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

FORM 10-K

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

For the fiscal year ended September 30, 2024

OR

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

For the transition period from _________ to ___________

Commission file number 333-211719

ASHLAND INC.

Delaware	81-2587835
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

8145 Blazer Drive
Wilmington, Delaware 19808
Telephone Number (302) 995-3000

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $.01 per share	ASH	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: None

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

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

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

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

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

Large Accelerated Filer ☑	Accelerated Filer ☐
Non-Accelerated Filer ☐	Smaller Reporting Company ☐
Emerging Growth Company ☐	

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

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

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the Registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the Registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

At March 31, 2024, the aggregate market value of voting and non-voting common equity held by non-affiliates of the Registrant was approximately $4.9 billion. In determining this amount, the Registrant has assumed that its directors and executive officers are affiliates. Such assumption shall not be deemed conclusive for any other purpose.

At October 31, 2024, there were 47,109,326 shares of Registrant's common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Registrant's Proxy Statement (Proxy Statement) for its 2025 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K to the extent described herein.

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PART I

ITEM 1. BUSINESS

GENERAL

Ashland Inc. is a Delaware corporation, with its headquarters and principal executive offices at 8145 Blazer Drive, Wilmington, Delaware 19808. Our common stock is listed on the New York Stock Exchange (NYSE) under the ticker symbol “ASH”. The terms “Ashland” and the “Company” as used herein include Ashland Inc., its predecessors, and its consolidated subsidiaries, except where the context indicates otherwise.

Ashland is a global specialty additives and materials company with a conscious and proactive mindset for sustainability. The Company serves customers in a wide range of consumer and industrial markets including, architectural coatings, construction, energy, food and beverage, personal care and pharmaceutical. With approximately 3,200 employees worldwide, Ashland serves customers in more than 100 countries.

Ashland’s reportable segments include: Life Sciences; Personal Care; Specialty Additives; and Intermediates. Unallocated and Other includes corporate governance activities and certain legacy matters.

Life Sciences is comprised of pharmaceuticals, nutrition, agricultural chemicals, diagnostic films (formerly known as advanced materials) and fine chemicals. Pharmaceutical solutions include controlled release polymers, disintegrants, tablet coatings, thickeners, solubilizers and tablet binders. Nutrition solutions include thickeners, stabilizers, emulsifiers and additives for enhancing mouthfeel, controlling moisture migration, reducing oil uptake and binding structured foods. Customers include pharmaceutical, food, beverage, hospitals and radiologists and industrial manufacturers. The nutraceuticals business was sold in August 2024.

Personal Care is comprised of biofunctionals, microbial protectants (preservatives), skin care, sun care, oral care, hair care and household solutions. These businesses have a broad range of natural, nature-derived, biodegradable, and high-performance ingredients for customer-driven solutions to help protect, renew, moisturize and revitalize skin and hair, and provide solutions for toothpastes, mouth washes and rinses, denture cleaning and care for teeth. Personal Care supplies nature-derived rheology ingredients, biodegradable surface wetting agents, performance encapsulates, and specialty polymers for household, industrial and institutional cleaning products. Customers include formulators at large multinational branded consumer products companies and smaller, independent boutique companies.

Specialty Additives is comprised of rheology and performance-enhancing additives serving the architectural coatings, construction, energy, automotive and various industrial markets. Solutions include coatings additives for architectural paints, finishes and lacquers, cement- and gypsum-based dry mortars, ready-mixed joint compounds, synthetic plasters for commercial and residential construction, and specialty materials for industrial applications. Products include rheology modifiers (cellulosic and associative thickeners), foam control agents, surfactants and wetting agents, pH neutralizers, advanced ceramics used in catalytic converters, and environmental filters, ingredients that aid the manufacturing process of ceramic capacitors, plasma display panels and solar cells, ingredients for textile printing, thermoplastic metals and alloys for welding. Products help improve desired functional outcomes through rheology modification and control, water retention, workability, adhesive strength, binding power, film formation, deposition and suspension and emulsification. Customers include global paint manufacturers, electronics and automotive manufacturers, textile mills, the construction industry and welders.

Intermediates is comprised of the production of 1,4 butanediol ("BDO") and related derivatives, including n-methylpyrrolidone. These products are used as chemical intermediates in the production of engineering polymers and polyurethanes, and as specialty process solvents in a wide array of applications including electronics, pharmaceuticals, water filtration membranes and more. BDO is also supplied to Life Sciences, Personal Care, and Specialty Additives for use as a raw material.

Unallocated and Other generally includes items such as certain significant company-wide restructuring activities, corporate governance costs and legacy costs or activities that relate to divested businesses that are no longer operated by Ashland.

Available Information - Ashland's Internet address is http://www.ashland.com. On this website, Ashland makes available, free of charge, its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports, as well as any beneficial ownership reports of officers and directors filed on Forms 3, 4 and 5. All such reports are available as soon as reasonably practicable after they are electronically filed with, or electronically furnished to, the Securities and Exchange Commission ("SEC"). Ashland also makes available, free of charge on its website, its Corporate Governance Guidelines, Board Committee Charters, Director Independence Standards and Global Code of Conduct that applies to Ashland's directors, officers and employees. These documents are also available in print to any stockholder who requests them. Information contained on Ashland's website referenced here or elsewhere in this Annual Report is not part of this Annual Report on Form 10-K and is not incorporated by reference in this document. The SEC maintains an Internet site (http://www.sec.gov) that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC.

