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

FORM 8-K

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

July 28, 2022
Date of Report (Date of Earliest Event Reported)

The Chemours Company
(Exact Name of Registrant as Specified in Its Charter)

Delaware	**001-36794**	**46-4845564**
(State or Other Jurisdiction Of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1007 Market Street
Wilmington, Delaware 19801
(Address of principal executive offices)

Registrant's telephone number, including area code: (302) 773-1000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of Each Class	Trading Symbol(s)	Name of Exchange on Which Registered
Common Stock ($0.01 par value)	CC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 2.02 Results of Operations and Financial Condition.

On July 28, 2022, The Chemours Company (the "Company") issued a press release regarding its second quarter 2022 financial results. A copy of the press release is furnished hereto as Exhibit 99.1.

Item 7.01 Regulation FD Disclosure.

As previously announced, Chemours will hold a conference call and webcast on July 29, 2022, at 8:30 AM EDT. A transcript of the prepared remarks for the conference call is furnished hereto as Exhibit 99.2 and can be accessed by visiting the *Events & Presentations* page of Chemours' investor website, investors.chemours.com. A webcast replay of the conference call will be available on the Chemours' investor website.

Use of Website to Distribute Material Company Information

The Company's investor website address is investors.chemours.com. Chemours uses its website as a channel of distribution for important company information. Important information, including press releases, analyst presentations and financial information regarding Chemours, is routinely posted on and accessible on the investor website. Chemours also uses its website to expedite public access to time-critical information regarding Chemours in lieu of distributing a press release or in advance of filing with the U.S. Securities and Exchange Commission disclosing the same information. Therefore, investors should look to the investor website for important and time-critical information. Visitors to the investor website can also register to receive automatic e-mail and other notifications alerting them when new information is made available on the website.

Importantly, transcripts and presentation materials for quarterly earnings conference calls will be made only on the investor website beginning with the release of Chemours' annual financial results in early 2023. The materials will be referenced in the earnings release and made available on the investor website approximately simultaneously with the publication of the earnings release. At and after the release of annual financial results, Chemours does not intend to furnish transcripts and other earnings materials via Form 8-K.

The information furnished in Items 2.01 and 7.01 of this report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and it will not be deemed incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1	Press release dated July 28, 2022.
99.2	Prepared Remarks from Management dated June 28, 2022.
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

SIGNATURES

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

THE CHEMOURS COMPANY

By:	/s/ Sameer Ralhan
	Sameer Ralhan
	Senior Vice President, Chief Financial Officer
Date:	July 28, 2022

Chemours™

The Chemours Company Reports Robust Second Quarter 2022 Results

Strong demand drives record TSS and APM performance, now targeting the high end of Adjusted EBITDA guidance range and increasing Free Cash Flow outlook

Wilmington, Del., July 28, 2022 -- The Chemours Company ("Chemours") (NYSE: CC), a global chemistry company with leading market positions in Titanium Technologies, Thermal & Specialized Solutions, and Advanced Performance Materials, today announces its financial results for the second quarter 2022.

Second Quarter 2022 Results & Highlights

- Record Net Sales of $1.9 billion, up 16% year-over-year, including record Net Sales in all three segments
- Net Income of $201 million with EPS of $1.26, up $0.87 year-over-year
- Adjusted Net Income* of $302 million with Adjusted EPS* of $1.89, up $0.69 year-over-year
- Adjusted EBITDA* of $475 million, up 30% year-over-year
- Strong global demand for our refrigerants and higher value, differentiated polymer products led to record Adjusted EBITDA for both TSS and APM
- Free Cash Flow of $229 million, up 21% year-over-year
- Now targeting the high end of our full year Adjusted EBITDA guidance range of $1.475 billion to $1.575 billion and increasing our Free Cash Flow outlook to greater than $600 million
- Announced Corpus Christi, Texas plant expansion to support strong demand for low GWP Opteon™ refrigerants
- On July 27, 2022, the Company's Board of Directors approved a third quarter dividend of $0.25 per share, consistent with the prior quarter

"The second quarter's results demonstrate the strength of our highly focused portfolio," said Mark Newman, Chemours President and CEO. "We achieved record-setting performances in TSS and APM, and our results in these two segments are a testament to their long-term secular growth potential. In TT, we continued to meet customer commitments despite challenging logistics conditions, and I am proud of the team's efforts to serve our customers despite being ore constrained. The long-term growth prospects and earnings quality of the company remain strong in the face of challenging global macroeconomic conditions."

Second quarter 2022 Net Sales were $1.9 billion, 16% higher than the prior-year quarter. Price was a positive contributor to the improved results, up 23%, partially offset by volume headwinds of (1)% and currency headwinds of (2)%, on a year-over-year basis. Portfolio change, driven by the sale of our Mining Solutions business in 2021, was a (4)% headwind on a year-over-year basis.

Second quarter Net Income was $201 million, resulting in EPS of $1.26, inclusive of a $165 million charge associated with the legacy environmental remediation programs at our Fayetteville Works site. Adjusted Net Income was $302 million. Adjusted EPS was $1.89, up $0.69 vs. the prior-year quarter. Adjusted EBITDA for the second quarter of 2022 rose 30% to $475 million in comparison to $366 million in the prior-year second quarter, a result of higher pricing partially offset by raw material inflation and logistics challenges. Price vs. cost differential continued to be favorable in the second quarter. Currency was a (7)%, or $(27) million headwind vs. the prior-year quarter due to a stronger USD.

* For information on our non-GAAP measures, please refer to the attached "Reconciliation of GAAP Financial Measures to non-GAAP Financial Measures (Unaudited)"

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Titanium Technologies (TT)
Delivering high-quality Ti-Pure™ pigment through customer-centered innovation and sustainability leadership

In the second quarter, Titanium Technologies segment Net Sales were a record $968 million, up $109 million, or 13%, from $859 million in the prior-year quarter. Compared with the prior-year quarter, price increased by 23%, volume declined by (8)%, and currency was a (2)% headwind. Lower volumes reflect the impact of ore constraints, which affected our ability to maximize production across our circuit. Price increased by 6% sequentially, driven by all customer channels as demand for our Ti-Pure™ pigment remained strong. Volume was flat on a sequential basis reflecting ongoing ore constraints despite steady demand for our products across all end-markets and regions. Segment Adjusted EBITDA was $216 million, flat to the prior-year quarter, resulting in a segment Adjusted EBITDA Margin of 22%. Adjusted EBITDA remained largely unchanged as the impact of the aforementioned increase in price was largely offset by lower volumes and higher raw material, energy, and logistics costs.

