

Table 1 - Reconciliation of Segment Information to Consolidated Financial Information

Millions of dollars	2022					2023		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Total
Sales and other operating revenues:								
Olefins & Polyolefins - Americas	\$ 3,734	\$ 4,238	\$ 3,690	\$ 2,818	\$ 14,480	\$ 2,808	\$ 2,727	\$ 5,535
Olefins & Polyolefins - EAI	3,926	3,897	3,109	2,523	13,455	2,892	2,729	5,621
Intermediates & Derivatives	3,339	3,766	3,283	2,562	12,950	2,682	2,662	5,344
Advanced Polymer Solutions	1,136	1,116	1,049	901	4,202	997	960	1,957
Refining	2,720	3,788	2,752	2,633	11,893	2,190	2,459	4,649
Technology	181	194	173	145	693	139	154	293
Other/Eliminations	(1,879)	(2,161)	(1,806)	(1,376)	(7,222)	(1,461)	(1,385)	(2,846)
Total sales and other operating revenues	<u>\$ 13,157</u>	<u>\$ 14,838</u>	<u>\$ 12,250</u>	<u>\$ 10,206</u>	<u>\$ 50,451</u>	<u>\$ 10,247</u>	<u>\$ 10,306</u>	<u>\$ 20,553</u>
Operating income (loss):								
Olefins & Polyolefins - Americas	\$ 754	\$ 817	\$ 418	\$ 217	\$ 2,206	\$ 371	\$ 524	\$ 895
Olefins & Polyolefins - EAI	163	145	(77)	(156)	75	21	54	75
Intermediates & Derivatives	468	635	290	211	1,604	320	361	681
Advanced Polymer Solutions	38	26	2	(50)	16	(247)	9	(238)
Refining	148	422	98	221	889	186	(3)	183
Technology	93	106	82	50	331	61	70	131
Other	(3)	(10)	(1)	(6)	(20)	1	(4)	(3)
Total operating income	<u>\$ 1,661</u>	<u>\$ 2,141</u>	<u>\$ 812</u>	<u>\$ 487</u>	<u>\$ 5,101</u>	<u>\$ 713</u>	<u>\$ 1,011</u>	<u>\$ 1,724</u>
Depreciation and amortization:								
Olefins & Polyolefins - Americas	\$ 144	\$ 147	\$ 151	\$ 149	\$ 591	\$ 144	\$ 144	\$ 288
Olefins & Polyolefins - EAI	47	45	44	35	171	48	47	95
Intermediates & Derivatives	81	81	83	87	332	110	117	227
Advanced Polymer Solutions	29	19	23	24	95	22	24	46
Refining	—	2	9	28	39	61	49	110
Technology	10	10	8	11	39	11	10	21
Total depreciation and amortization	<u>\$ 311</u>	<u>\$ 304</u>	<u>\$ 318</u>	<u>\$ 334</u>	<u>\$ 1,267</u>	<u>\$ 396</u>	<u>\$ 391</u>	<u>\$ 787</u>
EBITDA: ^(a)								
Olefins & Polyolefins - Americas	\$ 939	\$ 954	\$ 588	\$ 384	\$ 2,865	\$ 541	\$ 679	\$ 1,220
Olefins & Polyolefins - EAI	214	186	(74)	(148)	178	77	84	161
Intermediates & Derivatives	546	675	360	291	1,872	426	472	898
Advanced Polymer Solutions	71	42	28	(26)	115	(226)	34	(192)
Refining	148	418	106	249	921	246	47	293
Technology	103	112	92	59	366	73	79	152
Other	(1)	(6)	8	(17)	(16)	(6)	(12)	(18)
Total EBITDA ^(a)	<u>\$ 2,020</u>	<u>\$ 2,381</u>	<u>\$ 1,108</u>	<u>\$ 792</u>	<u>\$ 6,301</u>	<u>\$ 1,131</u>	<u>\$ 1,383</u>	<u>\$ 2,514</u>
Capital expenditures for PPE:								
Olefins & Polyolefins - Americas	\$ 135	\$ 107	\$ 70	\$ 71	\$ 383	\$ 82	\$ 102	\$ 184
Olefins & Polyolefins - EAI	89	109	52	99	349	54	65	119
Intermediates & Derivatives	163	265	245	267	940	179	104	283
Advanced Polymer Solutions	15	9	19	17	60	17	14	31
Refining	14	12	22	5	53	2	—	2
Technology	29	27	25	17	98	17	15	32
Other	1	3	6	(3)	7	1	1	2
Total capital expenditures for PPE	<u>\$ 446</u>	<u>\$ 532</u>	<u>\$ 439</u>	<u>\$ 473</u>	<u>\$ 1,890</u>	<u>\$ 352</u>	<u>\$ 301</u>	<u>\$ 653</u>

