

WHEREAS, pursuant to the terms of the Livent Corporation Executive Severance Plan, the Executive and the Company desire to enter into this Agreement on the terms and the conditions set forth herein.

NOW THEREFORE, to assure the Company that it will have the continued dedication of the Executive and the availability of the Executive's service notwithstanding the possibility, threat, or occurrence of a Change in Control, and to induce the Executive to remain in the employ of the Company, and for other good and valuable consideration, the Company and the Executive agree as follows:

ARTICLE 1
ESTABLISHMENT, TERM, AND PURPOSE

This Agreement is effective from the Effective Date and will continue in effect until February 24, 2022. On that date, and on each subsequent anniversary thereof, the term of this Agreement will be extended automatically for one (1) additional year, unless the Committee delivers written notice six (6) months prior to such date to the Executive that this Agreement will not be extended. If timely notice not to extend is given, this Agreement will terminate at the end of the term, or extended term, then in progress.

However, in the event a Change in Control occurs during the original or any extended term, this Agreement will remain in effect for the longer of: (i) twenty-four (24) months beyond the end of the month in which such Change in Control occurred; and (ii) until all obligations of the Company hereunder have been fulfilled, and until all benefits required hereunder have been paid to the Executive.

ARTICLE 2
DEFINITIONS

Whenever used in this Agreement, the following terms will have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized.

Section 2.01. "Affiliate" means a corporation or other entity controlled by, controlling or under common control with the Company, including, without limitation, any corporation partnership, joint venture or other entity during any period in which at least a fifty percent (50%) voting or profits interest is owned, directly or indirectly, by the Company or any successor to the Company.

Section 2.02. "Base Salary" means the salary of record paid to the Executive as annual salary, excluding amounts received under incentive or other bonus plans, whether or not deferred.

Section 2.03. "Beneficiary" means the persons or entities designated or deemed designated by the Executive pursuant to Section 10.02 herein.

Section 2.04. "Board" means the Board of Directors of the Company.

Section 2.05. "Cause" means:

(a) the Executive's Willful and continued failure to substantially perform the Executive's employment duties in any material respect (other than any such failure resulting from physical or mental incapacity or occurring after issuance by the Executive of a Notice of Termination for Good Reason), after a written demand for substantial performance is delivered to the Executive that specifically identifies the manner in which the Company believes the Executive has failed to perform the Executive's duties, and after the Executive has failed to resume substantial performance of the Executive's duties on a continuous basis within thirty (30) calendar days of receiving such demand;

(b) the Executive's Willful and deliberate conduct (other than conduct covered under (a) above) which is materially injurious to the Company or an Affiliate; or

(c) the Executive's having been convicted of, or pleading guilty or nolo contendere to, a felony under federal or state law on or prior to a Change in Control.

Section 2.06. "Change in Control" means the happening of any of the following events:

(a) An acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty percent (20%) or more of either (i) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); excluding, however, the following: (A) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company, or (D) any acquisition pursuant to a transaction which complies with Subsections (i), (ii) and (iii) of Subsection (c) of this Section 2.06;

(b) A change in the composition of the Board such that the individuals who, as of the Effective Date, constitute the Board (such Board will be hereinafter referred to as the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, for purposes of this Section 2.06, that any individual who becomes a member of the Board subsequent to the Effective Date, whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) will be considered as though such individual were a member of the Incumbent Board; but, provided further, that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board will not be so considered as a member of the Incumbent Board;

(c) Consummation of a reorganization, merger or consolidation, sale or other disposition of all or substantially all of the assets of the Company, or acquisition by the Company of the assets or stock of another entity ("Corporate Transaction"); excluding, however, such a Corporate Transaction pursuant to which (i) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than sixty percent (60%) of, respectively, the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (other than the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such Corporate Transaction) will beneficially own, directly or indirectly, twenty percent (20%) or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors except to the extent that such ownership existed prior to the Corporate Transaction, and (iii) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction; or

(d) The approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

For the avoidance of doubt, the Distribution (as defined in the Employee Matters Agreement) shall not constitute a Change in Control.