Thermal & Specialized Solutions (TSS)
Driving innovation in low GWP thermal management solutions to support customer transitions to more sustainable products

The Thermal & Specialized Solutions segment delivered record-breaking second quarter financial results. Net Sales were $518 million, up $178 million, or 52%, from the prior-year quarter. Price contributed 39%, and volume increased 15%, while currency was a slight (2)% headwind. Prices increased in most markets across the business due to changing market and regulatory dynamics and measures taken to recover increases in the cost of raw materials. Volume increased due to the continued adoption of Opteon™ low GWP refrigerants and other specialized solutions. Price increased 1% and volume increased 21% on a sequential basis. Segment Adjusted EBITDA improved $98 million, or 85%, to $213 million vs. the prior-year quarter, driven by the aforementioned increase in price and favorable product mix, partially offset by higher raw material costs. Second quarter Adjusted EBITDA Margin of 41% reflects strong expansion from the prior-year quarter driven by favorable pricing and product mix. The company also announced an $80 million investment at our Corpus Christi, Texas plant to expand Opteon™ YF capacity to support the continued transition to lower GWP refrigerants. This capacity expansion, anticipated to be complete by the end of 2024, pending final permit approvals, and current de-bottlenecking projects, will increase our Opteon™ YF capacity by approximately 40%.

Advanced Performance Materials (APM)
Creating a clean energy and advanced electronics powerhouse

The Advanced Performance Materials segment delivered record-breaking financial results for the second consecutive quarter. Segment Net Sales were $401 million vs. $362 million in the prior-year quarter, an increase of 11%. Price contributed 15% to the stronger results, while volume and currency were headwinds of (1)% and (3)%, respectively. Global average selling price increased due to a larger proportion of sales in high-value end markets, such as advanced electronics, semiconductors, and clean energy, as well as customer-level price adjustments to offset rising raw material and energy costs. Modestly lower volumes were primarily a result of supply chain challenges and lower demand in non-strategic end markets consistent with our strategy to drive higher value, differentiated product offerings. Sequentially, price increased by 2%, and volume rose 4%, reflective of strong demand for our differentiated offerings, while currency was a headwind of (2)%. Adjusted EBITDA of $107 million was up $28 million, or 35%, from the prior year quarter, and Adjusted EBITDA Margin was 27% representing a 500 basis points improvement over the prior-year period due to strong operating leverage and price for our higher value products, partially offset by higher raw material and energy costs and growth investments.

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Other Segment

The remaining Chemical Solutions business in Other Segment had Net Sales and Adjusted EBITDA in the second quarter 2022 of $28 million and $(2) million, respectively.

Corporate and Other Activities

Corporate and Other was an offset to second quarter Adjusted EBITDA of $(59) million vs. $(63) million in the prior-year quarter. The improvement over the prior year was driven by lower legacy legal costs and the recognition of qualified spend recovery as per the MOU agreement with DuPont and Corteva, partially offset by regulatory and environmental-related costs.

Liquidity

As of June 30, 2022, consolidated gross debt was $3.7 billion. Debt, net of $1.2 billion cash, was $2.5 billion, resulting in a net leverage ratio of approximately 1.6 times on a trailing twelve-month Adjusted EBITDA basis. Total liquidity was $2.0 billion, comprised of $1.2 billion cash, and $0.8 billion of revolving credit facility capacity, net of outstanding letters of credit.

Cash provided by operating activities for the second quarter of 2022 was $291 million vs. $256 million in the prior-year quarter. Capital expenditures for the second quarter of 2022 were $62 million vs. $67 million in the prior-year second quarter. Free Cash Flow for the second quarter of 2022 was $229 million vs. $189 million in the prior-year quarter. In the quarter, we repurchased $128 million of common stock, resulting in total share repurchases of $272 million through the first half of the year.

Outlook

Adjusted EBITDA for FY 2022 is now expected to be at the high end of the previously updated guidance range of $1.475 billion to $1.575 billion. We now expect Free Cash Flow to exceed $600 million vs. our previous guidance of greater than $550 million.

Mr. Newman concluded, “We now anticipate achieving the high end of our full year Adjusted EBITDA range and are raising our cash flow outlook to greater than $600 million as a result of our strong first half results. We are laser focused on delivering a strong 2022, while managing through increasingly uncertain macroeconomic conditions. As a management team, we are fully aligned on our four key strategic priorities – improving the earnings quality of TT, driving secular growth in TSS and APM, while managing and resolving legacy liabilities, and returning the majority of our Free Cash Flow to shareholders. We believe continuing to execute against these priorities is key to unlocking long term value for all our stakeholders.”

Conference Call

As previously announced, Chemours will hold a conference call and webcast exclusively for Q&A on July 29, 2022, at 8:30 AM Eastern Daylight Time. A transcript of the prepared remarks, the webcast, and additional presentation materials can be accessed by visiting the *Events & Presentations* page of Chemours' investor website, investors.chemours.com. A webcast replay of the conference call will be available on the Chemours’ investor website.

About The Chemours Company

The Chemours Company (NYSE: CC) is a global leader in Titanium Technologies, Thermal & Specialized Solutions, and Advanced Performance Materials providing its customers with solutions in a wide range of industries with market-defining products, application expertise and chemistry-based innovations. We deliver customized solutions with a wide range of industrial and specialty chemicals products for markets, including coatings, plastics, refrigeration and air conditioning, transportation, semiconductor and consumer electronics, general industrial, and oil and gas. Our flagship products include prominent brands such as Ti-Pure™, Opteon™, Freon™, Teflon™, Viton™, Nafion™, and Krytox™. The company has approximately 6,400 employees and 29 manufacturing sites serving approximately 3,200 customers in approximately 120 countries. Chemours is headquartered in Wilmington, Delaware and is listed on the NYSE under the symbol CC.

For more information, we invite you to visit chemours.com or follow us on Twitter @Chemours or LinkedIn.

Non-GAAP Financial Measures

We prepare our financial statements in accordance with Generally Accepted Accounting Principles (GAAP). Within this press release, we may make reference to Adjusted Net Income, Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Adjusted Effective Tax Rate, Return on Invested Capital and Net Leverage Ratio which are non-GAAP financial measures. The company includes these non-GAAP financial measures because management believes they are useful to investors in that they provide for greater transparency with respect to supplemental information used by management in its financial and operational decision making.

Management uses Adjusted Net Income, Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Adjusted Effective Tax Rate, Return on Invested Capital and Net Leverage Ratio to evaluate the company's performance excluding the impact of certain noncash charges and other special items which we expect to be infrequent in occurrence in order to have comparable financial results to analyze changes in our underlying business from quarter to quarter.

Accordingly, the company believes the presentation of these non-GAAP financial measures, when used in conjunction with GAAP financial measures, is a useful financial analysis tool that can assist investors in assessing the company's operating performance and underlying prospects. This analysis should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. This analysis, as well as the other information in this press release, should be read in conjunction with the company's financial statements and footnotes contained in the documents that the company files with the U.S. Securities and Exchange Commission. The non-GAAP financial measures used by the company in this press release may be different from the methods used by other companies. For more information on the non-GAAP financial measures, please refer to the attached schedules or the table, "Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures" and materials posted to the company's website at investors.chemours.com.