LIFE SCIENCES

Life Sciences is a leading supplier of excipients and tablet coating systems to the pharmaceutical and nutrition industries. Excipients include a comprehensive range of polymers for use as tablet binders, super disintegrants, sustained-release agents and drug solubilizers, as well as a variety of coating formulations for immediate, delayed, and sustained release applications. Core products include cellulosics and vinyl pyrrolidone polymers which are used primarily in oral solid dosage drug formulations. Its nutrition portfolio provides functional benefits in areas such as thickening, texture control, thermal gelation, structure enhancement, water binding, clarification and stabilization. Its core products include cellulose gums and vinyl pyrrolidone polymers which are used in a wide range of offerings for bakery, beverage, dairy, desserts, meat products, pet food, prepared foods, sauces and savory products.

Life Sciences operates throughout the Americas, Europe and Asia Pacific. It has 14 manufacturing and lab facilities in nine countries which serve its various end markets. It has manufacturing facilities and labs in Wilmington, Delaware; Calvert City, Kentucky; Columbus, Ohio; Fiskeville, Rhode Island; and Texas City, Texas within the United States; Cabreuva and Sao Paolo, Brazil; Shanghai, China; Dusseldorf, Germany; Hyderabad, India; Mullingar, Ireland; Mexico City, Mexico; Bangkok, Thailand; and Istanbul, Turkey.

Life Science markets and distributes its products in the Americas, Europe, the Middle East, Africa and Asia Pacific.

For fiscal 2024, the following Life Sciences product categories were 10% or greater of Ashland's total consolidated sales:

Product	% of Life Sciences sales	% of Ashland total consolidated sales
Cellulosics	38%	37%
Polyvinylpyrrolidones (PVP)	38%	23%

PERSONAL CARE

The Personal Care portfolio of oral care products delivers active ingredients in toothpaste and mouthwashes; provides bioadhesive functionality for dentures; delivers flavor, texture and other functional properties; and provides product binding to ensure form and function throughout product lifecycle.

The Personal Care portfolio of hair care products includes advanced styling polymers, fixatives, conditioning polymers, emulsifiers, preservatives, rheology modifiers and biofunctional actives.

The Personal Care portfolio of ingredients and solutions for skin care, sun care, and cosmetics focuses on natural and sustainable solutions. Ashland's Personal Care business includes biofunctional actives, preservatives, and specialty polymers to provide functionality such as water resistance and rheology. Ashland's natural ingredients include a wide range of cellulose, guar, and cassia derivatives; unique active ingredients derived from botanical sources using exclusive Ashland technologies such as Zeta Fraction™ and PSR technology; emollients based on natural chemistries; encapsulation technology derived from alginates; and efficacious preservative blends inspired by nature.

The Personal Care portfolio of products and technologies is used in many types of cleaning and fragrance applications, including fabric care, home care and dishwashing. Personal Care products are used in a variety of applications for viscosity enhancement, particle suspension, rheology modification, stabilization and fragrance enhancement.

Personal Care operates throughout the Americas, Europe and Asia Pacific. It has 14 manufacturing and lab facilities in nine countries which serve its various end markets and participates in one joint venture. It has manufacturing facilities and labs in Freetown, Massachusetts; Chatham, New Jersey; Ossining, New York; Merry Hill, North Carolina; Kenedy, Texas; and Menomonee Falls, Wisconsin within the United States; Sao Paulo, Brazil; Shanghai, China; Sophia Antipolis, France; Hamburg, Germany; Mumbai, India; Mexico City, Mexico; Zwijndrecht, Netherlands and Poole, United Kingdom.

Personal Care markets and distributes its products in the Americas, Europe, the Middle East, Africa and Asia Pacific.

For fiscal 2024, the following Personal Care product categories were 10% or greater of Ashland's total consolidated sales:

Product	% of Personal Care sales	% of Ashland total consolidated sales
Cellulosics	18%	37%
Polyvinylpyrrolidones (PVP)	22%	23%

SPECIALTY ADDITIVES

Specialty Additives offers industry-leading products, technologies and resources for solving formulation and product-performance challenges. Using synthetic and semisynthetic polymers derived from polyester and polyurethane-based adhesives, and plant and seed extract, Specialty Additives offers comprehensive and innovative solutions for industrial applications.

Key customers include manufacturers of paint, coatings and construction materials; packaging and converting companies; and oilfield service companies.

The areas of expertise include organic and synthetic chemistry, colloid science, rheology, structural analysis and microbiology.

The solutions provide an array of properties, including thickening and rheology control, binding power, film formation, conditioning and deposition, colloid stabilization and suspension.

Specialty Additives is composed of various end use markets. Many of the products of the end markets are produced in shared manufacturing facilities, to better manage capacity and achieve desired returns.

Specialty Additives provides products and services to over 30 industries. Ashland offers a broad spectrum of organo- and water-soluble polymers that are derived from both natural and synthetic resources. Product lines include derivatized cellulose polymers, synthetics, and vinyl pyrrolidone polymers that impart effective functionalities to serve a variety of industrial markets and specialized applications. Many of the products within Specialty Additives function as performance additives that deliver high levels of end-user value in formulated products. In other areas, such as plastics and textiles, Specialty Additives' products function as a processing aid, improving the quality of end products and reducing manufacturing costs.