Section 2.07. "Code" means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.

Section 2.08. "Committee" means the Compensation and Organization Committee of the Board or any other committee of the Board appointed to perform the functions of the Compensation and Organization Committee.

Section 2.09. "Company" means Livent Corporation, a Delaware corporation, or any successor thereto as provided in Article 9 herein.

Section 2.10. "Date of Separation from Service" means the date on which a Qualifying Termination occurs.

Section 2.11. "Disability" means complete and permanent inability by reason of illness or accident to perform the duties of the occupation at which the Executive was employed when such disability commenced.

Section 2.12. "Employee Matters Agreement" means the Employee Matters Agreement, by and between FMC Corporation, a Delaware corporation, and the Company, dated as of October 15, 2018, as such agreement may be amended from time to time.

Section 2.13. "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto.

Section 2.14. "Good Reason" means, without the Executive's express written consent, the occurrence of any one or more of the following:

(a) The assignment of the Executive to duties materially inconsistent with the Executive's authorities, duties, responsibilities and status (including, without limitation, offices, titles and reporting requirements) as an employee of the Company (including, without limitation, any material change in duties or status as a result of the stock of the Company ceasing to be publicly traded or of the Company becoming a subsidiary of another entity), or a reduction or alteration in the nature or status of the Executive's authorities, duties, or responsibilities from the greatest of those in effect (i) immediately preceding the Company's entry into any definitive agreement to conduct the Change in Control, or (ii) immediately preceding the Change in Control;

(b) The Company's requiring the Executive to be based at a location which is at least fifty (50) miles further from the Executive's then current primary residence than such residence is from the office where the Executive is located at the time of the Change in Control, except for required travel on the Company's business to an extent substantially consistent with the Executive's business obligations;

(c) A reduction by the Company in the Executive's Base Salary;

(d) A material reduction in the Executive's level of participation in any of the Company's short- and/or long-term incentive compensation plans, or employee benefit or retirement plans, policies, practices, or arrangements in which the Executive participates from the greatest of the levels in place: (i) immediately preceding the Company's entry into any definitive agreement to conduct the Change in Control, or (ii) immediately preceding the Change in Control;

(e) The failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform this Agreement, as contemplated in Article 9 herein.

provided that any such event shall constitute Good Reason only if Executive notifies the Company in writing of such event within 90 days following the initial occurrence thereof, the Company fails to cure such event within 30 days after receipt from Executive of written notice thereof, and the Executive resigns from the Executive's employment within two years following the initial occurrence of such event.

The existence of Good Reason will not be affected by the Executive's temporary incapacity due to physical or mental illness not constituting a Disability.

Section 2.15. "Notice of Termination" means a written notice which indicates the specific termination provision in this Agreement relied upon, and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated.

Section 2.16. "Person" has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as provided in Section 13(d).

Section 2.17. "Qualifying Termination" means any of the events described in Section 3.02 herein, the occurrence of which triggers the payment of Severance Benefits hereunder.

Section 2.18. "Separation from Service" means the Executive's termination of employment with the Company, its Affiliates and with each member of the controlled group (within the meaning of Sections 414(b) or (c) of the Code) of which the Company is a member. The Executive will not be treated as having a Separation from Service during any period the Executive's employment relationship continues, such as a result of a leave of absence, and whether a Separation from Service has occurred shall be determined by the Committee (on a basis consistent with rules under Section 409A) after consideration of all the facts and circumstances, including whether either no further services are to be performed or there is a reasonably anticipated permanent and substantial decrease (e.g., 80% or more) in the level of services to be performed (and the related amount of compensation to be received for such services) below the level of services previously performed (and compensation previously received).

Section 2.19. "Severance Benefits" means the payment of severance compensation as provided in Section 3.03 herein.

Section 2.20. "Willful" means any act or omission by the Executive that was in good faith and with a reasonable belief that the action or omission was in the best interests of the Company or its Affiliates. Any act or omission based upon authority given pursuant to a duly adopted Board resolution, or, upon the instructions of any senior officer of the Company, or based upon the advice of counsel for the Company will be conclusively presumed to be taken or omitted by the Executive in good faith and in the best interests of the Company and/or its Affiliates.