(a) See Table 7 for the reconciliation of net income to EBITDA, including and excluding identified items.

Note: Effective January 1, 2023, our *Catalloy* and polybutene-1 businesses were moved from the Advanced Polymer Solutions segment and reintegrated into the Olefins and Polyolefins-Americas and Olefins and Polyolefins-Europe, Asia, International segments. The segment information presented above gives effect to this change for all periods presented.

Table 2 - Selected Segment Operating Information

	2022					2023		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Total
Olefins and Polyolefins - Americas								
<i>Volumes (kilotons)</i>								
Ethylene produced	1,100	1,219	1,245	1,071	4,635	1,132	1,305	2,437
Propylene produced	258	303	286	278	1,125	285	241	526
Polyethylene sold	800	796	807	782	3,185	759	748	1,507
Polypropylene sold	273	275	273	252	1,073	250	262	512
<i>Benchmark Market Prices</i>								
West Texas Intermediate crude oil (USD per barrel)	94.49	108.66	91.76	82.85	94.44	76.11	73.78	74.94
Brent crude oil (USD per barrel)	97.38	111.79	97.81	88.60	98.90	82.22	78.01	80.12
Houston Ship Channel natural gas (USD per million BTUs)	4.28	7.17	7.34	3.08	5.47	2.10	1.96	2.03
U.S. weighted average cost of ethylene production (USD per metric ton)	491	617	584	463	539	322	262	292
U.S. ethylene (USD per metric ton)	942	904	849	737	858	678	619	649
U.S. polyethylene [high density] (USD per metric ton)	1,617	1,720	1,433	1,345	1,529	1,213	1,205	1,209
U.S. propylene (USD per metric ton)	1,396	1,345	996	680	1,104	1,110	889	1,000
U.S. polypropylene [homopolymer] (USD per metric ton)	2,234	2,205	1,778	1,220	1,859	1,484	1,264	1,374
Olefins and Polyolefins - Europe, Asia, International								
<i>Volumes (kilotons)</i>								
Ethylene produced	359	344	321	294	1,318	411	421	832
Propylene produced	204	192	186	161	743	224	238	462
Polyethylene sold	787	716	741	671	2,915	733	726	1,459
Polypropylene sold	932	826	803	706	3,267	829	783	1,612
<i>Benchmark Market Prices (€ per metric ton)</i>								
Western Europe weighted average cost of ethylene production	823	625	198	644	572	711	573	642
Western Europe ethylene	1,349	1,618	1,408	1,275	1,413	1,242	1,217	1,230
Western Europe polyethylene [high density]	1,556	1,799	1,521	1,425	1,575	1,379	1,320	1,350
Western Europe propylene	1,364	1,628	1,368	1,183	1,386	1,138	1,108	1,123
Western Europe polypropylene [homopolymer]	1,812	1,952	1,584	1,431	1,695	1,378	1,337	1,358

Source: LyondellBasell, IHS Markit and Platts

Note: Benchmark market prices for U.S. and Western Europe polyethylene and polypropylene reflect discounted prices. Volumes of selected key products presented represent third party sales and joint ventures' sales marketed by LyondellBasell. Effective January 1, 2023, our *Catalloy* and polybutene-1 businesses were moved from the Advanced Polymer Solutions segment and reintegrated into the Olefins and Polyolefins-Americas and Olefins and Polyolefins-Europe, Asia, International segments. The segment information presented above gives effect to this change for all periods presented.