Specialty Additives is a recognized leader in rheology solutions for waterborne architectural paint and coatings. Products include hydroxyethylcellulose ("HEC"), which provides thickening and application properties for interior and exterior paints, and nonionic synthetic associative thickeners ("NSATs"), which are APEO-free liquid synthetics for high-performance paint and industrial coatings. The Specialty Additives market complements its rheology offering with a broad portfolio of performance foam-control agents, surfactants and wetting agents, dispersants and pH neutralizers.

Specialty Additives is a major producer and supplier of cellulose ethers and companion products for the construction industry. These products control properties such as water retention, open time, workability, adhesion, stabilization, pumping, sag resistance, rheology, strength, appearance and performance in dry-mortar formulations.

Specialty Additives is a leading global manufacturer of synthetic- and cellulosic-based products for drilling fluids, oil-well cement slurries, completion and workover fluids, fracturing fluids and production chemicals. Specialty Additives offers the oil and gas industry solutions for drilling, stimulation, completion, cementing and production applications.

Specialty Additives operates throughout the Americas, Europe and Asia Pacific. It has 11 manufacturing and lab facilities in nine countries which serve its various end markets. Specialty Additives has manufacturing facilities and labs in Parlin, New Jersey; and Hopewell, Virginia within the United States and Doel-Beveren, Belgium; Nanjing and Shanghai, China; Alizay, France; Dusseldorf, Germany; Mumbai, India; Zwijndrecht, the Netherlands; Singapore, Singapore; and Newton Aycliffe, United Kingdom.

Specialty Additives markets and distributes its products in the Americas, Europe, the Middle East, Africa and Asia Pacific.

For fiscal 2024, the following Specialty Additives products were 10% or greater of Ashland's total consolidated sales:

Product	% of Specialty Additives sales	% of Ashland total consolidated sales
Cellulosics	65%	37%
Polyvinylpyrrolidones (PVP)	7%	23%

INTERMEDIATES

Intermediates is a leading producer of BDO and related derivatives, including n-methylpyrrolidone. These products are used as chemical intermediates in the production of engineering polymers and polyurethanes, and as specialty process solvents in a wide array of applications including electronics, pharmaceuticals, water filtration membranes and more. BDO is also supplied to Life Sciences, Personal Care and Specialty Additives for use as a raw material.

Key customers include Ashland's Life Sciences, Personal Care and Specialty Additives segments, general industrial manufacturers, plastics and polymers producers, pharmaceutical companies, agricultural firms and producers of electronic components and systems.

Intermediates has a manufacturing facility in Lima, Ohio, while some derivatives are produced at Life Sciences facilities in Texas City, Texas and Calvert City, Kentucky. Intermediates markets and distributes its products in the Americas, Europe, and Asia Pacific.

MISCELLANEOUS

Environmental Matters

Ashland maintains a company-wide environmental policy overseen by the Environmental, Health, Safety and Quality Committee of Ashland's Board of Directors (the "Board"). Ashland's Environmental, Health, Safety, Quality and Regulatory Affairs ("EHSQ&RA") department has the responsibility to ensure that Ashland's businesses worldwide maintain environmental compliance in accordance with applicable laws and regulations. This responsibility is carried out via training; widespread communication of EHSQ&RA policies; information and regulatory updates; formulation of relevant policies, procedures and work practices; design and implementation of EHSQ&RA management systems; internal auditing; monitoring of legislative and regulatory developments that may affect Ashland's operations; assistance to the businesses in identifying compliance issues and opportunities for voluntary actions that go beyond compliance; and incident response planning and implementation.

Federal, state and local laws and regulations relating to the protection of the environment have a significant impact on how Ashland conducts its businesses. In addition, Ashland's operations outside the United States are subject to the environmental laws of the countries in which they are located. These laws include regulation of air emissions and water discharges, waste handling, remediation and product inventory, registration and regulation. New laws and regulations may be enacted or adopted by various regulatory agencies globally. The costs of compliance with any new laws or regulations cannot be estimated until the manner in which they will be implemented has been more precisely defined.

At September 30, 2024, Ashland's reserves for environmental remediation and related environmental litigation amounted to $221 million, reflecting Ashland's estimates of the most likely costs that will be incurred over an extended period to remediate identified conditions for which the costs are reasonably estimable, without regard to any third-party recoveries. Engineering studies, historical experience and other factors are used to identify and evaluate remediation alternatives and their related costs in determining the estimated reserves for environmental remediation. Environmental remediation reserves are subject to uncertainties that affect Ashland's ability to estimate its share of the costs. Such uncertainties involve the nature and extent of contamination at each site and the extent of required cleanup efforts under existing environmental regulations. Although it is not possible to predict with certainty the ultimate costs of environmental remediation, Ashland currently estimates that the upper end of the reasonably possible range of future costs for identified sites could be as high as approximately $485 million. The largest reserve for any site is 21% of the remediation reserve. Ashland regularly adjusts its reserves as environmental remediation continues. Environmental remediation expense, net of insurance receivables, amounted to $56 million in 2024 compared to $59 million in 2023 and $66 million in 2022.

