

**ACQUISITION BY TRONOX HOLDINGS PLC, THROUGH ITS
SUBSIDIARY TRONOX TITANIUM HOLDINGS A.S., OF TIZIR
TITANIUM & IRON A.S.**

**Initial Enforcement Order made by the
Competition and Markets Authority pursuant to
section 72(2) of the Enterprise Act 2002 (the Act)**

Whereas:

- (a) the Competition and Markets Authority (**CMA**) has reasonable grounds for suspecting that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in Tronox Holdings plc (**Tronox**) and TiZir Titanium & Iron A.S. (**TTI**) ceasing to be distinct;
- (b) the CMA is considering whether to make a reference under section 22 or 33 of the Act;
- (c) the CMA wishes to ensure that no action is taken pending final determination of any reference under sections 22 or 33 of the Act which might prejudice that reference or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decisions on the reference; and
- (d) the circumstances set out in section 72(6) of the Act do not apply and the reference has not been finally determined in accordance with section 79(1) of the Act.

Now for the purposes of preventing pre-emptive action in accordance with section 72(2) of the Act the CMA makes the following order addressed to Tronox, Tronox Titanium Holdings A.S. (**Tronox Titanium**) and TTI (**Order**).

Commencement, application and scope

1. This Order commences on the commencement date: being the date of completion of the transaction.
2. This Order applies to Tronox, Tronox Titanium and TTI.

3. Notwithstanding any other provision of this Order, no act or omission shall constitute a breach of this Order, and nothing in this Order shall oblige Tronox, Tronox Titanium or TTI to reverse any act or omission, in each case to the extent that it occurred or was completed prior to the commencement date.
4. This Order does not prohibit the completion of the transaction provided that Tronox, Tronox Titanium and TTI observe the restrictions set out below.

Management of the Tronox and TTI businesses until determination of proceedings

5. Except with the prior written consent of the CMA, Tronox, Tronox Titanium and TTI shall not, during the specified period, take any action which might prejudice a reference of the transaction under section 22 or 33 of the Act or impede the taking of any action under the Act by the CMA which may be justified by the CMA's decisions on such a reference, including any action which might:
 - (a) lead to the integration of the TTI business with the Tronox business;
 - (b) transfer the ownership or control of the Tronox business or the TTI business or any of their subsidiaries; or
 - (c) otherwise impair the ability of the TTI business or the Tronox business to compete independently in any of the markets affected by the transaction.
6. Further and without prejudice to the generality of paragraph 5 and subject to paragraphs 3 and 4, Tronox, Tronox Titanium and TTI shall at all times during the specified period procure that, except with the prior written consent of the CMA:
 - (a) the TTI business is carried on separately from the Tronox business and the TTI business's separate sales or brand identity is maintained;
 - (b) the TTI business and the Tronox business are maintained as a going concern and sufficient resources are made available for the development of the TTI business and the Tronox business, on the basis of their respective pre-merger business plans;
 - (c) except in the ordinary course of business, no substantive changes are made to the organisational structure of, or the management responsibilities within, the TTI business or the Tronox business;

- (d) the nature, description, range and quality of goods and/or services supplied in the UK by each of the two businesses are maintained and preserved;
- (e) except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the TTI business and the Tronox business are maintained and preserved, including facilities and goodwill;
 - (ii) none of the assets of the TTI business or the Tronox business are disposed of; and
 - (iii) no interest in the assets of the TTI business or the Tronox business is created or disposed of;
- (f) there is no integration of the information technology of the TTI or Tronox businesses, and the software and hardware platforms of the TTI business shall remain essentially unchanged, except for routine changes and maintenance;
- (g) the customer and supplier lists of the two businesses shall be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the TTI business will be carried out by the TTI business alone and for the avoidance of doubt the Tronox business will not negotiate on behalf of the TTI business (and vice versa) or enter into any joint agreements with the TTI business (and vice versa);
- (h) all existing contracts of the TTI business and the Tronox business continue to be serviced by the business to which they were awarded;
- (i) no changes are made to key staff of the TTI business or the Tronox business;
- (j) no key staff are transferred between the TTI business and the Tronox business;
- (k) all reasonable steps are taken to encourage all key staff to remain with the TTI business and the Tronox business; and
- (l) no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses shall pass, directly or indirectly, from the TTI business (or any of its employees, directors, agents or affiliates) to the Tronox business (or any of its employees, directors, agents or affiliates), or vice versa, except where

strictly necessary in the ordinary course of business (including for example, where required for compliance with external regulatory and/or accounting obligations or for due diligence, integration planning or the completion of any merger control proceedings relating to the transaction) and on the basis that, should the transaction be prohibited, any records or copies (electronic or otherwise) of such information that have passed, wherever they may be held, will be returned to the business to which they relate and any copies destroyed.