Table 2 Continued - Selected Segment Operating Information

	2022					2023		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Total
Intermediates and Derivatives								
<i>Volumes Sold (kilotons)</i>								
Propylene oxide and derivatives	374	388	354	314	1,430	371	346	717
Intermediate Chemicals:								
Ethylene oxide and derivatives	127	123	119	125	494	121	117	238
Styrene monomer	493	451	382	380	1,706	408	427	835
Acetyls	278	247	259	276	1,060	263	266	529
Oxyfuels and Related Products:								
TBA intermediates	159	122	103	80	464	128	122	250
MTBE/ETBE	877	818	1,042	865	3,602	843	1,077	1,920
<i>Benchmark Market Margins (USD per metric ton)</i>								
MTBE - Northwest Europe	174	677	582	379	453	403	520	462
Advanced Polymer Solutions								
<i>Volumes Sold (kilotons)</i>								
Compounding & Solutions	403	378	378	348	1,507	383	370	753
Refining								
<i>Volumes (thousands of barrels per day)</i>								
Heavy crude oil processing rates	255	252	215	229	238	226	245	236
<i>Benchmark Market Margins</i>								
Brent - 2-1-1	22.31	47.83	33.18	31.11	33.62	29.44	25.11	27.27
Brent - Maya differential	8.51	8.00	13.35	17.01	11.71	19.39	14.34	16.87

Source: LyondellBasell, IHS Markit and Platts

Note: Benchmark market prices for U.S. and Western Europe polyethylene and polypropylene reflect discounted prices. Volumes of selected key products presented represent third party sales and joint ventures' sales marketed by LyondellBasell. Effective January 1, 2023, our *Catalloy* and polybutene-1 businesses were moved from the Advanced Polymer Solutions segment and reintegrated into the Olefins and Polyolefins-Americas and Olefins and Polyolefins-Europe, Asia, International segments. The segment information presented above gives effect to this change for all periods presented.

Table 3 - Unaudited Income Statement Information

Millions of dollars	2022					2023		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Total
Sales and other operating revenues	\$ 13,157	\$ 14,838	\$ 12,250	\$ 10,206	\$ 50,451	\$ 10,247	\$ 10,306	\$ 20,553
Cost of sales	11,136	12,267	11,088	9,356	43,847	8,864	8,868	17,732
Impairments ^(a)	—	69	—	—	69	252	—	252
Selling, general and administrative expenses	328	329	319	334	1,310	385	395	780
Research and development expenses	32	32	31	29	124	33	32	65
Operating income	1,661	2,141	812	487	5,101	713	1,011	1,724
Income (loss) from equity investments	29	22	(26)	(20)	5	17	(12)	5
Interest expense, net	(72)	(54)	(63)	(69)	(258)	(93)	(87)	(180)
Other income (expense), net	19	(86)	4	(9)	(72)	5	(7)	(2)
Income from continuing operations before income taxes	1,637	2,023	727	389	4,776	642	905	1,547
Provision for income taxes	316	378	154	34	882	167	188	355
Income from continuing operations	1,321	1,645	573	355	3,894	475	717	1,192
Loss from discontinued operations, net of tax	(1)	(1)	(1)	(2)	(5)	(1)	(2)	(3)
Net income	1,320	1,644	572	353	3,889	474	715	1,189
Dividends on redeemable non-controlling interests	(2)	(1)	(2)	(2)	(7)	(2)	(1)	(3)
Net income attributable to Company shareholders	<u>\$ 1,318</u>	<u>\$ 1,643</u>	<u>\$ 570</u>	<u>\$ 351</u>	<u>\$ 3,882</u>	<u>\$ 472</u>	<u>\$ 714</u>	<u>\$ 1,186</u>

(a) The second quarter of 2022 and year ended December 31, 2022 reflects an impairment charge related to the sale of our polypropylene manufacturing facility in Australia. The first quarter of 2023 and six months ended June 30, 2023 reflects a goodwill impairment charge in our Advanced Polymer Solutions segment.