Forward-Looking Statements

This press release contains forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which involve risks and uncertainties. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical or current fact. The words "believe," "expect," "will," "anticipate," "plan," "estimate," "target," "project" and similar expressions, among others, generally identify "forward-looking statements," which speak only as of the date such statements were made. These forward-looking statements may address, among other things, the outcome or resolution of any pending or future environmental liabilities, the commencement, outcome or resolution of any regulatory inquiry, investigation or proceeding, the initiation, outcome or settlement of any litigation, changes in environmental regulations in the U.S. or other jurisdictions that affect demand for or adoption of our products, anticipated future operating and financial performance for our segments individually and our company as a whole, business plans, prospects, targets, goals and commitments, capital investments and projects and target capital expenditures, plans for dividends or share repurchases, sufficiency or longevity of intellectual property protection, cost reductions or savings targets, plans to increase profitability and growth, our ability to make acquisitions, integrate acquired businesses or assets into our operations, and achieve anticipated synergies or cost savings, all of which are subject to substantial risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Forward-looking statements are based on certain assumptions and expectations of future events that may not be accurate or realized. These statements are not guarantees of future performance. Forward-looking statements also involve risks and uncertainties that are beyond Chemours' control. In addition, the current COVID-19 pandemic has significantly impacted the national and global economy and commodity and financial markets, which has had and we expect will continue to have a negative impact on our financial results. The full extent and impact of the pandemic is still being determined and to date has included significant volatility in financial and commodity markets and a severe disruption in economic activity. The public and private sector response has led to travel restrictions, temporary business closures, quarantines, stock market volatility, and interruptions in consumer and commercial activity globally. Matters outside our control have affected our business and operations and may or may continue to hinder our ability to provide goods and services to customers, cause disruptions in our supply chains, adversely affect our business partners, significantly reduce the demand for our products, adversely affect the health and welfare of our personnel or cause other unpredictable events. Additionally, there may be other risks and uncertainties that Chemours is unable to identify at this time or that Chemours does not currently expect to have a material impact on its business. Factors that could cause or contribute to these differences include the risks, uncertainties and other factors discussed in our filings with the U.S. Securities and Exchange Commission, including in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 and in our Annual Report on Form 10-K for the year ended December 31, 2021. Chemours assumes no obligation to revise or update any forward-looking statement for any reason, except as required by law.

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The Chemours Company
Interim Consolidated Statements of Operations (Unaudited)
(Dollars in millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net sales	$ 1,915	$ 1,655	$ 3,679	$ 3,091
Cost of goods sold	1,418	1,391	2,697	2,530
Gross profit	497	264	982	561
Selling, general, and administrative expense	254	172	395	310
Research and development expense	25	27	55	51
Restructuring, asset-related, and other charges	1	5	12	—
Total other operating expenses	280	204	462	361
Equity in earnings of affiliates	16	10	28	20
Interest expense, net	(40)	(47)	(82)	(97)
Other income, net	38	21	44	21
Income before income taxes	231	44	510	144
Provision for (benefit from) income taxes	30	(22)	76	(17)
Net income	201	66	434	161
Net income attributable to Chemours	$ 201	$ 66	$ 434	$ 161
Per share data				
Basic earnings per share of common stock	$ 1.29	$ 0.40	$ 2.75	$ 0.97
Diluted earnings per share of common stock	1.26	0.39	2.69	0.95

The Chemours Company
Interim Consolidated Balance Sheets (Unaudited)
(Dollars in millions, except per share amounts)

	June 30, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 1,248	$ 1,451
Accounts and notes receivable, net	1,066	720
Inventories	1,219	1,099
Prepaid expenses and other	73	75
Total current assets	3,606	3,345
Property, plant, and equipment	9,264	9,232
Less: Accumulated depreciation	(6,153)	(6,078)
Property, plant, and equipment, net	3,111	3,154
Operating lease right-of-use assets	220	227
Goodwill	102	102
Other intangible assets, net	13	6
Investments in affiliates	177	169
Restricted cash and restricted cash equivalents	100	100
Other assets	401	447
Total assets	$ 7,730	$ 7,550
Liabilities		
Current liabilities:		
Accounts payable	$ 1,249	$ 1,162
Compensation and other employee-related cost	111	173
Short-term and current maturities of long-term debt	24	25
Current environmental remediation	239	173
Other accrued liabilities	263	325
Total current liabilities	1,886	1,858
Long-term debt, net	3,656	3,724
Operating lease liabilities	178	179
Long-term environmental remediation	468	389
Deferred income taxes	54	49
Other liabilities	273	269
Total liabilities	6,515	6,468
Commitments and contingent liabilities		
Equity		
Common stock (par value $0.01 per share; 810,000,000 shares authorized; 194,761,628 shares issued and 155,572,669 shares outstanding at June 30, 2022; 191,860,159 shares issued and 161,046,732 shares outstanding at December 31, 2021)	2	2
Treasury stock, at cost (39,188,959 shares at June 30, 2022; 30,813,427 shares at December 31, 2021)	(1,517)	(1,247)
Additional paid-in capital	1,005	944
Retained earnings	2,102	1,746
Accumulated other comprehensive loss	(378)	(364)
Total Chemours stockholders' equity	1,214	1,081
Non-controlling interests	1	1
Total equity	1,215	1,082
Total liabilities and equity	$ 7,730	$ 7,550

The Chemours Company
Interim Consolidated Statements of Cash Flows (Unaudited)
(Dollars in millions)

	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Cash flows from operating activities		
Net income	$ 434	$ 161
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	146	163
Gain on sales of assets and businesses, net	(27)	(2)
Equity in earnings of affiliates, net	(23)	(19)
Amortization of debt issuance costs and issue discounts	4	4
Deferred tax benefit	(9)	(39)
Asset-related charges	5	—
Stock-based compensation expense	17	20
Net periodic pension cost	4	3
Defined benefit plan contributions	(7)	(8)
Other operating charges and credits, net	(8)	24
Decrease (increase) in operating assets:		
Accounts and notes receivable	(339)	(288)
Inventories and other operating assets	(86)	(60)
(Decrease) increase in operating liabilities:		
Accounts payable and other operating liabilities	182	336
Cash provided by operating activities	293	295
Cash flows from investing activities		
Purchases of property, plant, and equipment	(168)	(127)
Proceeds from sales of assets and businesses	33	—
Foreign exchange contract settlements, net	(1)	(7)
Other investing activities	(9)	—
Cash used for investing activities	(145)	(134)
Cash flows from financing activities		
Debt repayments	(7)	(27)
Payments on finance leases	(6)	(5)
Payments of debt issuance cost	(1)	—
Purchases of treasury stock, at cost	(272)	(13)
Proceeds from exercised stock options, net	48	11
Payments related to tax withholdings on vested stock awards	(4)	(2)
Payments of dividends to the Company's common shareholders	(78)	(82)
Cash used for financing activities	(320)	(118)
Effect of exchange rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	(31)	(9)
(Decrease) increase in cash, cash equivalents, restricted cash and restricted cash equivalents	(203)	34
Cash, cash equivalents, restricted cash, and restricted cash equivalents at January 1,	1,551	1,105
Cash, cash equivalents, restricted cash and restricted cash equivalents at June 30,	$ 1,348	$ 1,139
Supplemental cash flows information		
Non-cash investing and financing activities:		
Purchases of property, plant, and equipment included in accounts payable	$ 41	$ 43
Treasury Stock repurchased, not settled	2	2