ARTICLE 3
SEVERANCE BENEFITS

Section 3.01. Right to Severance Benefits. The Executive will be entitled to receive the Severance Benefits from the Company if a Qualifying Termination occurs on or after a Change in Control and before the end of the twenty-fourth (24th) calendar month following the end of the month in which the Change in Control occurs.

The Executive will not be entitled to receive Severance Benefits if the Executive's employment is terminated (i) for Cause, (ii) due to a voluntary termination without Good Reason, or (iii) due to death or Disability.

Section 3.02. Qualifying Termination. A Qualifying Termination shall occur if:

(a) The Executive incurs a Separation from Service because of an involuntary termination of the Executive's employment by the Company for reasons other than Cause, Disability or death; or

(b) The Executive incurs a Separation from Service because of a voluntary termination by the Executive for Good Reason pursuant to a Notice of Termination delivered to the Company by the Executive.

Section 3.03. Description of Severance Benefits. In the event the Executive becomes entitled to receive Severance Benefits, as provided in Sections 3.01 and 3.02 herein, the Company will pay to the

Executive (or in the event of the Executive's death, the Executive's Beneficiary) and provide the Executive with the following at the time or times provided in Section 4.01 herein:

(a) An amount equal to two (2) times the highest rate of the Executive's annualized Base Salary in effect at any time up to and including the Date of Separation from Service.

(b) An amount equal to two (2) times the Executive's highest annualized target Management Incentive Award granted under the Livent Corporation Incentive Compensation and Stock Plan for any plan year up to and including the plan year in which the Executive's Date of Separation from Service occurs.

(c) An amount equal to the Executive's unpaid Base Salary, and unused and accrued vacation pay, earned or accrued through the Date of Separation from Service.

(d) Any Management Incentive Award otherwise payable (but for Executive's separation) for the plan year in which the Executive's Date of Separation from Service occurred, prorated through the Date of Separation from Service.

(e) An amount equal to two (2) times the annual Company contribution made on the Executive's behalf to the Livent Savings and Investment Plan and the Livent Nonqualified Savings Plan as in effect immediately prior to the date of the Change in Control. For the avoidance of doubt, the "annual Company contribution" shall exclude any pre-tax or post-tax contribution specifically authorized by the Executive.

(f) Provided it is permissible under the terms of the applicable plan and any underlying insurance contract and does not result in adverse tax consequences to the Company or the Executive, as determined by the Committee, a continuation of the Company's welfare benefits of life and accidental death and dismemberment, and disability insurance coverage for two (2) full years after the Date of Separation from Service. These benefits will be provided to the Executive (and to the Executive's covered spouse and dependents) at the same premium cost, and at the same coverage level, as in effect immediately prior to the date of the Change in Control. The continuation of these welfare benefits (or cash benefits in lieu thereof, as described below) will be discontinued prior to the end of the two (2) year period if the Executive has available substantially similar benefits at a comparable cost from a subsequent employer, as determined by the Committee. In the event any such benefit cannot be provided to the Executive under the terms of the applicable plan or contract or would result in adverse tax consequences, the Company shall pay an amount equal to two (2) times the annual Company cost for such benefit as in effect immediately prior to the date of the Change in Control.

(g) Provided it is permissible under the terms of the plan and underlying insurance contract and does not result in adverse tax consequences to the Company or the Executive, as determined by the Committee, for a period of two (2) full years following the Date of Separation from Service, the Company shall provide medical insurance for the Executive (and the Executive's covered spouse and dependents) at the same premium cost, and at the same coverage level, as in effect immediately prior to the date of the Change in Control. The continuation of this medical insurance (or cash benefits in lieu thereof, as described below) will be discontinued prior to the end of the two (2) year period if the Executive has available substantially similar medical insurance at a comparable cost from a subsequent employer, as determined by the Committee. The date that medical benefits provided in this paragraph cease to be provided under this paragraph will be the date of the Executive's qualifying event for continuation

coverage purposes under Code Section 4980B(f)(3)(B). In the event such medical insurance cannot be provided to the Executive under the terms of the applicable plan or contract or would result in adverse tax consequences, the Company shall pay an amount equal to two (2) times the annual Company cost for such benefit as in effect immediately prior to the date of the Change in Control.