Table 4 - Identified Items Included in Net Income

Millions of dollars (except per share data)	2022					2023		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Total
Pre-tax charges:								
Impairments ^(a)	\$ —	\$ 69	\$ —	\$ —	\$ 69	\$ 252	\$ —	\$ 252
Refinery exit costs ^(b)	—	—	92	95	187	124	111	235
Total pre-tax charges for identified items	—	69	92	95	256	376	111	487
Benefit from income taxes related to the items	—	—	(22)	(21)	(43)	(28)	(25)	(53)
After-tax effect of net charges for identified items	\$ —	\$ 69	\$ 70	\$ 74	\$ 213	\$ 348	\$ 86	\$ 434
Effect on diluted earnings per share:								
Impairments	\$ —	\$ (0.21)	\$ —	\$ —	\$ (0.21)	\$ (0.77)	\$ —	\$ (0.77)
Refinery exit costs	—	—	(0.21)	(0.22)	(0.44)	(0.29)	(0.26)	(0.55)
Total	\$ —	\$ (0.21)	\$ (0.21)	\$ (0.22)	\$ (0.65)	\$ (1.06)	\$ (0.26)	\$ (1.32)

(a) The second quarter of 2022 and year ended December 31, 2022 reflects an impairment charge related to the sale of our polypropylene manufacturing facility in Australia. The first quarter of 2023 and six months ended June 30, 2023 reflects a goodwill impairment charge in our Advanced Polymer Solutions segment.

(b) Refinery exit costs include accelerated lease amortization costs of \$36 million, \$55 million, \$91 million, \$51 million, \$38 million and \$89 million, personnel costs of \$48 million, \$16 million, \$64 million, \$16 million, \$27 million and \$43 million, accretion of asset retirement obligations of less than \$1 million, \$2 million, \$2 million, \$2 million, \$2 million and \$4 million, and depreciation of asset retirement costs of \$8 million, \$22 million, \$30 million, \$55 million, \$44 million and \$99 million in the third quarter of 2022, fourth quarter of 2022, the full year 2022, first quarter of 2023, second quarter of 2023 and six months ended June 30, 2023, respectively.

Table 5 - Unaudited Cash Flow Information

Millions of dollars	2022					2023		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Total
Net cash provided by operating activities	\$ 1,502	\$ 1,599	\$ 1,414	\$ 1,604	\$ 6,119	\$ 482	\$ 1,290	\$ 1,772
Net cash used in investing activities	(456)	(578)	(399)	(544)	(1,977)	(371)	(371)	(742)
Net cash used in financing activities	(713)	(1,679)	(537)	(478)	(3,407)	(477)	(224)	(701)

Table 6 - Unaudited Balance Sheet Information

Millions of dollars	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023
Cash and cash equivalents	\$ 1,785	\$ 1,057	\$ 1,480	\$ 2,151	\$ 1,790	\$ 2,468
Restricted cash	9	9	6	5	14	26
Accounts receivable, net	5,391	5,407	4,329	3,593	3,901	3,811
Inventories	4,979	5,097	5,153	4,804	5,158	5,195
Prepaid expenses and other current assets	1,127	1,275	1,360	1,292	1,161	1,193
Total current assets	13,291	12,845	12,328	11,845	12,024	12,693
Operating lease assets	1,905	1,863	1,769	1,725	1,677	1,564
Property, plant and equipment, net	14,729	14,741	14,823	15,387	15,401	15,408
Equity investments	4,743	4,544	4,386	4,295	4,266	4,152
Goodwill	1,866	1,793	1,746	1,827	1,605	1,610
Intangible assets, net	673	621	594	662	651	633
Other assets	647	617	845	624	631	623
Total assets	<u>\$ 37,854</u>	<u>\$ 37,024</u>	<u>\$ 36,491</u>	<u>\$ 36,365</u>	<u>\$ 36,255</u>	<u>\$ 36,683</u>
Current maturities of long-term debt	\$ 8	\$ 8	\$ 432	\$ 432	\$ 432	\$ 1,206
Short-term debt	141	405	439	349	343	130
Accounts payable	5,014	4,806	4,130	3,583	3,572	3,517
Accrued liabilities	2,376	2,434	2,633	2,396	2,166	2,164
Total current liabilities	7,539	7,653	7,634	6,760	6,513	7,017
Long-term debt	11,175	11,062	10,445	10,540	10,601	10,276
Operating lease liabilities	1,610	1,569	1,514	1,510	1,507	1,437
Other liabilities	2,215	1,939	2,106	1,954	1,899	1,989
Deferred income taxes	2,487	2,441	2,473	2,858	2,886	2,905
Redeemable non-controlling interests	116	116	114	114	114	114
Shareholders' equity	12,698	12,230	12,191	12,615	12,721	12,931
Non-controlling interests	14	14	14	14	14	14
Total liabilities, redeemable non-controlling interests and equity	<u>\$ 37,854</u>	<u>\$ 37,024</u>	<u>\$ 36,491</u>	<u>\$ 36,365</u>	<u>\$ 36,255</u>	<u>\$ 36,683</u>