The Chemours Company
Segment Financial and Operating Data (Unaudited)
(Dollars in millions)

Segment Net Sales

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Increase / (Decrease)	Three Months Ended March 31, 2022	Sequential Increase / (Decrease)
Titanium Technologies	$ 968	$ 859	$ 109	$ 928	$ 40
Thermal & Specialized Solutions	518	340	178	425	93
Advanced Performance Materials	401	362	39	385	16
Other Segment	28	94	(66)	26	2
Total Net Sales	$ 1,915	$ 1,655	$ 260	$ 1,764	$ 151

Segment Adjusted EBITDA

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Increase / (Decrease)	Three Months Ended March 31, 2022	Sequential Increase / (Decrease)
Titanium Technologies	$ 216	$ 217	$ (1)	$ 206	$ 10
Thermal & Specialized Solutions	213	115	98	174	39
Advanced Performance Materials	107	79	28	88	19
Other Segment	(2)	18	(20)	—	(2)
Corporate and Other	(59)	(63)	4	(65)	6
Total Adjusted EBITDA	$ 475	$ 366	$ 109	$ 403	$ 72
Adjusted EBITDA Margin	25%	22%		23%	

Quarterly Change in Net Sales from the three months ended June 30, 2021

	June 30, 2022 Net Sales	Percentage Change vs. June 30, 2021	Percentage Change Due To Price	Volume	Currency	Portfolio
Total Company	$ 1,915	16%	23%	(1)%	(2)%	(4)%
Titanium Technologies	$ 968	13%	23%	(8)%	(2)%	—%
Thermal & Specialized Solutions	518	52%	39%	15%	(2)%	—%
Advanced Performance Materials	401	11%	15%	(1)%	(3)%	—%
Other Segment	28	(70)%	3%	—%	—%	(73)%

Quarterly Change in Net Sales from the three months ended March 31, 2022

	June 30, 2022 Net Sales	Percentage Change vs. March 31, 2022	Percentage Change Due To Price	Volume	Currency	Portfolio
Total Company	$ 1,915	9%	4%	6%	(1)%	—%
Titanium Technologies	$ 968	4%	6%	—%	(2)%	—%
Thermal & Specialized Solutions	518	22%	1%	21%	—%	—%
Advanced Performance Materials	401	4%	2%	4%	(2)%	—%
Other Segment	28	8%	5%	3%	—%	—%

The Chemours Company
Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures (Unaudited)
(Dollars in millions)

GAAP Net Income Attributable to Chemours to Adjusted Net Income and Adjusted EBITDA Reconciliation

Adjusted earnings before interest, taxes, depreciation, and amortization ("Adjusted EBITDA") is defined as income (loss) before income taxes, excluding the following items: interest expense, depreciation, and amortization; non-operating pension and other post-retirement employee benefit costs, which represents the components of net periodic pension (income) costs excluding the service cost component; exchange (gains) losses included in other income (expense), net; restructuring, asset-related, and other charges; (gains) losses on sales of businesses or assets; and, other items not considered indicative of the Company's ongoing operational performance and expected to occur infrequently, including Qualified Spend reimbursable by DuPont and/or Corteva as part of the Company's cost-sharing agreement under the terms of the MOU that were previously excluded from Adjusted EBITDA. Adjusted Net Income is defined as net income (loss) attributable to Chemours, adjusted for items excluded from Adjusted EBITDA, except interest expense, depreciation, amortization, and certain provision for (benefit from) income tax amounts.

	Three Months Ended			Six Months Ended	
	June 30,		March 31,	June 30,	
	2022	2021	2022	2022	2021
Net income attributable to Chemours	$ 201	$ 66	$ 234	$ 434	$ 161
Non-operating pension and other post-retirement employee benefit income	(2)	(2)	(1)	(3)	(5)
Exchange losses (gains), net	3	(3)	—	3	5
Restructuring, asset-related, and other charges (1)	—	5	16	16	—
Gain on sales of assets and businesses, net (2)	(26)	(2)	(1)	(27)	(2)
Natural disasters and catastrophic events (3)	—	3	—	—	19
Transaction costs	—	—	—	—	5
Qualified spend recovery (4)	(13)	—	(14)	(27)	—
Legal and environmental charges (5,6)	170	195	8	178	208
Adjustments made to income taxes (7)	(2)	(10)	(3)	(6)	(10)
Benefit from income taxes relating to reconciling items (8)	(29)	(47)	—	(28)	(58)
Adjusted Net Income (9)	302	205	239	540	323
Interest expense, net	40	47	41	82	97
Depreciation and amortization	72	79	74	146	163
All remaining provision for income taxes (9)	61	35	49	110	51
Adjusted EBITDA	$ 475	$ 366	$ 403	$ 878	$ 634
Adjusted effective tax rate (9)	17%	15%	17%	17%	14%

(1) In 2022, restructuring, asset related, and other charges primarily includes asset charges and write-offs resulting from the conflict between Russia and Ukraine and our decision to suspend our business with Russian entities. In 2021, restructuring, asset-related, and other charges primarily includes a net $9 gain resulting from contract termination with a third-party services provider at our previously owned Mining Solutions facility in Gomez Palacio, Durango, Mexico.

(2) Refer to "Note 6 – Other Income (Expense), Net" to the *Interim Consolidated Financial Statements* in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 for further details.

(3) In 2021, natural disasters and catastrophic events pertains to the total cost of plant repairs and utility charges in excess of historical averages caused by Winter Storm Uri.

(4) Qualified spend recovery represents costs and expenses that were previously excluded from Adjusted EBITDA, reimbursable by DuPont and/or Corteva as part of our cost-sharing agreement under the terms of the MOU which is discussed in further detail in "Note 16 – Commitments and Contingent Liabilities" to the *Interim Consolidated Financial Statements* in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2022.

(5) Legal charges pertains to litigation settlements, PFOA drinking water treatment accruals, and other legal charges. For the three and six months ended June 30, 2021, legal charges include $25 associated with our portion of the costs to enter into a Settlement Agreement, Limited Release, Waiver and Covenant Not to Sue reflecting Chemours, DuPont, Corteva, EID and the State of Delaware's agreement to settle and fully resolve claims alleged against the companies. See "Note 16 – Commitments and Contingent Liabilities" to the *Interim Consolidated Financial Statements* in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2022.

(6) Environmental charges pertains to management's assessment of estimated liabilities associated with certain non-recurring environmental remediation expenses at various sites. In 2022, environmental charges include $165 primarily related to an update to the off-site drinking water programs at Fayetteville and changes in estimates related to the barrier wall constructions. In 2021, environmental charges include $169 primarily related to the construction of the barrier wall, operation of the groundwater extraction and treatment system, and long-term enhancements to the old outfall treatment system. See "Note 16 – Commitments and Contingent Liabilities" to the *Interim Consolidated Financial Statements* in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 for further details.