Product Control, Registration and Inventory - Many of Ashland's products and operations are subject to chemical control laws of the countries in which they are located. These laws include regulation of chemical substances and inventories under the Toxic Substances Control Act ("TSCA") in the United States and the Registration, Evaluation and Authorization of Chemicals ("REACH") regulation in Europe as well as new cosmetic ingredients filings in China under the Cosmetics Supervision and Administration Regulation ("CSAR"). Under TSCA, REACH, and CSAR additional testing requirements, documentation, risk assessments and registrations are occurring and will continue to occur and may adversely affect Ashland's costs of products produced in or imported into the European Union. Examples of other product control regulations include right to know laws under the Global Harmonized System ("GHS") for hazard communication, regulation of chemicals used in the manufacture of pharmaceuticals and personal care products and that contact food under the Food, Drug and Cosmetics Act in the United States, the Framework Regulation in Europe and other product control requirements for chemical weapons, drug precursors and import/export. The Green Deal in the EU, specifically Chemicals Strategy for Sustainability, will require additional information to be developed on hazard communication and risk assessment of both chemical substances and finished products. New laws and regulations may be enacted or adopted by various regulatory agencies globally. The costs of compliance with any new laws or regulations cannot be estimated until the manner in which they will be implemented has been more precisely defined.

Remediation - Ashland currently operates, and in the past has operated, various facilities at which, during the normal course of business, releases of hazardous substances have occurred. Additionally, Ashland has known or alleged potential environmental liabilities at a number of third-party sites. Federal and state laws, including but not limited to the Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") and various other remediation laws, require that contamination caused by hazardous substance releases be assessed and, if necessary, remediated to meet applicable standards. Some of these laws also provide for liability for related damage to natural resources, and claims for alleged property and personal injury damage which can also arise related to contaminated sites. Laws in other jurisdictions in which Ashland operates require that contamination caused by such releases at these sites be assessed and, if necessary, remediated to meet applicable standards.

Air - In the United States, the Clean Air Act ("CAA") imposes stringent limits on facility air emissions, establishes a federally mandated operating permit program, allows for civil and criminal enforcement actions and sets limits on the volatile or toxic content of many types of industrial materials and consumer products. The CAA establishes national ambient air quality standards ("NAAQS") with attainment deadlines and control requirements based on the severity of air pollution in a given geographical area. Various state clean air acts implement, complement and, in many instances, add to the requirements of the federal CAA. The requirements of the CAA and its state counterparts have a significant impact on the daily operation of Ashland's businesses and, in many cases, on product formulation and other long-term business decisions. Other countries where Ashland operates also have laws and regulations relating to air quality. Ashland's businesses maintain numerous permits and emission control devices pursuant to these clean air laws.

The United States Environmental Protection Agency ("USEPA") has increased its frequency in reviewing the NAAQS. The USEPA has stringent standards for particulate matter, ozone and sulfur dioxide. Throughout 2022, 2023 and 2024, state and local agencies continued to implement options for meeting the newest standards. Particulate matter strategies include dust control measures for construction sites and reductions in emission rates allowed for industrial operations. Options for ozone include emission controls for certain types of sources, reduced limits on the volatile organic compound content of industrial materials and consumer products, and requirements on the transportation sector. Most options for sulfur dioxide focus on coal and diesel fuel combustion sources. It is not possible at this time to estimate the potential financial impact that these newest standards may have on Ashland’s operations or products. Ashland will continue to monitor and evaluate these standards to meet these and all air quality requirements.

Solid Waste - Ashland’s businesses are subject to various laws relating to and establishing standards for the management of hazardous and solid waste. In the United States, Ashland’s facilities are subject to RCRA and its regulations governing generators of hazardous waste. Ashland has implemented systems to oversee compliance with the RCRA regulations. In addition to regulating current waste disposal practices, RCRA also addresses the environmental effects of certain past waste disposal operations, the recycling of wastes and the storage of regulated substances in underground tanks. Ashland has the remediation liability for certain facilities subject to these regulations. Other countries where Ashland operates also have laws and regulations relating to hazardous and solid waste, and Ashland has systems in place to oversee compliance.

Water - Ashland’s businesses maintain numerous discharge permits. In the United States, such permits may be required by the National Pollutant Discharge Elimination System of the Clean Water Act and similar state programs. Other countries have similar laws and regulations requiring permits and controls relating to water discharge.

Climate Change and Related Regulatory Developments - Ashland has been collecting energy use data and calculating greenhouse gas ("GHG") emissions for many years. Ashland evaluates the physical and transitional risks and opportunities from both climate change and the anticipated GHG regulations to facilities, products and other business interests, as well as the strategies commonly considered by the industrial sector to reduce the potential impact of these risks. These risks are generally grouped as impacts from legislative, regulatory and international developments, impacts from business and investment trends and impacts to Company assets from the physical effects of climate change. North American, European and other regional regulatory developments (most notably the pending SEC and approved Corporate Sustainability Reporting Directive ("CSRD") climate disclosure regulations) are monitored continuously for material impacts to Ashland’s operations, and some facilities and subsidiaries are subject to promulgated rules. Proposed and pending climate legislation is monitored for impact and Ashland is taking steps to strengthen climate reporting to meet anticipated disclosure requirements. Other requirements requiring additional product level climate disclosures or supply chain transparency are also approved and in draft or finalized status and could impact the requirements for disclosure and restrictions on sourcing of raw materials. Regulations such as the PFAS restrictions and Microplastics ban in the EU have potential business interruption impacts where they limit the type and availability of raw materials that may be used.

Business and investment trends are expected to drive an increase in the demand for products that improve energy efficiency, reduce energy use and increase the use of renewable resources. At this time, Ashland cannot estimate the impact of this expected demand increase to its businesses. Physical effects from climate change have the potential to affect Ashland’s assets in areas prone to sea level rise or extreme weather events much as they do the general public and other businesses. Due to the uncertainty of these matters, Ashland cannot estimate the impact at this time of GHG-related developments on its operations or financial condition.