Awards granted under the Livent Corporation Incentive Compensation and Stock Plan, and other incentive arrangements adopted by the Company will be treated pursuant to the terms of the applicable plan.

The aggregate benefits accrued by the Executive as of the Date of Separation from Service under any savings or retirement plans sponsored by the Company from time to time will be distributed pursuant to the terms of the applicable plan.

Section 3.04. Termination for Disability. If the Executive's employment is terminated due to Disability, the Executive will receive the Executive's Base Salary through the Date of Separation from Service, and the Executive's benefits will be determined in accordance with the Company's disability, retirement, survivor's benefits, insurance and other applicable plans and programs then in effect. If the Executive's employment is terminated due to Disability, the Executive will not be entitled to the Severance Benefits described in Section 3.03.

Section 3.05. Termination upon Death. If the Executive's employment is terminated due to death, the Executive's benefits will be determined in accordance with the Company's retirement, survivor's benefits, insurance and other applicable programs of the Company then in effect. If the Executive's employment is terminated due to death, neither the Executive's estate nor the Executive's Beneficiary will be entitled to the Severance Benefits described in Section 3.03.

Section 3.06. Termination for Cause, or Other Than for Good Reason. Following a Change in Control of the Company, if the Executive's employment is terminated either: (a) by the Company for Cause; or (b) by the Executive (other than for Good Reason), the Company will pay the Executive an amount equal to the Executive's Base Salary and accrued vacation through the Date of Separation from Service, at the rate then in effect, plus all other amounts to which the Executive is entitled under any plans of the Company, at the time such payments are due and the Company will have no further obligations to the Executive under this Agreement.

Section 3.07. Notice of Termination. Any termination of employment by the Company or by the Executive for Good Reason will be communicated by a Notice of Termination.

ARTICLE 4
FORM AND TIMING OF SEVERANCE BENEFITS

Section 4.01. Form and Timing. Subject to Section 4.02:

(a) the amounts payable under Sections 3.03(a), (b), (c), and (e) will be paid in a lump sum on the 61st day following the Termination Date (or, if such 61st day is not a business day, the next business day immediately following such 61st day);

(b) the amount payable under Section 3.03(d) will be paid in a lump sum at the same time that Management Incentive Awards are paid to employees generally for the year in which the Executive's

Separation from Service occurs, but in no event later than 2½ months following the end of the year in which the Executive's Separation from Service occurs; and

(c) the benefits due under Sections 3.03(f) and 3.03(g) will continue uninterrupted following the Executive's Separation from Service (but will be discontinued if the requirements of Section 4.02 are not timely satisfied) or in the event a cash payment will be made pursuant to Sections 3.03(f) or 3.03(g), such payment shall be made in monthly installments, over the period such benefits would have otherwise been provided.

Section 4.02. Release. All rights, payments and benefits due to the Executive under Section 3.03 (other than Section 3.03(c)) shall be conditioned on the Executive's execution of a general release of claims against the Company and its affiliates in a form reasonably prescribed by the Company and on that release becoming irrevocable within 60 days following the Termination Date.

ARTICLE 5
TAXES AND TAX COMPLIANCE

Section 5.01. Withholding of Taxes. The Company will be entitled to withhold from any amounts payable under this Agreement all taxes as it may believe are reasonably required to be withheld (including, without limitation, any United States federal taxes and any other state, city, or local taxes).