(7) Includes the removal of certain discrete income tax impacts within our provision for income taxes, such as shortfalls and windfalls on our share-based payments, certain return-to-accrual adjustments, valuation allowance adjustments, unrealized gains and losses on foreign exchange rate changes, and other discrete income tax items.

(8) The income tax impacts included in this caption are determined using the applicable rates in the taxing jurisdictions in which income or expense occurred for each of the reconciling items and represents both current and deferred income tax expense or benefit based on the nature of the non-GAAP financial measure.

(9) Adjusted effective tax rate is defined as all remaining provision for income taxes divided by pre-tax Adjusted Net Income.

The Chemours Company
Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures (Unaudited)
(Dollars in millions, except per share amounts)

GAAP Earnings per Share to Adjusted Earnings per Share Reconciliation

Adjusted earnings per share ("EPS") is calculated by dividing Adjusted Net Income by the weighted-average number of common shares outstanding. Diluted Adjusted EPS accounts for the dilutive impact of stock-based compensation awards, which includes unvested restricted shares. Diluted Adjusted EPS considers the impact of potentially-dilutive securities, except in periods in which there is a loss because the inclusion of the potentially-dilutive securities would have an anti-dilutive effect.

	Three Months Ended			Six Months Ended	
	June 30,		March 31,	June 30,	
	2022	2021	2022	2022	2021
Numerator:					
Net income attributable to Chemours	$ 201	$ 66	$ 234	$ 434	$ 161
Adjusted Net Income	302	205	239	540	323
Denominator:					
Weighted-average number of common shares outstanding - basic	156,224,802	166,168,550	159,897,673	158,051,092	165,912,089
Dilutive effect of the Company's employee compensation plans	3,442,411	3,989,453	3,681,907	3,562,159	3,693,498
Weighted-average number of common shares outstanding - diluted	159,667,213	170,158,003	163,579,580	161,613,251	169,605,587
Basic earnings per share of common stock	$ 1.29	$ 0.40	$ 1.46	$ 2.75	$ 0.97
Diluted earnings per share of common stock	1.26	0.39	1.43	2.69	0.95
Adjusted basic earnings per share of common stock	1.93	1.23	1.49	3.42	1.95
Adjusted diluted earnings per share of common stock	1.89	1.20	1.46	3.34	1.90

The Chemours Company
Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures (Unaudited)
(In millions, except per share amounts)

2022 Estimated GAAP Net Income Attributable to Chemours to Estimated Adjusted Net Income, Estimated Adjusted EBITDA and Estimated Adjusted EPS Reconciliation (*)

	(Estimated) Year Ended December 31, 2022	
	Low	High
Net income attributable to Chemours	$ 712	$ 792
Restructuring, transaction, and other costs, net (1)	103	103
Adjusted Net Income	815	895
Interest expense, net	170	170
Depreciation and amortization	300	300
All remaining provision for income taxes	190	210
Adjusted EBITDA	$ 1,475	$ 1,575
Weighted-average number of common shares outstanding - basic (2)	156.6	156.6
Dilutive effect of the Company's employee compensation plans (3)	3.5	3.5
Weighted-average number of common shares outstanding - diluted	160.1	160.1
Basic earnings per share of common stock	$ 4.55	$ 5.06
Diluted earnings per share of common stock (4)	4.45	4.95
Adjusted basic earnings per share of common stock	5.20	5.72
Adjusted diluted earnings per share of common stock (4)	5.09	5.59

(1) Restructuring, transaction, and other costs, net includes the net provision for (benefit from) income taxes relating to reconciling items and adjustments made to income taxes for the removal of certain discrete income tax impacts.

(2) The Company’s estimates for the weighted-average number of common shares outstanding - basic reflect results for the six months ended June 30, 2022, which are carried forward for the projection period.

(3) The Company’s estimates for the dilutive effect of the Company’s employee compensation plans reflect the dilutive effect for the six months ended June 30, 2022, which is carried forward for the projection period.

(4) Diluted earnings per share is calculated using net income available to common shareholders divided by diluted weighted-average common shares outstanding during each period, which includes unvested restricted shares. Diluted earnings per share 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.

(*) The Company’s estimates reflect its current visibility and expectations based on market factors, such as currency movements, macro-economic factors, and end-market demand. Actual results could differ materially from these current estimates.

The Chemours Company
Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures (Unaudited)
(Dollars in millions)

GAAP Cash Flow Provided by Operating Activities to Free Cash Flows Reconciliation

Free Cash Flows is defined as cash flows provided by (used for) operating activities, less purchases of property, plant, and equipment as shown in the consolidated statements of cash flows.

	Three Months Ended			Six Months Ended	
	June 30,		March 31,	June 30,	
	2022	2021	2022	2022	2021
Cash provided by operating activities	$ 291	$ 256	$ 2	$ 293	$ 295
Less: Purchases of property, plant, and equipment	(62)	(67)	(106)	(168)	(127)
Free Cash Flows	$ 229	$ 189	$ (104)	$ 125	$ 168

2022 Estimated GAAP Cash Flow Provided by Operating Activities to Estimated Free Cash Flow Reconciliation (*)

	(Estimated) Year Ended December 31, 2022
Cash flow provided by operating activities	$ >1,000
Less: Purchases of property, plant, and equipment	~(400)
Free Cash Flows	$ >600

(*) The Company's estimates reflect its current visibility and expectations based on market factors, such as currency movements, macro-economic factors, and end-market demand. Actual results could differ materially from these current estimates.

Return on Invested Capital Reconciliation

Return on Invested Capital ("ROIC") is defined as Adjusted EBITDA, less depreciation and amortization ("Adjusted EBIT"), divided by the average of invested capital, which amounts to net debt, or debt less cash and cash equivalents, plus equity.

	Twelve Months Ended June 30,	
	2022	2021
Adjusted EBITDA (1)	$ 1,557	$ 1,090
Less: Depreciation and amortization	(300)	(321)
Adjusted EBIT	$ 1,257	$ 769

	As of June 30,	
	2022	2021
Total debt, net (2)	$ 3,680	$ 3,989
Total equity	1,215	900
Less: Cash and cash equivalents	(1,248)	(1,139)
Invested capital, net	$ 3,647	$ 3,750
Average invested capital (3)	$ 3,667	$ 3,834
Return on Invested Capital	34%	20%

(1) Reconciliations of net income (loss) attributable to Chemours to Adjusted EBITDA are provided on a quarterly basis. See the preceding table for the reconciliation of net income (loss) attributable to Chemours to Adjusted EBITDA.

(2) Total debt principal minus unamortized issue discounts of $5 and $6 and debt issuance costs of $25 and $25 at June 30, 2022 and 2021, respectively.

(3) Average invested capital is based on a five-quarter trailing average of invested capital, net.