Table 7 - Reconciliations of Net Income to Net Income Excluding Identified Items and to EBITDA Including and Excluding Identified Items

Millions of dollars	Three Months Ended				Year Ended	Three Months Ended		Six Months Ended
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	December 31, 2022	March 31, 2023	June 30, 2023	June 30, 2023
Net income	\$ 1,320	\$ 1,644	\$ 572	\$ 353	\$ 3,889	\$ 474	\$ 715	\$ 1,189
add: Identified items								
Impairments, after-tax ^(a)	—	69	—	—	69	252	—	252
Refinery exit costs, after-tax ^(b)	—	—	70	74	144	96	86	182
Net income excluding identified items	<u>\$ 1,320</u>	<u>\$ 1,713</u>	<u>\$ 642</u>	<u>\$ 427</u>	<u>\$ 4,102</u>	<u>\$ 822</u>	<u>\$ 801</u>	<u>\$ 1,623</u>
Net income	\$ 1,320	\$ 1,644	\$ 572	\$ 353	\$ 3,889	\$ 474	\$ 715	\$ 1,189
Loss from discontinued operations, net of tax	1	1	1	2	5	1	2	3
Income from continuing operations	1,321	1,645	573	355	3,894	475	717	1,192
Provision for income taxes	316	378	154	34	882	167	188	355
Depreciation and amortization ^(c)	311	304	318	334	1,267	396	391	787
Interest expense, net	72	54	63	69	258	93	87	180
add: Identified items								
Impairments ^(a)	—	69	—	—	69	252	—	252
Refinery exit costs ^(d)	—	—	84	73	157	69	67	136
EBITDA excluding identified items	2,020	2,450	1,192	865	6,527	1,452	1,450	2,902
less: Identified items								
Impairments ^(a)	—	(69)	—	—	(69)	(252)	—	(252)
Refinery exit costs ^(d)	—	—	(84)	(73)	(157)	(69)	(67)	(136)
EBITDA	<u>\$ 2,020</u>	<u>\$ 2,381</u>	<u>\$ 1,108</u>	<u>\$ 792</u>	<u>\$ 6,301</u>	<u>\$ 1,131</u>	<u>\$ 1,383</u>	<u>\$ 2,514</u>

(a) The second quarter of 2022 and year ended December 31, 2022 reflects an impairment charge related to the sale of our polypropylene manufacturing facility in Australia. The first quarter of 2023 and six months ended June 30, 2023 reflects a non-cash goodwill impairment charge in our Advanced Polymer Solutions segment.

(b) Refinery exit costs, after-tax, include accelerated lease amortization costs of \$27 million, \$43 million, \$70 million, \$40 million, \$29 million and \$69 million, personnel related costs of \$37 million, \$12 million, \$49 million, \$12 million, \$21 million and \$33 million, accretion of asset retirement obligations of less than \$1 million, \$2 million, \$2 million, \$1 million, \$2 million and \$3 million, and depreciation of asset retirement costs of \$6 million, \$17 million, \$23 million, \$43 million, \$34 million and \$77 million, for the three months ended September 30, 2022 and December 31, 2022, the year ended December 31, 2022, the three months ended March 31, 2023 and June 30, 2023, and the six months ended June 30, 2023, respectively.