Section 5.02. Section 409A Compliance. This Agreement shall be interpreted to avoid any penalty sanctions under Section 409A of the Code. If any payment or benefit cannot be provided or made at the time specified herein without incurring sanctions under Section 409A of the Code, then such benefit or payment shall be provided in full at the earliest time thereafter when such sanctions will not be imposed. All payments to be made upon a termination of employment under this Agreement will be made upon a "separation from service" under Section 409A of the Code. For purposes of Section 409A of the Code, each payment made under this Agreement shall be treated as a separate payment. In no event may the Executive, directly or indirectly, designate the calendar year of payment. Notwithstanding any other provision of this Agreement to the contrary, any payment that constitutes the deferral of compensation (within the meaning of Treas. Reg. § 1.409A-1(b)) that is otherwise required to be made to the Executive prior to the day after the date that is six months from the Date of Separation from Service shall be accumulated, deferred and paid in a lump sum to the Executive (with interest on the amount deferred from the Date of Separation from Service until the day prior to the actual payment at the federal short-term rate on the Date of Separation from Service) on the day after the date that is six months from the Date of Separation from Service; provided, however, if Executive dies prior to the expiration of such six month period, payment to the Executive's Beneficiary shall be made as soon as practicable following the Executive's death. Any reimbursements or in-kind benefits that constitute a deferral of compensation (within the meaning of Treas. Reg. § 1.409A-1(b)) will be provided subject to the requirements of Treas. Reg. §§ 1.409A-3(i)(1)(iv)(A)(3), (4) and (5).

Section 5.03. Parachute Payments.

(a) Notwithstanding anything to the contrary in this Agreement or otherwise, in the event that any payment or benefit received or to be received by the Executive in connection with a Change in Control or the Executive's Separation from Service (whether pursuant to the terms of this Agreement or any other plan, policy, arrangement or agreement maintained or entered into by the Company (or any of its Affiliates or successors) or any Person whose actions result in a Change in Control (or any Person

affiliated with such Person)) (all such payments and benefits, the "Parachute Payments") would be subject (in whole or in part) to an excise tax under Section 4999 of the Code (the "Excise Tax"), then the Parachute Payments shall either be (i) reduced (but not below zero) so that the present value of the Parachute Payments is one dollar less than three times the Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) so that no portion of the Parachute Payments shall be subject to the Excise Tax or (ii) paid in full, whichever produces the better net after-tax position to the Executive (taking into account the Excise Tax and any other applicable taxes).

(b) The reduction of the Parachute Payments contemplated in Section 5.03(a) above shall be implemented by determining the Parachute Payment Ratio (as defined below), as determined in good faith by the Company (or its successor), for each Parachute Payment and then reducing the Parachute Payments in order beginning with the Parachute Payment with the highest Parachute Payment Ratio. For Parachute Payments with the same Parachute Payment Ratio, such Parachute Payments shall be reduced based on the time of payment of such Parachute Payments, with amounts having later payment dates being reduced first. For Parachute Payments with the same Parachute Payment Ratio and the same time of payment, such Parachute Payments shall be reduced on a pro rata basis (but not below zero) prior to reducing Parachute Payments with a lower Parachute Payment Ratio. For purposes hereof, the term "Parachute Payment Ratio" shall mean a fraction, (i) the numerator of which is the value of the applicable Parachute Payment (as calculated for purposes of Section 280G of the Code), and (ii) the denominator of which is the intrinsic (i.e., economic) value of such Parachute Payment.

ARTICLE 6
THE COMPANY'S PAYMENT OBLIGATION

The Company's obligation to make the payments and the arrangements provided for herein will be absolute and unconditional, and will not be affected by any circumstances, including, without limitation, any offset, counterclaim, recoupment, defense, or other right which the Company may have against the Executive or anyone else. All amounts payable by the Company hereunder will be paid without notice or demand. Each and every payment made hereunder by the Company will be final, and the Company will not seek to recover all or any part of such payment from the Executive or from whomsoever may be entitled thereto, for any reasons whatsoever.

The Executive will not be obligated to seek other employment in mitigation of the amounts payable or arrangements made under any provision of this Agreement, and the obtaining of any such other employment will in no event effect any reduction of the Company's obligations to make the payments and arrangements required to be made under this Agreement, except to the extent provided in Sections 3.03(f) and (g) herein. Notwithstanding anything in this Agreement to the contrary, if Severance Benefits are paid under this Agreement, no severance benefits under any program of the Company, other than benefits described in this Agreement, will be paid to the Executive.