Competition

Ashland competes in the highly fragmented additives and specialty ingredients industries. The participants in these industries offer a varied and broad array of product lines designed to meet specific customer requirements. Participants compete with service and product offerings on a global, regional and/or local level subject to the nature of the businesses and products, as well as the end-markets and customers served. Competition is based on several key criteria, including product performance and quality, product price, product availability and security of supply, responsiveness of product development in cooperation with customers, customer service, industry knowledge and technical capability. Certain key competitors are significantly larger than Ashland and have greater financial resources, leading to greater operating and financial flexibility. The industry has become increasingly global as participants have focused on establishing and maintaining leadership positions outside of their home markets. Many of these segments’ product lines face domestic and international competition, due to industry consolidation, pricing pressures and competing technologies. To improve its competitive position as Ashland narrows its focus, the Company is building and leveraging the Ashland corporate brand as a differentiator to create value and better communicate the capabilities, promise and scale of the Company, making it easier to introduce new product lines and applications.

Intellectual Property

Ashland has a broad intellectual property portfolio which is an important component of its business. Ashland relies on patents, trade secrets, formulae and know-how to protect and differentiate its products and technologies. In addition, the reportable segments own valuable trademarks which identify and differentiate its products from its competitors. Ashland also uses licensed intellectual property rights from third-parties.

Raw Materials and Energy

Ashland purchases its raw materials from multiple sources of supply in the United States and other countries. Raw material supplies were available in quantities sufficient to meet demand in fiscal 2024 and 2023, which was a significant improvement over fiscal 2022 when raw and packaging materials were globally constrained. Similarly, energy costs, which are a significant component of production costs, stabilized in fiscal 2024 and 2023 after significant volatility in 2022.

Research and Development

Ashland’s program of research and development is focused on defining the needs of the marketplace and framing those needs into technology platforms. Ashland has the capability to develop and deliver the intellectual property required to grow and protect those platforms. Ashland is focused on developing new chemistries, market-changing technologies and customer driven solutions at numerous technology centers located in the Americas, Europe and the Asia Pacific regions.

Seasonality

Ashland’s business may vary due to seasonality. Ashland’s business units typically experience stronger demand during warmer weather months.

Human Capital

Employee Health and Safety - Cultivating a safety culture is intentional at Ashland and is best shown by its commitment to a Zero Incident Culture ("ZIC"). ZIC begins with the vision, values, beliefs, and actions of Ashland’s leaders demonstrating that zero incidents is possible. It means developing processes where compliance is the minimum expectation, allowing employees to proactively manage safety above compliance on the journey to zero.

As an indication of its commitment to Responsible Care, Ashland obtained a third-party certification to RC14001, which includes the internationally recognized ISO 14001 certification and adds additional health, safety, security, and chemical industry requirements. Currently, Ashland has 25 sites participating on a group RC14001 certification, including 13 international sites. Also, as part of its commitment to health and safety, 18 of the Company's sites have obtained an additional ISO 45001 certification, an international health and safety management system.

As part of ZIC, the Company strives every day to achieve zero incidents. Ashland continues to make good progress on its journey. For the year ended September 30, 2024, the Company had a Total Preventable Recordable Rate ("TPRR") of 0.46 compared to 0.39 for the year ended September 30, 2023.

Ashland has implemented several tools for communicating lessons learned from injuries, process safety incidents, and environmental releases. Immediately following an event, flash reports are developed and shared to communicate key lessons learned across the Company with a review call within 48 hours with Ashland’s Environmental, Health and Safety (“EHS”) leadership team and Operations Leadership. Additionally, incidents and root causes/corrective and preventive actions are reviewed monthly with Company leadership and EHS leaders globally to discuss areas for improvement and highlight the importance of identifying and addressing management system errors.

Ashland has implemented the “Good Catch” Program aimed at identifying underlying unsafe conditions or behaviors that could lead to an undesirable outcome. Employees are encouraged to report good catches that fall into one of three categories – substandard conditions, near misses, and suggestions. These are tracked with the goal of continuing to increase overall reporting of identified good catches year to year.

Environmental - Ashland has a conscious and proactive mindset for sustainability and has established a renewable annual trust for ongoing and future environmental remediation and related litigation cash outlays. The initiative follows Ashland's announcement in February 2021 to align its operations with the ambitious aim of the Paris Climate Accord to limit global temperature rise to 1.5°C above preindustrial levels. At that time, Ashland also became a signatory to the United Nations Global Compact and is making the United Nations principles part of the Company's business strategy, culture, and day-to-day operations. Ashland has targets to reduce its environmental footprint (including energy usage, GHG emissions, and hazardous waste generation). These targets and progress towards meeting them can be found on: https://www.ashland.com/esg/esg-overview, which is not incorporated by reference into the Annual Report on Form 10-K.

Ashland is committed to ensuring compliance with applicable environmental, health, safety and security laws, regulations, technical specifications, and internal standards, while adhering to high ethical standards. We are committed to continuously improving our processes and to providing products and services that throughout their life cycle involve minimum risk to people and the environment, while best meeting the needs of our customers. We strive to eliminate or reduce emissions, discharges, and wastes from our operations and to promote energy efficiency and resource conservation throughout the value chain.

Ashland also maintains an open dialogue with our employees and communities about environmental, health, safety, security, and product stewardship issues. We also work with governments, policy makers, advocacy groups and value chain partners to develop and promote laws, regulations and practices that improve human health and the environment.