The Chemours Company
Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures (Unaudited)
(Dollars in millions)

Net Leverage Ratio Reconciliation

Net Leverage Ratio is defined as our total debt principal, net, or our total debt principal outstanding less cash and cash equivalents, divided by Adjusted EBITDA.

	As of June 30, 2022	As of June 30, 2021
Total debt principal	$ 3,710	$ 4,020
Less: Cash and cash equivalents	(1,248)	(1,139)
Total debt principal, net	$ 2,462	$ 2,881

	Twelve Months Ended June 30, 2022	Twelve Months Ended June 30, 2021
Adjusted EBITDA (1)	$ 1,557	$ 1,090
Net Leverage Ratio	1.6x	2.6x

(1) Reconciliations of net income (loss) attributable to Chemours to Adjusted EBITDA are provided on a quarterly basis. See the preceding table for the reconciliation of net income (loss) attributable to Chemours to Adjusted EBITDA.

Q2 2022 Earnings Prepared Comments

Jonathan Lock, The Chemours Company, Senior Vice President, Chief Development Officer

Welcome to The Chemours Company's Second Quarter 2022 earnings conference call. I'm joined today by Mark Newman, President and Chief Executive Officer, and Sameer Ralhan, Senior Vice President and Chief Financial Officer.

Before we start, I'd like to remind you that comments made today, as well as the supplemental information provided in our presentation and on our website, contain forward-looking statements that involve risks and uncertainties, including the impact of Covid-19 on our business and operations, and the other risks and uncertainties described in the documents Chemours has filed with the SEC. These forward-looking statements are not guarantees of future performance and are based on certain assumptions and expectations of future events that may not be realized. Actual results may differ, and Chemours undertakes no duty to update any forward-looking statements as a result of future developments or new information.

During the course of this call, management will refer to certain non-GAAP financial measures that we believe are useful to investors evaluating the company's performance. A reconciliation of non-GAAP terms and adjustments are included in our release and at the end of this presentation.

With that, I'll turn the call over to our CEO Mark Newman who will review the highlights from the second quarter.

Mark Newman, The Chemours Company, President and Chief Executive Officer

Thank you, Jonathan, and thank you for joining us today. I will begin my remarks on chart **3**.
I am thrilled to share our second quarter results with you today. We had a record setting quarter across a number of our businesses and set a revenue record as a company this quarter. Adjusted EBITDA for the quarter was our second best result since spin.

It goes without saying that our results are driven by the insights, dedication, and hard work of each and every one of our 6,400 employees, and I would like to commend the entire Chemours team worldwide for their unwavering dedication to our customers' success despite the supply chain conditions. We continue to remain focused on safety, execution and delivery against our financial goals as we head into the second half of the year.

Let's move on to the highlights. We delivered a phenomenal second quarter with growth in both Net Sales and Adjusted EBITDA. In the second quarter, the top line grew by 16 percent to a record $1.9 billion dollars and adjusted EBITDA increased by 30 percent to $475 million dollars.

The performance of TSS and APM businesses are a testament to the secular growth potential we are pursuing, which drove both segments to record revenue and Adjusted EBITDA.

In TSS, the return to work, travel, and normal patterns of daily life following the pandemic, as well the continued benefit from the AIM Act, has resulted in robust demand for our Opteon™ low-GWP refrigerants as well as our Freon™ products. We have been able to keep pace with rising raw material and logistics costs resulting in record 2Q financial performance for the segment.

As you saw in yesterday's release, we are investing $80 million dollars over the next several years to expand our OpteonTM YF capacity at Corpus Christi to support our customers' transition to lower GWP refrigerants. This investment, along with on-going de-bottlenecking activities, will increase our Corpus Christi Opteon™ YF capacity by approximately 40%, and furthers our leadership position as the partner of choice for sustainable, climate friendly thermal management solutions.

In APM, we are one year into a multi-year journey to transform this business. I am proud that after just one year, we are reporting record revenue, adjusted EBITDA, and adjusted EBITDA Margin for a second consecutive quarter. This is a result of our solid operating performance, a pivot to higher value applications from non-strategic end markets, and a focus on high growth - semicon, EV, and hydrogen markets.

Our chemistry and advances in material science will help shape the continued structural changes in advanced electronics and clean energy as performance demands on materials increase. We are expanding our capacity to produce high quality PFA grades for semicon applications and we are exploring investment opportunities to increase our ionomer production capacity to support the Hydrogen Economy. We hope to have more details to share soon.

In our TT segment we came through for our customers despite being ore constrained. As a result of inflation and the war in Ukraine, energy and raw materials costs remain elevated. That said, the business fundamentals and demand for our Ti-PureTM products remains robust, and we are working closely with our customers to meet their demand needs across all regions. Our TVS strategy continues to provide our customers with supply reliability, pricing predictability and supply chain transparency which has proven crucial, especially in these challenging and dynamic times. Our multi-year contracts remain in high demand, and we are proud of the relationships and strength of the commercial portfolio that we have built.

Finally, given our strong performance in the first half, we now believe that our full year adjusted EBITDA will be at the high end of our guidance range. As a result of broad-based positive momentum in our businesses and our strong operating leverage, we are also raising our full year Free Cash Flow guidance from $550 million dollars to $600 million dollars. We have raised our Free Cash Flow guidance for 2022 by $100 million dollars since the start of the year.

Our strong Free Cash Flow generation gives us the ability to generate significant value through our capital allocation policy, by investing for growth while returning cash to shareholders. To that end, we repurchased $272 million dollars worth of shares in the first half of 2022. In order to drive long term shareholder value, we will continue to allocate capital and resources against our four strategic priorities.

Turning now to chart **4**. Although it's hard to believe, we are already five years into our Corporate Responsibility Commitment journey which includes our ambitious ESG targets. We continue to build momentum on many fronts including:

- driving transparency in our ESG disclosures
- innovating to build a more sustainable portfolio,
- staying ahead of our emission reduction targets
- and making investment in our people and communities in which we operate.

We are looking forward to sharing all the progress we've made when our 2021 report is released in the coming weeks. Ahead of that, I would like to touch on a few areas where we have made recent progress.
In TT, we are driving towards building the most sustainable TiO_2 platform in the world. One recent initiative is our participation in the Remove2Reclaim research program to recover TiO_2 and advance circularity in the plastics industry. As the technology leader in TiO_2 production, we intend to lead the way forward on long-term circular design in products containing TiPure™ pigments.

In TSS, we continue to support our customers' transition to low GWP thermal management solutions – solutions which are better for the planet from a global warming perspective and which can help our customers achieve energy efficiency goals and cost savings.
In APM we have developed a method of producing Advanced Polymer Architecture, or APA grade Viton fluoroelastomers without utilizing fluorinated polymerization aids. A variety of Viton products are being developed

to meet client and market demands, both reliably and sustainably, in the transportation, advanced electronics, industrial manufacturing, and oil and gas industries.