ARTICLE 7
FEES AND EXPENSES

To the extent permitted by law, the Company will pay as incurred (within ten (10) days following receipt of an invoice from the Executive) all legal fees, costs of litigation, prejudgment interest, and other expenses incurred in good faith by the Executive as a result of the Company's refusal to provide the Severance Benefits to which the Executive becomes entitled under this Agreement, or as a result of the Company's contesting the validity, enforceability, or interpretation of this Agreement, or as a result of

any conflict between the parties pertaining to this Agreement; provided, however, that the Company will reimburse the Executive only for such expenses arising out of litigation commenced within three (3) years following the Executive's Separation from Service. Notwithstanding any other provision in this Article 7, the Company will reimburse the Executive only for expenses incurred prior to the end of the fifth (5^{th}) year following the Executive's Separation from Service.

ARTICLE 8
OUTPLACEMENT ASSISTANCE

Following a Qualifying Termination (as described in Section 3.02 herein), the Executive will be reimbursed by the Company for the costs of all reasonable outplacement services obtained by the Executive within the two (2) year period after the Date of Separation from Service; provided, however, that reimbursements must be made by the end of the third year following the Date of Separation from Service and the total reimbursement for such outplacement services will be limited to an amount equal to fifteen percent (15%) of the Executive's Base Salary as of the Date of Separation from Service.

ARTICLE 9
SUCCESSORS AND ASSIGNMENT

Section 9.01. Successors to the Company. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, or otherwise) of all or substantially all of the business and/or assets of the Company or of any division or subsidiary thereof to expressly assume and agree to perform the Company's obligations under this Agreement in the same manner and to the same extent that the Company would be required to perform them if no such succession had taken place.

Section 9.02. Assignment by the Executive. This Agreement will inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees, and legatees. If the Executive dies while any amount would still be payable to the Executive hereunder had the Executive continued to live, all such amounts, unless otherwise provided herein, will be paid in accordance with the terms of this Agreement to the Executive's Beneficiary. If the Executive has not named a Beneficiary, then such amounts will be paid to the Executive's devisee, legatee, or other designee, or if there is no such designee, to the Executive's estate, and such designee, or the Executive's estate will be treated as the Beneficiary hereunder.

ARTICLE 10
MISCELLANEOUS

Section 10.01. Employment Status. Except as may be provided under any other agreement between the Executive and the Company, the employment of the Executive by the Company is "at will," and may be terminated by either the Executive or the Company at any time, subject to applicable law.

Section 10.02. Beneficiaries. The Executive may designate one or more persons or entities as the primary and/or contingent Beneficiaries of any Severance Benefits owing to the Executive under this Agreement. Such designation must be in the form of a signed writing acceptable to the Committee. The Executive may make or change such designations at any time.

Section 10.03. Severability. In the event any provision of this Agreement will be held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Agreement, and

the Agreement will be construed and enforced as if the illegal or invalid provision had not been included. Further, the captions of this Agreement are not part of the provisions hereof and will have no force and effect.

Section 10.04. Modification. No provision of this Agreement may be modified, waived, or discharged unless such modification, waiver, or discharge is agreed to in writing and signed by the Executive and by an authorized member of the Committee, or by the respective parties' legal representatives and successors.

Section 10.05. Applicable Law. To the extent not preempted by the laws of the United States, the laws of the state of Delaware will be the controlling law in all matters relating to this Agreement.

Section 10.06. Indemnification. To the full extent permitted by law, the Company will, both during and after the period of the Executive's employment, indemnify the Executive (including by advancing the Executive expenses) for any judgments, fines, amounts paid in settlement and reasonable expenses, including any attorneys' fees, incurred by the Executive in connection with the defense of any lawsuit or other claim to which the Executive is made a party by reason of being (or having been) an officer, director or employee of the Company or any of its subsidiaries. The Executive will be covered by director and officer liability insurance to the maximum extent that that insurance covers any officer or director (or former officer or director) of the Company.