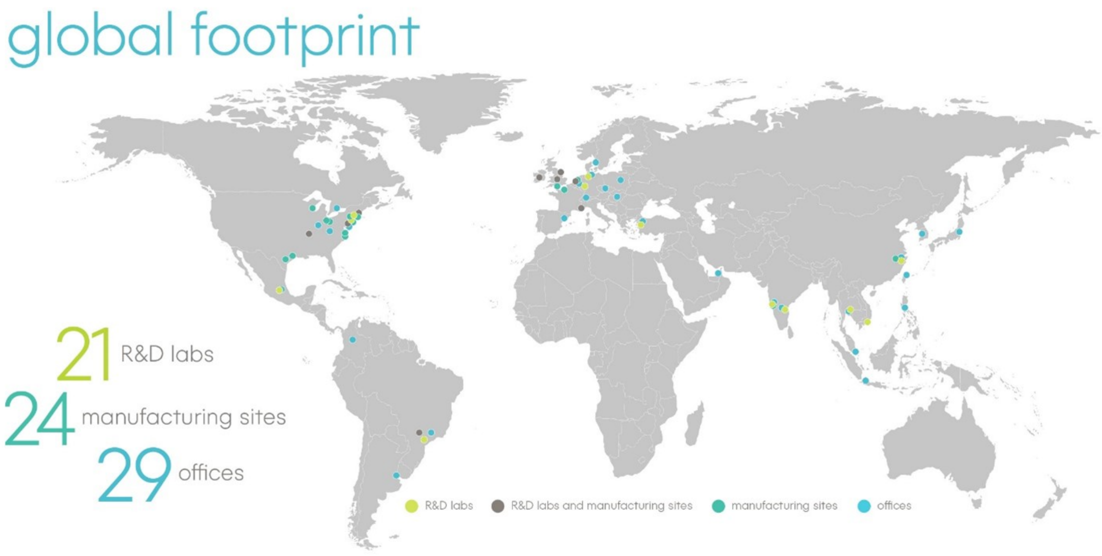
Human Capital Management - Ashland is committed to continuously evaluating and strengthening the growth-minded and innovative culture by attracting and developing exceptional global talent, supporting employees' physical, emotional, and financial well-being, and recognizing and rewarding performance. To achieve the highest return, Ashland is building an inclusive and high-integrity organization where everyone belongs, feels inspired to excel, and does the right thing.

Ashland is committed to respecting the human and economic rights of others and does not tolerate the use of child or forced labor, slavery, or human trafficking in any of its facilities or operations. Ashland does not tolerate the physical punishment, abuse, involuntary servitude or exploitation of any worker and expects our suppliers and contractors with whom we do business to uphold the same standards and will discontinue the business relationship with any individual or company that does not follow the same standards.

Ashland builds a culture of wellness by empowering our employees, and their families, to make healthy decisions that lead to successful outcomes in and outside of work. The four components of Ashland's global wellbeing vision include health, work-life balance, physical fitness, and financial stability. We achieve this vision by offering diverse and inclusive wellness programs and solutions to our employees that encourage and advance healthy lifestyles within the communities we are part of and the planet we share.

As of September 30, 2024, Ashland had approximately 3,200 employees who thrive on developing practical, innovative, and simple solutions to complex problems for customers in more than 100 countries. The employees' global demographics consist of approximately 68% male employees and approximately 32% female employees, and in the U.S., approximately 21% of its employees self-identify as ethnically diverse.

Ashland's global footprint is geographically located as follows:



Competitive Pay and Benefits - Ashland is committed to paying its employees in a fair and equitable manner, regardless of race or gender, and has implemented global total rewards tools to promote equitable remuneration. The Company provides a total compensation package that is designed to be competitive with the markets in which it competes for talent. Ashland believes employees should be compensated equitably based on performance, skills, and experience.

Ashland reviews pay equity annually in conjunction with its annual performance review, merit, bonus and promotion processes. The Company annually completes an in-depth analysis of its pay equity globally using a number of factors to determine if a pay gap exists based on any protected factors (gender, age, race, veteran status). Overall findings continue to be encouraging, identifying only a few employees annually that had a disparity in pay requiring further analysis and corrective action. Ashland reviews each process annually to ensure that its policies, procedures, and training continue to provide pay equity within the Company.

In June 2024, Ashland achieved certification as a Global Living Wage Employer by the Fair Wage Network following a rigorous and thorough process in which compensation data for all employees was reviewed on an anonymous basis and steps were taken to remediate any pay gaps. A living wage is one that covers one’s basic needs such as housing, food, water, healthcare, transportation, clothing and education for the employee and their dependents. A living wage goes beyond simply fulfilling the local statutory minimum wage requirement.

The Company’s compensation programs are globally aligned, and, where possible, its total rewards plans include base salary, short and long-term incentives, benefits, financial, and special recognition programs. The Company routinely reviews its total rewards practices in the markets in which it operates to ensure its plans allow for the recruitment and retention of the talent it needs to be successful.