(c) Depreciation and amortization includes depreciation of asset retirement costs of \$8 million, \$22 million, \$30 million, \$55 million, \$44 million and \$99 million, expensed during the three months ended September 30, 2022 and December 31, 2022, the year ended December 31, 2022, the three months ended March 31, 2023 and June 30, 2023, and the six months ended June 30, 2023, respectively, in connection with exiting the Refining business.

(d) Refinery exit costs, include accelerated lease amortization costs of \$36 million, \$55 million, \$91 million, \$51 million, \$38 million and \$89 million, personnel related costs of \$48 million, \$16 million, \$64 million, \$16 million, \$27 million and \$43 million, and accretion of asset retirement obligations of less than \$1 million, \$2 million, \$2 million, \$2 million, \$2 million and \$4 million, during the three months ended September 30, 2022 and December 31, 2022, the year ended December 31, 2022, the three months ended March 31, 2023 and June 30, 2023, and the six months ended June 30, 2023, respectively.

Table 8 - Reconciliation of EBITDA to EBITDA Excluding Identified Items by Segment

Millions of dollars	Three Months Ended				Year Ended	Three Months Ended		Six Months Ended
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	December 31, 2022	March 31, 2023	June 30, 2023	June 30, 2023
EBITDA:								
Olefins & Polyolefins - Americas	\$ 939	\$ 954	\$ 588	\$ 384	\$ 2,865	\$ 541	\$ 679	\$ 1,220
Olefins & Polyolefins - EAI	214	186	(74)	(148)	178	77	84	161
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Technology	103	112	92	59	366	73	79	152
Other	(1)	(6)	8	(17)	(16)	(6)	(12)	(18)
EBITDA	<u>\$ 2,020</u>	<u>\$ 2,381</u>	<u>\$ 1,108</u>	<u>\$ 792</u>	<u>\$ 6,301</u>	<u>\$ 1,131</u>	<u>\$ 1,383</u>	<u>\$ 2,514</u>
Add: Identified items								
Impairments:								
Olefins & Polyolefins - EAI	\$ —	\$ 69	\$ —	\$ —	\$ 69	\$ —	\$ —	\$ —
Advanced Polymer Solutions	—	—	—	—	—	252	—	252
Refinery exit costs:								
Refining	—	—	84	73	157	69	67	136
Total Identified items	<u>\$ —</u>	<u>\$ 69</u>	<u>\$ 84</u>	<u>\$ 73</u>	<u>\$ 226</u>	<u>\$ 321</u>	<u>\$ 67</u>	<u>\$ 388</u>
EBITDA excluding Identified items:								
Olefins & Polyolefins - Americas	\$ 939	\$ 954	\$ 588	\$ 384	\$ 2,865	\$ 541	\$ 679	\$ 1,220
Olefins & Polyolefins - EAI	214	255	(74)	(148)	247	77	84	161
Intermediates & Derivatives	546	675	360	291	1,872	426	472	898
Advanced Polymer Solutions	71	42	28	(26)	115	26	34	60
Refining	148	418	190	322	1,078	315	114	429
Technology	103	112	92	59	366	73	79	152
Other	(1)	(6)	8	(17)	(16)	(6)	(12)	(18)
EBITDA excluding Identified items	<u>\$ 2,020</u>	<u>\$ 2,450</u>	<u>\$ 1,192</u>	<u>\$ 865</u>	<u>\$ 6,527</u>	<u>\$ 1,452</u>	<u>\$ 1,450</u>	<u>\$ 2,902</u>

Note: Effective January 1, 2023, our *Catalloy* and polybutene-1 businesses were moved from the Advanced Polymer Solutions segment and reintegrated into the Olefins and Polyolefins-Americas and Olefins and Polyolefins-Europe, Asia, International segments. The segment information presented above gives effect to this change for all periods presented.