Compliance

7. Tronox, Tronox Titanium and TTI shall procure that each of their subsidiaries complies with this Order as if the Order had been issued to each of them.
8. Tronox, Tronox Titanium and TTI shall provide to the CMA such information or statement of compliance as it may from time to time require for the purposes of monitoring compliance by Tronox, Tronox Titanium and TTI and their subsidiaries with this Order. In particular, on the date falling two weeks from commencement of the Order and subsequently every two weeks (or, where this does not fall on a working day, the first working day thereafter) the Chief Executive Officer of Tronox, Tronox Titanium and TTI or other persons of Tronox, Tronox Titanium and TTI as agreed with the CMA shall, on behalf of each of Tronox, Tronox Titanium and TTI, provide a statement to the CMA in the form set out in the Annexes to this Order confirming compliance with this Order.
9. At all times, Tronox, Tronox Titanium and TTI shall each actively keep the CMA informed of any material developments relating to the TTI business or the Tronox business, which includes but is not limited to:
 - (a) details of key staff who leave or join the TTI business or the Tronox business;
 - (b) any interruption of the TTI or Tronox business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented it from operating in the ordinary course of business for more than 24 hours;
 - (c) all substantial customer volumes won or lost or substantial changes to the customer contracts for the TTI or Tronox business including any substantial changes in customers' demand; and
 - (d) substantial changes in the TTI or Tronox business's contractual arrangements or relationships with key suppliers.

10. If Tronox, Tronox Titanium or TTI has any reason to suspect that this Order might have been breached it shall immediately notify the CMA and any monitoring trustee that Tronox, Tronox Titanium or TTI may be directed to appoint under paragraph 11.
11. The CMA may give directions to a specified person or to a holder of a specified office in any body of persons (corporate or unincorporated) to take specified steps for the purpose of carrying out, or ensuring compliance with, this Order, or do or refrain from doing any specified action in order to ensure compliance with the Order. The CMA may vary or revoke any directions so given.
12. Tronox, Tronox Titanium and TTI shall comply in so far as they are able with such directions as the CMA may from time to time give to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with this Order.

Interpretation

13. The Interpretation Act 1978 shall apply to this Order as it does to Acts of Parliament.
14. For the purposes of this Order:

'the Act' means the Enterprise Act 2002;

'an affiliate' of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on from time to time and any enterprise that the second person carries on from time to time would be regarded as being under common control for the purposes of section 26 of the Act;

'business' has the meaning given by section 129(1) and (3) of the Act;

'commencement date' means the date of completion;

'control' includes the ability directly or indirectly to control or materially to influence the policy of a body corporate or the policy of any person in carrying on an enterprise;

'the decisions' means the decisions of the CMA on the questions which it is required to answer by virtue of sections 35 or 36 of the Act;

'key staff' means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the business;

'the ordinary course of business' means matters connected to the day-to-day supply of goods and/or services by TTI or Tronox and does not include matters involving significant changes to the organisational structure or related to the post-merger integration of TTI and Tronox;

'specified period' means the period beginning on the commencement date and terminating in accordance with section 72(6) of the Act;

'subsidiary', unless otherwise stated, has the meaning given by section 1159 of the Companies Act 2006;

'the transaction' means the transaction by which Tronox (via its subsidiary Tronox Titanium) and TTI will cease to be distinct within the meaning of section 23 of the Act;

'Tronox' means Tronox Holdings plc, a company incorporated in England and Wales (registered no. 11653089);

'the Tronox business' means the business of Tronox and its subsidiaries but excluding the TTI business carried on as at the commencement date;

'Tronox Titanium' means Tronox Titanium Holdings A.S., a company incorporated in Norway (registered no. 924 443 952);

'TTI' means TiZir Titanium & Iron A.S., a company incorporated in Norway (registered no. 934 505 557);

'the TTI business' means the business of TTI and its subsidiaries carried on as at the commencement date;

'the two businesses' means the Tronox business and the TTI business;

unless the context requires otherwise, the singular shall include the plural and vice versa.

Faye Fullalove
Assistant Director, Mergers
16 December 2020

Compliance statement for [TRONOX/TRONOX TITANIUM]

I [insert name] confirm on behalf of [Tronox/Tronox Titanium] that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) [Tronox/Tronox Titanium] has complied with the Order made by the CMA in relation to the transaction on 16 December 2020 (the Order).
 - (b) [Tronox/Tronox Titanium]'s subsidiaries have also complied with this Order.
2. Subject to paragraphs 3 and 4 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by [Tronox/Tronox Titanium] that might prejudice a reference of the transaction under section 22 or 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the TTI business with the Tronox business;
 - (ii) transfer the ownership or control of the Tronox business or the TTI business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the TTI business or the Tronox business to compete independently in any of the markets affected by the transaction.
 - (b) The TTI business has been carried on separately from the Tronox business and the TTI business's separate sales or brand identity has been maintained.
 - (c) The TTI business and the Tronox business have been maintained as a going concern and sufficient resources have been made available for the development of the TTI business and the Tronox business, on the basis of their respective pre-merger business plans.
 - (d) No substantive changes have been made to the organisational structure of, or the management responsibilities within, the TTI business or the Tronox business, except in the ordinary course of business.