Section 10.07. Termination of Prior Agreement. The prior Executive Severance Agreement between the Company and Executive, dated as of October 10, 2018, is hereby terminated and shall have no further force or effect.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Executive Severance Agreement on February 24, 2021.

LIVENT CORPORATION

By: Alicia M. Markmann

Name: Alicia Markmann

Title: Vice President and Chief Human Resources Officer

EXECUTIVE

Name: Sara Ponessa

Title: Vice President, General Counsel and Secretary

[Signature Page to Executive Severance Agreement]

FIRST AMENDMENT TO TRADEMARK LICENSE AGREEMENT

FIRST AMENDMENT TO TRADEMARK LICENSE AGREEMENT (this "**Amendment**") dated as of May 11, 2020 by and among FMC Corporation, a Delaware corporation ("**FMC**"), and Livent Corporation, a Delaware corporation ("**Livent**").

WITNESSETH:

WHEREAS, FMC and Livent are parties to that certain Trademark License Agreement, dated as of October 15, 2018 (the "**Agreement**"; capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement); and

WHEREAS, FMC and Livent desire to amend the Agreement as set forth herein.

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

SECTION 1 Amendment Section 5.01 of the Agreement is hereby amended and restated in its entirety to read as follows:

> Section 5.01. *Term*. This Agreement is effective as of the Effective Date and continues in full force and effect until the third (3rd) anniversary of the Distribution Date, unless terminated earlier in accordance with Section 5.02 or Section 5.03 (the "Term").

SECTION 2 Representations and Warranties. FMC and the Company represent, as follows: (a) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby; and (b) this Agreement has been duly executed and delivered by it and constitutes, or will constitute, a valid and binding agreement of it enforceable in accordance with the terms thereof.

SECTION 3 Miscellaneous. The provisions of Article VII of the Agreement are hereby incorporated into this Amendment, *mutatis mutandis*. Each reference in the Agreement (or in any and all instruments or documents provided for in the Agreement or delivered or to be delivered thereunder or in connection therewith) to "this Agreement", "hereunder", "hereof", "herein", or words of like import shall, except where the context otherwise requires, be deemed a reference to the Agreement as amended hereby, and each reference in the Separation and Distribution Agreement (or in any and all instruments or documents provided for in the Separation and Distribution Agreement or delivered or to be delivered thereunder or in connection therewith) to "the Trademark License Agreement" shall be deemed to be a reference to the Agreement as amended hereby. No reference to this Amendment need be made in any instrument or document at any time referring to the Agreement, and a reference to the Agreement in any of such instruments or documents will be deemed to be a reference to the Agreement as amended hereby. Except as expressly provided in this Amendment, all provisions of the Agreement remain in full force and effect and are not modified by this Amendment, and the parties hereto hereby ratify and confirm each and every provision thereof.

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

FMC CORPORATION

By: ______________________

Name: MARK DOUGLAS

Title: PRESIDENT & CEO ELECT

LIVENT CORPORATION

By: ______________________

Name: Paul Graves

Title: President and Chief Executive Officer

Exhibit 21

LIVENT CORPORATION

SIGNIFICANT SUBSIDIARIES OF THE REGISTRANT

The following is a list of the Company's consolidating subsidiaries, as of December 31, 2020, except for certain subsidiaries of the Registrant which do not, in the aggregate, constitute a significant subsidiary as that term is defined in Rule 12b-2 under the Securities Exchange Act of 1934. This list does not include equity affiliate investments and cost investments.