Table 9 - Components of Cash and Liquid Investments and Total Liquidity

Millions of dollars	March 31, 2023	June 30, 2023
Cash and cash equivalents and restricted cash	\$ 1,804	\$ 2,494
Short-term investments	—	—
Cash and liquid investments	<u>\$ 1,804</u>	<u>\$ 2,494</u>
Availability under Senior Revolving Credit Facility		3,250
Availability under U.S. Receivables Facility		<u>900</u>
Total liquidity		<u><u>\$ 6,644</u></u>

Table 10 - Reconciliation of Net Cash Provided by Operating Activities to Free Operating Cash Flow

Millions of dollars	Year Ended December 31,					Six Months Ended		Last Twelve Months
	2018	2019	2020	2021	2022	June 30, 2022	June 30, 2023	June 30, 2023
Net cash provided by operating activities	\$ 5,471	\$ 4,961	\$ 3,404	\$ 7,695	\$ 6,119	\$ 3,101	\$ 1,772	\$ 4,790
less:								
Sustaining (maintenance and HSE) capital expenditures	1,052	1,024	793	758	959	539	378	798
Free operating cash flow	<u>\$ 4,419</u>	<u>\$ 3,937</u>	<u>\$ 2,611</u>	<u>\$ 6,937</u>	<u>\$ 5,160</u>	<u>\$ 2,562</u>	<u>\$ 1,394</u>	<u>\$ 3,992</u>

Note: Last twelve months June 30, 2023 is calculated as year ended December 31, 2022, plus six months ended June 30, 2023, minus six months ended June 30, 2022.

Table 11 - Calculation of LTM Cash Conversion

	Year Ended	Six Months Ended		Last Twelve Months
	December 31, 2022	June 30, 2022	June 30, 2023	June 30, 2023
Millions of dollars				
Net cash provided by operating activities	\$ 6,119	\$ 3,101	\$ 1,772	\$ 4,790
Divided by:				
EBITDA excluding LCM and impairment ^(a)	\$ 6,370	\$ 4,470	\$ 2,766	\$ 4,666
Cash conversion	<u>96 %</u>	<u>69 %</u>	<u>64 %</u>	<u>103 %</u>

(a) See Table 13 for a reconciliation of net cash provided by operating activities to EBITDA including and excluding LCM and impairment.

Note: Last twelve months June 30, 2023 is calculated as year ended December 31, 2022, plus six months ended June 30, 2023, minus six months ended June 30, 2022.

Table 12 - Reconciliation of Total Debt to Net Debt and Calculation of LTM Net Debt to EBITDA excluding Identified Items

Millions of dollars	June 30, 2023
Current maturities of long-term debt	\$ 1,206
Short-term debt	130
Long-term debt	10,276
Total debt	11,612
Less:	
Cash and cash equivalents	2,468
Restricted cash	26
Short-term investments	—
Net debt	\$ 9,118
Divided by:	
LTM EBITDA excluding identified items ^(a)	\$ 4,959
LTM Net Debt to EBITDA excluding identified items ^(a)	1.8

(a) See Table 13 for a reconciliation of net cash provided by operating activities to EBITDA including and excluding identified items.

Table 13 - Reconciliation of Net Cash Provided by Operating Activities to EBITDA Including and Excluding Identified Items

	Year Ended	Six Months Ended		Last Twelve Months
	December 31, 2022	June 30, 2022	June 30, 2023	June 30, 2023
Millions of dollars				
Net cash provided by operating activities	\$ 6,119	\$ 3,101	\$ 1,772	\$ 4,790
Adjustments:				
Depreciation and amortization ^(a)	(1,267)	(615)	(787)	(1,439)
Impairments ^(b)	(69)	(69)	(252)	(252)
Amortization of debt-related costs	(14)	(8)	(4)	(10)
Share-based compensation	(70)	(37)	(48)	(81)
Equity loss, net of distributions of earnings	(344)	(133)	(45)	(256)
Deferred income tax provision	(369)	(68)	(19)	(320)
Changes in assets and liabilities that used (provided) cash:				
Accounts receivable	(1,005)	829	192	(1,642)
Inventories	91	415	349	25
Accounts payable	464	(750)	64	1,278
Other, net	353	299	(33)	21
Net income	3,889	2,964	1,189	2,114
Loss from discontinued operations, net of tax	5	2	3	6
Income from continuing operations	3,894	2,966	1,192	2,120
Provision for income taxes	882	694	355	543
Depreciation and amortization ^(a)	1,267	615	787	1,439
Interest expense, net	258	126	180	312
add: LCM charges	—	—	—	—
add: Impairments ^(b)	69	69	252	252
EBITDA excluding LCM and impairments	6,370	4,470	2,766	4,666
add: Refinery exit costs ^(c)	157	—	136	293
EBITDA excluding identified items	6,527	4,470	2,902	4,959
less: LCM charges	—	—	—	—
less: Impairments ^(b)	(69)	(69)	(252)	(252)
less: Refinery exit costs ^(c)	(157)	—	(136)	(293)
EBITDA	<u>\$ 6,301</u>	<u>\$ 4,401</u>	<u>\$ 2,514</u>	<u>\$ 4,414</u>