- (e) The nature, description, range and quality of goods and/or services supplied in the UK by the TTI business and the Tronox business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the TTI business and the Tronox business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the TTI business or the Tronox business have been disposed of; and
 - (iii) no interest in the assets of the TTI business or the Tronox business has been created or disposed of.
- (g) There has been no integration of the information technology of the TTI or Tronox businesses, and the software and hardware platforms of the TTI business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the TTI business have been carried out by the TTI business alone and, for the avoidance of doubt, the Tronox business has not negotiated on behalf of the TTI business (and vice versa) or entered into any joint agreements with the TTI business (and vice versa).
- (i) All existing contracts of the TTI business and the Tronox business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (j) No changes have been made to key staff of the TTI business or the Tronox business.
- (k) No key staff have been transferred between the TTI business and the Tronox business.
- (l) All reasonable steps have been taken to encourage all key staff to remain with the TTI business and the Tronox business.

(m) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses, has passed, directly or indirectly, from the TTI business (or any of its employees, directors, agents or affiliates) to the Tronox business (or any of its employees, directors, agents or affiliates), or vice versa.

(n) Except as listed in paragraph (o) below, there have been no:

- (i) key staff that have left or joined the TTI business or the Tronox business;
- (ii) interruptions of the TTI business or the Tronox business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours;
- (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the TTI business or the Tronox business;
or
- (iv) substantial changes in the TTI or Tronox business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. [Tronox/Tronox Titanium] and its subsidiaries remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the TTI business or the Tronox business in accordance with paragraph 9 of the Order and of any potential breach by the TTI business or the Tronox business in accordance with paragraph 10 of the Order.

Interpretation

4. Terms defined in the Order have the same meaning in this compliance statement.

I understand that:

it is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in

fines, imprisonment for a term not exceeding two years, or both. (Section 117 of the Enterprise Act 2002.)

Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty of up to 5% of the total value of the turnover** (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom the penalty is imposed. (Section 94A of the Enterprise Act 2002.)

FOR AND ON BEHALF OF [TRONOX HOLDINGS PLC/TRONOX TITANIUM HOLDINGS A.S.]

Signature

Name

Title

Date

Compliance statement for TTI

I [insert name] confirm on behalf of TTI that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) TTI has complied with the Order made by the CMA in relation to the transaction on 16 December 2020 (the Order).
 - (b) TTI's subsidiaries have also complied with this Order.
2. Subject to paragraphs 3 and 4 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by TTI that might prejudice a reference of the transaction under section 22 or 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the TTI business with the Tronox business;
 - (ii) transfer the ownership or control of the Tronox business or the TTI business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the TTI business or the Tronox business to compete independently in any of the markets affected by the transaction.
 - (b) The TTI business has been carried on separately from the Tronox business and the TTI business's separate sales or brand identity has been maintained.
 - (c) The TTI business has been maintained as a going concern and sufficient resources have been made available for the development of the TTI business, on the basis of its pre-merger business plans.
 - (d) No substantive changes have been made to the organisational structure of, or the management responsibilities within, the TTI business, except in the ordinary course of business.

- (e) The nature, description, range and quality of goods and/or services supplied in the UK by the TTI business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the TTI business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the TTI business have been disposed of; and
 - (iii) no interest in the assets of the TTI business has been created or disposed of.
- (g) There has been no integration of the information technology of the TTI or Tronox businesses, and the software and hardware platforms of the TTI business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the TTI business have been carried out by the TTI business alone and, for the avoidance of doubt, the Tronox business has not negotiated on behalf of the TTI business (and vice versa) or entered into any joint agreements with the TTI business (and vice versa).
- (i) All existing contracts of the TTI business have been serviced by the TTI business, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (j) No changes have been made to key staff of the TTI business.
- (k) No key staff have been transferred between the TTI business and the Tronox business.
- (l) All reasonable steps have been taken to encourage all key staff to remain with the TTI business.
- (m) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses, has passed, directly or indirectly, from the TTI business

(or any of its employees, directors, agents or affiliates) to the Tronox business (or any of its employees, directors, agents or affiliates), or vice versa.

- (n) Except as listed in paragraph (o) below, there have been no:
- (i) key staff that have left or joined the TTI business;
 - (ii) interruptions of the TTI business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours;
 - (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the TTI business; or
 - (iv) substantial changes in the TTI business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. TTI and its subsidiaries remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the TTI business in accordance with paragraph 9 of the Order and of any potential breach by the Tronox business or the TTI business in accordance with paragraph 10 of the Order.

Interpretation

4. Terms defined in the Order have the same meaning in this compliance statement.

I understand that:

it is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in **fines, imprisonment for a term not exceeding two years, or both**. (Section 117 of the Enterprise Act 2002.)

Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty of up to 5% of the total value of the turnover** (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom the penalty is imposed. (Section 94A of the Enterprise Act 2002.)

FOR AND ON BEHALF OF TIZIR TITANIUM & IRON A.S.

Signature

Name

Title

Date