From a supply chain perspective, we were awarded EcoVadis' Gold Certification, placing us in the top 5% of their responsible supplier participants. We continue to use our global reach and platform to encourage a more sustainable, transparent supply chain in all of our businesses.

And finally, Chemours continues to be a leader in the communities in which we operate. In April, we announced a partnership with North Carolina A&T University to enhance chemistry and chemical engineering research and coaching opportunities. Students from diverse backgrounds will interact with and learn from our industry leading scientists. This new program is an exciting way to expand our work together, and builds on the work we already do with NC A&T through our Future of Chemistry Scholarship Program.

Around the world, our commitment to sustainability is evident. For all the details please see our upcoming CRC report which will be available through our Investor Relations website.

Sameer Ralhan, The Chemours Company, Senior Vice President, Chief Financial Officer

Thanks Mark. Let's turn to Chart **5**.

The second quarter results reflect sustained demand for our differentiated, high-value applications, as well as favorable market dynamics in a number of our product lines. We have delivered these results despite macro-headwinds related to the ongoing conflict in Ukraine, inflationary impacts on raw material costs, and logistics issues.

Record Net sales of $1.9 billion dollars were up 16% year-over-year and 9% sequentially. The year-over-year increase was primarily attributable to an increase in price of 23%, partially offset by a decrease in volume of 1% and currency headwinds of 2%. Portfolio change, driven by the sale of our Mining Solutions business in 2021, accounted for a 4% headwind on year-over-year basis. Price increased across all our reportable segments.

Volumes were relatively flat as TSS volume growth was offset by the impact of ore constraints on TT volume and lower demand in non-strategic APM end markets, consistent with our strategy to drive mix towards higher value, differentiated product offerings. GAAP and Adjusted EPS were one dollar and twenty six cents per share ($1.26) and one dollar and eighty nine cents per share ($1.89) , respectively.

Adjusted EBITDA increased by $109 million dollars to $475 million dollars in the second quarter, driven by higher pricing and demand, with currency increasingly becoming more of a headwind. Adjusted EBITDA Margin rose to 25% on a company wide basis, up 300 basis points from 22% in the prior-year, as pricing actions continue to outpace headwinds from raw material and logistics costs.

We generated $229 million dollars in Free Cash Flow in the quarter, up $40 million dollars, or 21%, over the prior-year quarter. Free Cash Flow growth was primarily driven by higher earnings, improved working capital, and modestly lower Capex spend. ROIC stands at 34% for the quarter, up from 20% in the prior year quarter. Shareholders of record on August 15, 2022 will receive a dividend of Twenty Five cents per share ($0.25) as approved by our Board of Directors on July 27th.

Turning to chart **6** - Second quarter 2022 Adjusted EBITDA was $475 million dollars, up $109 million dollars, or 30% from the same period in 2021. Market dynamics and pricing ahead of input cost increases in TSS, demand for high value, differentiated applications in APM, and pricing actions across the entire TT portfolio drove strong pricing contribution from all our segments. Volume impact was flat as TSS volume growth was offset by lower TT volume due to ore constraints and APM volume as I discussed earlier.

Currency headwinds totaled $27 million dollars, or 7%, in the quarter due to a broad-based strength in the US dollar. A rise in raw material and logistics costs in the quarter contributed to higher costs year-over-year.
Demand for our products and the impact of market dynamics across our portfolio resulted in robust price-cost spreads across our businesses. Overall, pricing actions generated a positive net contribution versus higher costs in the second quarter.

Turning now to chart **7** - Our cash position, liquidity and balance sheet remain strong.

In the second quarter, our cash balance increased from $1.15 billion dollars to $1.25 billion dollars.

Operating cash flow was $291 million dollars, an increase of $35 million dollars or 14% year-over-year. The growth in Operating Cash Flow was primarily driven by higher earnings and improved working capital. A total of $62 million dollars was spent on CAPEX, down vs. $67 million dollars in prior year quarter. The sale of non-operating sites at Beaumont and Pascagoula was the largest 'Other' factor contributing over $30 million dollars to our end of the quarter cash balance.

During the second quarter of 2022, we returned $166 million dollars of cash to shareholders through dividends of $38 million dollars and share repurchases of $128 million dollars. The consistent rate of share repurchases places our current share count at approximately 156 million as of June 30, down 14% from 181 million shares at the time of spin in 2015.

On a trailing twelve-month basis, net-leverage was 1.6x, down from 1.8x in the prior quarter. Total liquidity stands at $2.0 billion dollars, including revolver availability of ~$800 million dollars, net Letters of Credit outstanding. Our MOU commitments include $100 million dollars in restricted cash in escrow, which is not included in these cash balances. Recall our next MOU commitment of $100 million dollars is due in September after which our commitment goes to $50 million per annum over the next six years.

Turning to chart **8** – Let's take a closer look at the composition of the Fayetteville Works charge we took in the quarter, including the potential cash flow impact over time.

In the second quarter we took a $174 million dollar charge related to our Fayetteville Works facility. The charge is comprised of two components:
$62 million dollars related to construction of the barrier wall and the future operation of the groundwater and extraction system, and $112 million dollars related to legacy off-site remediation.

The first component of the charge is related to a change in estimate of the cost to construct the barrier wall system including the water capture and treatment system. This increase was driven by material inflation, supply chain constraints, additional material requirements based on soil compatibility testing and additional mechanical, civil and electrical requirements. We believe the system will be completed by early next year pending receipt of North Carolina approvals and other permits.

The second component of the charge relates to offsite water treatment in the vicinity of our plant. This is a result of the EPA's new Health Advisory for HFPO Dimer Acid. Although we are challenging EPA's decision, we will recognize the Consent Order requirement to incorporate "applicable health advisories". We have reserved our rights in connection with the challenge to the health advisory, but will honor our commitment under the Consent Order. In the meantime we are proceeding as if the new Dimer Acid health advisory is applicable under the Consent Order and have submitted plans for NCDEQ approval.

The bars on the right hand side of the page illustrate the Free Cash Flow impact of the entire Fayetteville accrual of $510 million dollars. Over the next three years, Chemours expects to spend roughly $250 million dollars for remediation activities at and around Fayetteville, including construction, installation, and initial maintenance and operating activities. Maintenance and operating activities will then continue after the initial 3 year period and are expected to be approximately $16 million dollars of cash spend per year. Chemours expects to recover half of these aforementioned costs, under the MOU with DuPont and Corteva, until the year 2040. Currently, our teams are working to comply with the consent order and improve the sustainability of the Fayetteville Works site, which will continue to employ our key members in the region and be a key contributor to the expansion of our APM business.

We hope you find this chart helpful to understand not just its impact on our Free Cash Flow, but also what we are doing to honor our commitments to the community surrounding one of our key plants.

Moving to the next chart, I will cover the business segment highlights, starting with Titanium Technologies.