(a) Depreciation and amortization includes depreciation of asset retirement costs of \$30 million and \$99 million expensed during the year ended December 31, 2022 and the six months ended June 30, 2023, respectively, in connection with exiting the Refining business.

(b) Reflects an impairment charge related to the sale of our polypropylene manufacturing facility in Australia, recognized in 2022 and a goodwill impairment charge in our Advanced Polymer Solutions segment, recognized in the first quarter of 2023.

(c) Refinery exit costs, include accelerated lease amortization costs of \$91 million and \$89 million, personnel related costs of \$64 million and \$43 million, and accretion of asset retirement obligations of \$2 million and \$4 million, during the year ended December 31, 2022 and the six months ended June 30, 2023, respectively.

Note: Last twelve months June 30, 2023 is calculated as year ended December 31, 2022, plus six months ended June 30, 2023, minus six months ended June 30, 2022.

Table 14 - Reconciliation of Diluted EPS to Diluted EPS Excluding Identified Items

	Three Months Ended				Year Ended	Three Months Ended		Six Months Ended
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	December 31, 2022	March 31, 2023	June 30, 2023	June 30, 2023
Diluted earnings per share	\$ 4.00	\$ 4.98	\$ 1.75	\$ 1.07	\$ 11.81	\$ 1.44	\$ 2.18	\$ 3.62
Add: Identified items								
Impairments	—	0.21	—	—	0.21	0.77	—	0.77
Refinery exit costs	—	—	0.21	0.22	0.44	0.29	0.26	0.55
Diluted earnings per share excluding identified items	<u>\$ 4.00</u>	<u>\$ 5.19</u>	<u>\$ 1.96</u>	<u>\$ 1.29</u>	<u>\$ 12.46</u>	<u>\$ 2.50</u>	<u>\$ 2.44</u>	<u>\$ 4.94</u>

Table 15 - Calculation of LTM Dividends and Share Repurchases

	Years Ended	Three Months Ended	Six Months Ended		Last Twelve Months
	December 31, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2023
Millions of dollars					
Dividends - common stock	\$ 1,542	\$ 408	\$ 760	\$ 797	\$ 1,579
Special dividends - common stock	1,704	—	1,704	—	—
Repurchase of Company ordinary shares	420	100	262	170	328
Dividends and share repurchases	<u>\$ 3,666</u>	<u>\$ 508</u>	<u>\$ 2,726</u>	<u>\$ 967</u>	<u>\$ 1,907</u>

Note: Last twelve months June 30, 2023 is calculated as year ended December 31, 2022, plus six months ended June 30, 2023, minus six months ended June 30, 2022.

Table 16 - Reconciliation of Net Income to EBITDA for the Value Enhancement Program

<u>Millions of dollars</u>	<u>2023^(a)</u>	<u>2023^(b)</u>	<u>2025^(a)</u>
Net income	\$ 115	\$ 150	\$ 575
Provision for income taxes	25	35	140
Depreciation and amortization	10	15	35
Interest expense, net	—	—	—
EBITDA	<u>\$ 150</u>	<u>\$ 200</u>	<u>\$ 750</u>

(a) In 2022, we launched the Value Enhancement Program targeting \$150 million and \$750 million in recurring annual EBITDA by the end of 2023 and 2025, respectively.

(b) In 2023, as a result of the Value Enhancement Program progressing ahead of schedule, the near-term target to deliver \$150 million of recurring annual EBITDA has increased to \$200 million by the end of 2023.