Ashland also offers a competitive global benefits program to support employees through all life stages. The following benefit plans are available to employees depending on local markets in which the Company operates that include plan specific features such as on-site and on-demand resources:

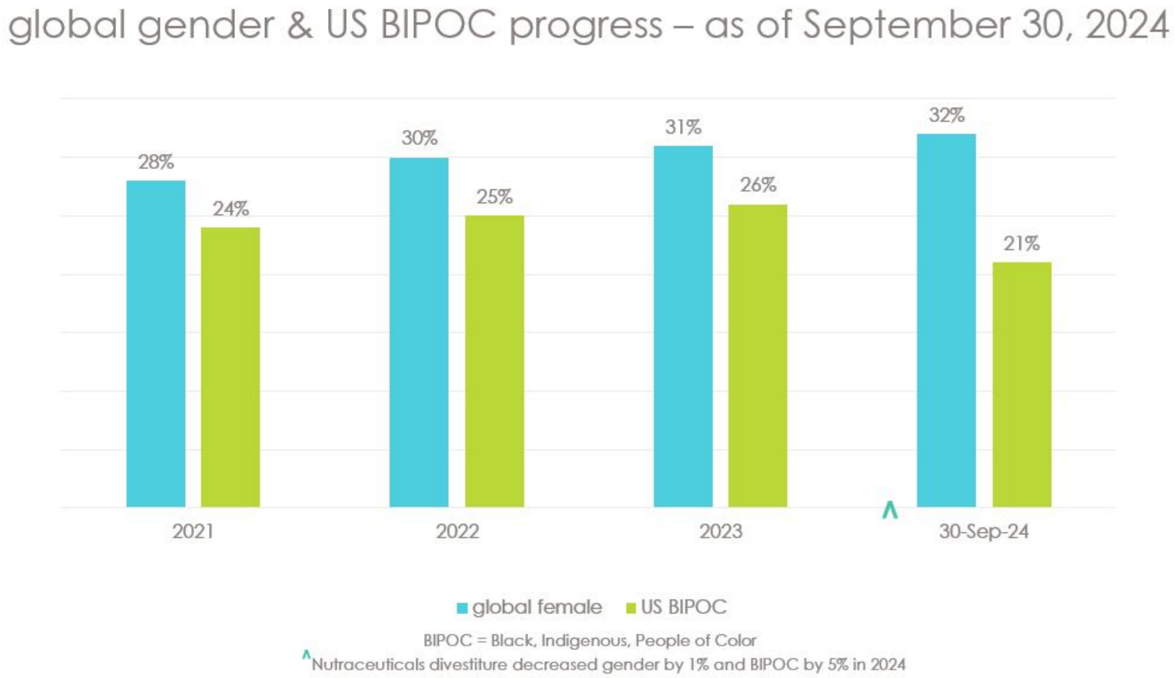
- Health care benefits including medical, prescription, dental and/or vision
- Wellness initiatives:
    - Global EAP (employee assistance program)

- o Flu vaccination resources
- Paid time off
- Voluntary benefits
- Life and accident coverage
- Disability coverage
- Retirement plans
- Tuition reimbursement
- Business travel accident

Inclusion and Diversity - In 2024, Ashland progressed its global inclusion and diversity strategy focused on belonging, accountability, community engagement, recruitment, and internal mobility. These priorities serve as the basis of the global and local objectives and initiatives that advance Ashland's collective progress towards equity. The Company and its leadership team are committed to creating a collaborative environment that leverages the talents of a diverse global workforce to drive sustainable growth and innovation that creates value for its shareholders, customers, employees, and the communities in which it operates.

Ashland's commitment to inclusion and diversity starts at the top with its Board and its executive leadership. The Board is comprised of individuals with diverse experience and credentials, selected for their business acumen and ability to challenge and add value to management. These directors have held significant leadership positions and bring a depth of experience across a wide variety of industries, providing the Company with unique insights and fresh perspectives. The demographics of the Company's Board is 72% diverse, including females and ethnically diverse males.

The Company's management is led by its President and Chief Executive Officer and the other members of the Executive Committee ("EC"). The demographics of the EC include 30% women and 60% ethnic diversity. The chart below shows the Company's global gender diversity and US ethnic diversity progress over the past three years. The Company remains committed to making continued short and long-term progress.



Talent Management - Ashland is dedicated to creating a purpose-driven people ecosystem that enables personal and professional growth at every level while minimizing risk to the business. The Company deploys a disciplined annual talent review and succession process to identify and develop a leadership pipeline that accelerates business results, promotes internal mobility, and minimizes attrition. The talent management process includes a performance management process that seeks to provide employees with on-going feedback to enhance their performance in support of the Company's business objectives. As part of Ashland's commitment to professional development, it offers associate's and bachelor's undergraduate, graduate, and PhD tuition assistance to eligible employees, along with ongoing technical and professional development.

In 2024, the Company elevated the skillset of its leaders to support the career development of their employees and provided continued learning on inclusion and allyship. Ashland conducted its third annual global Culture Survey, with 82% response rate, which provided valuable insight to prioritize investments in the tools, resources, and processes that will make a positive impact on employee's well-being, engagement, and career growth. Ashland remains committed to continuously listening and evolving its people practices aligning with and drive the Company's purpose and business success.

Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements are not historical facts and generally are identified by words such as "anticipates," "believes," "estimates," "expects," "is likely," "predicts," "projects," "forecasts," "objectives," "may," "will," "should," "plans," and "intends" and the negative of these words or other comparable terminology. Although Ashland believes that its expectations are based on reasonable assumptions, such expectations are subject to risks and uncertainties that are difficult to predict and may be beyond Ashland's control. As a result, Ashland cannot assure that the expectations contained in such statements will be achieved. Important factors that could cause actual results to differ materially from those contained in such statements are discussed under "Use of estimates, risks and uncertainties" in Note A of Notes to Consolidated Financial Statements in this Annual Report on Form 10-K. For a discussion of other factors and risks that could affect Ashland's expectations and operations, see "Item 1A. Risk Factors" in this Annual Report on Form 10-K.