Name of Subsidiary	State or Country of Incorporation
Livent Corporation (the Registrant)	Delaware
FMC Lithium USA Corp.	Delaware
FMC Lithium Singapore Pte. Ltd.	Singapore
FMC Specialty Chemicals (Zhangjiagang) Co. Ltd.	China
Minera del Altiplano S.A.	Argentina

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Livent Corporation:

We consent to the incorporation by reference in the registration statements (No. 333-227776, 333-230044, 333-230076, 333-232043 and 333-251997) on Form S-8 of Livent Corporation of our reports dated February 26, 2021, with respect to the consolidated balance sheets of Livent Corporation as of December 31, 2020 and 2019, the related consolidated and combined statements of operations, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2020, and the related notes, and the effectiveness of internal control over financial reporting as of December 31, 2020, which reports appear in the December 31, 2020 annual report on Form 10-K of Livent Corporation.

Our report refers to a change in the accounting method for leases.

(signed) KPMG LLP

Philadelphia, Pennsylvania
February 26, 2021

Exhibit 23.2

CONSENT OF BLOOMBERGNEF

Nicholas Albanese
BloombergNEF
1101 New York Avenue NW
Washington, D.C. 20005

We hereby consent to references to our firm, our Long-Term Electric Vehicle Outlook 2020 published in May 2020 (the "EVO"), and Long-Term Energy Storage Outlook 2020 published in December 2020 (the "ESO"; collectively with the EVO, the "Reports"), as the Reports may be amended and supplemented from time to time, and all information derived from the Reports that is contained in the annual report on Form 10-K of Livent Corporation for the year ended December 31, 2020.

Date: February 8, 2021

BLOOMBERGNEF

By: ______________________
Name: Nicholas Albanese
Title: Head of Intelligent Mobility

Exhibit 23.3

Roskill
Consulting Group Ltd

CONSENT OF ROSKILL CONSULTING GROUP LIMITED

We hereby consent to references to our firm, our 2020 Lithium Outlook to 2030 17th edition (the "Report") published in July 2020, as amended and supplemented from time to time, and all information derived from the Report that is contained in the annual report on Form 10-K of Livent Corporation for the year ended December 31, 2020.

Date: February 2nd, 2021

ROSKILL CONSULTING GROUP LIMITED

By:

Name: David Merriman
Title: Manager – Battery & Electric Vehicle Materials

54 Russell Road, London SW19 1QL, UK Tel: +44 (0)20 8417 0087 Fax: +44(0)20 8417 1308
Email: info@roskill.com Online: www.roskill.com
Registered in England & Wales No. 2985357
VAT No. GB 689673654

Exhibit 23.4

CONSENT OF EV-VOLUMES

We hereby consent to references to our firm and our Global Plug-in Passenger Cars and Light Commercial Vehicles Forecast published in November 2020 (the "Forecast"), as the Forecast may be amended and supplemented from time to time, and all information derived from the Forecast that is contained in the annual report on Form 10-K of Livent Corporation for the year ended December 31, 2020.

Date: February 2nd 2021

EV-VOLUMES

By: Viktor Irle

Name: Viktor Irle
Title: Market Analyst

Exhibit 31.1

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Paul W. Graves, certify that:

1. I have reviewed this Annual Report on Form 10-K of Livent Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer 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: February 26, 2021

/s/ Paul W. Graves

Paul W. Graves
President and Chief Executive Officer

Exhibit 31.2

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Gilberto Antoniazzi, certify that:

1. I have reviewed this Annual Report on Form 10-K of Livent Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer 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: February 26, 2021

/s/ Gilberto Antoniazzi

Gilberto Antoniazzi
Vice President and Chief Financial Officer

Exhibit 32.1

CEO CERTIFICATION OF ANNUAL REPORT

I, Paul W. Graves, President and Chief Executive Officer of Livent Corporation (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

(1) the Annual Report on Form 10-K of the Company for the year ended December 31, 2020 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 26, 2021

/s/ Paul W. Graves

Paul W. Graves
President and Chief Executive Officer

Exhibit 32.2

CFO CERTIFICATION OF ANNUAL REPORT

I, Gilberto Antoniazzi, Vice President and Chief Financial Officer of Livent Corporation (the "Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

(1) the Annual Report on Form 10-K of the Company for the year ended December 31, 2020 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 26, 2021

/s/ Gilberto Antoniazzi

Gilberto Antoniazzi
Vice President and Chief Financial Officer