Ti-Pure value stabilization has enabled our commercial team to continue to meet strong customer demand for pigment even as ore supply continues to be constrained. Commercially, we have the strongest book of contracted business in our history, and we are managing the business for the long term. Despite multiple and ongoing supply chain challenges we delivered on our surety of supply promise to our contracted customers. Through our relationships with leading suppliers, we are able to meet our long-term feedstock needs, and we are better positioned to optimize our circuit when ore constraints ease. While ore availability constraints limited production, we achieved record net sales of $968 million dollars, up 13% or $109 million dollars year-over-year.

As a result of pricing actions taken across the portfolio, price increased 23% from the prior year and 6% sequentially. Volume was down 8% year-over-year and flat sequentially, driven by lack of ore availability, despite steady demand. Currency was a 2% headwind in the quarter vs the prior year quarter.

Adjusted EBITDA for the segment was flat year-over-year at $216 million dollars. An increase in raw material costs, logistics, currency impacts, as well as sub-optimal production across the circuit due to ore constraints resulted in adjusted EBITDA margin of 22%, down 300 basis points year-over-year.

During the second half we expect input and material cost inflation will persist alongside headwinds from currency. In addition, we are monitoring Chinese and European markets due to some softening demand we are experiencing there. Our expectation remains that the current ore constraint pressure will ease by year's end, allowing circuit optimization to gain momentum.

Overall, TT has a strong portfolio of globally contracted customers that assists in stabilizing the business during periods of uncertainty. We remain committed to meeting customer requirements and delivering on commitments.
Moving to Chart **10** - Increased adoption of Opteon™ low-GWP solutions and a disciplined pricing strategy drove yet another quarter of exceptional year-over-year growth for Thermal and Specialized Solutions. We continue to see new partners adopt Opteon™ as a solution across a diverse array of needs around the globe.

Taking a closer look at the results, second quarter Net Sales increased 52% year-over-year to a record $518 million dollars. Pricing was a 39% tailwind on a year-over-year basis, a result of regulatory and market dynamics, as well as a disciplined approach to pricing ahead of raw material costs due to inflation. Currency was a 2% headwind over the same period. Volume increased across almost all markets and was up 15% year-over-year and 21% sequentially, primarily due to increased adoption of low GWP refrigerants and other solutions.

Segment Adjusted EBITDA of $213 million dollars was up 85% from last year. A 41% adjusted EBITDA margin was an increase of 700 bps over the prior year, driven primarily by pricing and mix. Adjusted EBITDA rose $39 million dollars or 22% on a sequential basis, primarily driven by normal seasonal dynamics in the refrigerants business.

Looking forward, seasonal patterns should be similar to those prior to the pandemic, with a decline in the second half compared to the first as we exit the cooling season in the Northern Hemisphere. Margins are also likely to be impacted by raw material and logistics costs in the second half of the year.

To support our customers with their transition to lower GWP solutions, we have announced an $80 million dollar investment at our Corpus Christi, TX plant to expand Opteon™ YF production. This capacity expansion, anticipated to be complete by the end of 2024, pending final permit approvals, along with current de-bottlenecking projects should increase our site's Opteon™ YF capacity by approximately 40%.

In the coming years, our customers' transition and the structural shift away from legacy refrigerants high GWP products to lower GWP refrigerants will accelerate. Our TSS business is in prime position to support our customers as they broadly the widespread adoption with our climate friendly, low GWP OpteonTM solutions.

Turning to chart **11** - In our APM segment, we provide differentiated, high-value applications that support secular trends in growing markets including clean energy, and advanced electronics. For the quarter, our Net Sales were a record $401 million dollars. Sales increased 11% year-over-year and 4% sequentially in the second quarter, primarily due to a 15% improvement in prices. In the quarter, price increases were due to a combination of demand for our high-value applications outpacing supply, and counter inflationary measures taken to offset rising raw material costs. Volume was down 1% year-over-year and up 4% sequentially primarily due to supply chain challenges and lower demand in non-strategic end markets, consistent with our strategy to drive higher value, differentiated product offerings. APM's Adjusted EBITDA for the second quarter was a record $107 million dollars, an increase of $28 million dollars over last year's second quarter. Adjusted EBITDA growth year-over-year is indicative of the operational leverage in our business. In spite of rising costs related to raw material and logistics, adjusted EBITDA margin improved 500 bps to 27% from the previous quarter and was a new record.

APM's value-based pricing and supply chain integration, should drive significant benefits as it capitalizes on secular trends in advanced electronics, semiconductors, and Hydrogen Economy by providing high-value, differentiated offerings and optimizing mix.

With that I will turn things back over to our CEO, Mark Newman. Mark?

Mark Newman, The Chemours Company, President and Chief Executive Officer

Let's now turn to Chart **12** - As I said at the outset of the call, our outlook continues to strengthen given the great results we have delivered in both the first and second quarters. As a result, we are now targeting the high-end of our Adjusted EBITDA guidance range of $1.475 billion dollars to $1.575 billion dollars.

In addition, we are raising our Free Cash Flow guidance to greater than $600 million dollars, up from our previous guidance of greater than $550 million dollars. Based on this guidance, this will be our third straight year of generating greater than $500 million dollars of Free Cash Flow.

We are guiding Full Year Adjusted EBITDA to the high-end of our range at a time of increasing macroeconomic uncertainty but believe that our businesses are well positioned to hit these targets given the strong first half. Our full year plan is grounded in a number of go-forward assumptions as shown on the chart. The entire Chemours team is focused on ensuring that we deliver against our commitments.

In closing on chart **13 -** Our long-term focus continues to be on maximizing shareholder value through our four strategic priorities:

Priority 1 is to Improve TT earnings through the cycle, while growing with strategic customers. Our Ti-Pure™ book of contracted business continues to be the best we have ever had in the business. TVS enables us to create stronger long-term partnerships with strategic customers and we will continue to take steps to reduce earnings volatility and generate a more stable cash flow stream from this business.

Priority 2 is to drive secular growth in TSS and APM behind class leading products and innovative chemistry. In TSS, the transition to low GWP refrigerants, propellants and foaming agents provides a long runway for growth and our Opteon™ franchise enables us to benefit from regulatory dynamics in conjunction with market driven innovation.

In our APM business, we are expanding our market leading footprint with high return investments underpinning high growth platforms. Near term growth will come from materials to support semiconductor infrastructure and EV applications, with a fast follow from the hydrogen economy and 5G infrastructure.

Priority 3 is to continue to manage and resolve legacy liabilities consistent with the Chemours/Dupont/Corteva MOU. With this agreement in place, we will continue to put legacy issues behind us, and work collaboratively with all stakeholders – including the communities in which we operate -- to ensure a sustainable future for Chemours.

Finally, Priority 4 is to Return the majority of the Free Cash Flow we generate to our shareholders through a steady diet of share repurchases and a stable dividend, even while we invest for growth. We believe that Priority 4 will compound the value of our first three priorities over time.

In closing, I am clearly proud of how we have performed in the first half. On the back of a record setting 2Q, we continue to demonstrate our structural growth thesis and have paved the way for another outstanding year. We will stay focused on execution and continue to live our purpose of creating a better world through the power of our chemistry. Thank you again for your support.