ITEM 1A. RISK FACTORS

The following discussion of "risk factors" identifies the most significant factors that may adversely affect Ashland's business, operations, financial position or future financial performance. This information should be read in conjunction with Management's Discussion and Analysis and the consolidated financial statements and related notes incorporated by reference into this Annual Report on Form 10-K. The following discussion of risks is designed to highlight what Ashland believes are important factors to consider when evaluating its expectations. These factors could cause future results to differ from those in forward-looking statements and from historical trends.

Risks Related to the Company's Business Operations, Financial Performance and Growth

Ashland has set aggressive growth goals for its businesses which may be impacted by such risks as the failure to optimize the use of Ashland's tangible and intangible assets, the failure to identify and successfully integrate acquisition targets, and/or unexpected costs and liabilities associated with strategic acquisitions. If they materialize, these risks could lead to reduced sales, impairment of goodwill or intangible assets, and other adverse effects on the Company's financial condition and results of operations.

Ashland's failure to fully achieve one or more of its aggressive growth goals or meet its long-term objectives could negatively impact Ashland's potential value and its businesses. One of the most important risks is that Ashland might fail to adequately execute its business strategy and growth plans by not optimizing the use of its physical and intangible assets. Aspects of that risk include changes to the global economic environment, changes to the competitive landscape, attraction and retention of skilled employees, the potential failure of product innovation plans, failure to comply with existing or new regulatory schemes, failure to maintain a competitive cost structure and other risks outlined in greater detail in this Item 1A. In addition, Ashland, as part of its growth goals, continuously evaluates acquisition candidates. If Ashland is unable to successfully identify and integrate acquired businesses, Ashland could fail to achieve any expected increases in sales and operating results, which could have a material adverse effect on Ashland’s financial results. Ashland’s ability to achieve the anticipated financial benefits from any acquisition transactions may not be realized due to any number of factors, including, but not limited to, unsuccessful integration efforts, unexpected or underestimated liabilities or increased costs, fees, expenses and charges related to such transactions. Such adverse events could result in a decrease in the estimated fair value of goodwill or other intangible assets established as a result of such transactions, triggering an impairment. These and other factors could have a material adverse effect on our financial condition and results of operations.

Business disruptions from natural, operational and other catastrophic risks could seriously harm Ashland’s operations and financial performance. In addition, a catastrophic event at one of Ashland’s facilities or involving its products or employees could lead to liabilities that could further impair its operations and financial performance.

Business disruptions, including those related to operating hazards inherent with the production of chemicals, natural disasters, severe weather conditions, supply or logistics disruptions, increasing costs for energy, temporary plant and/or power outages, information technology systems and network disruptions, cyber-security breaches, terrorist attacks, armed conflicts, war, public health crises, fires, floods or other catastrophic events, could seriously harm Ashland’s operations, as well as the operations of its customers and suppliers, and may adversely impact Ashland’s financial performance. These events could result in reduced demand for Ashland’s products, make it difficult or impossible for Ashland to manufacture its products or deliver products to its customers or to receive raw materials from suppliers, or create delays and inefficiencies in the supply chain. In addition to leading to a serious disruption of Ashland’s businesses, a catastrophic event at one of our facilities or involving our products or employees could lead to substantial legal liability to or claims by parties allegedly harmed by the event.

Furthermore, because catastrophic events are inherently uncertain, Ashland's business continuity plans may not address every potential scenario and may not fully protect it from all such events. In addition, insurance maintained by Ashland to protect against property damage, loss of business and other related consequences resulting from catastrophic events is subject to various deductibles and coverage limitations, depending on the nature of the risk insured. This insurance may not be sufficient to cover all of Ashland’s damages or damages to others in the event of a catastrophe. In addition, insurance related to these types of risks may not be available now or, if available, may not be available in the future at commercially reasonable rates.

Climate change and related resource impacts may lead to supply chain disruptions, operational impacts, and geopolitical events which could result in impacts to raw material pricing, lack of product availability, and decreased sales.

Ashland sources a large number of raw materials from third party suppliers globally. These products include both natural and synthetic materials derived from plants, animal products, organic and petroleum based raw materials. Disruptions to the global supply chain due to climate related impacts or geopolitical events are possible and exist as external risk factors that the Company cannot control. These events could limit the supply of key raw materials to the Company, or could have significant impacts to pricing.

Ashland has manufacturing operations in areas vulnerable to coastal storms which may increase in magnitude and impact due to climate change. Increasingly large and unprecedented weather events may pose a risk to business operations in vulnerable areas. Storms could cause business interruptions, incur additional restoration costs, and impact product availability and pricing.

Consumer preference is increasingly impacted by awareness of and a response to climate change. Consumers are increasingly demanding responsibly sourced and manufactured products. An inability to respond to consumer demands through environmental, social and governance ("ESG") innovation could lead to a loss of sales to competitors providing more sustainable product offerings.

Energy availability and pricing has been impacted by geopolitical events and may be impacted by climate related legislation and regulations. As climate legislation increases in many countries, the availability of conventional and nonrenewable energy may be increasingly limited and prices may continue to increase. Where demand exceeds energy capacity, energy disruptions such as brown out or black out events are possible, leading to business interruption and quality/operational impacts. Failure to respond to or mitigate this risk could lead to increased cost and business impacts.

Globally, the availability of fresh, potable water is a growing concern, where water withdrawal can exceed the rates of surface and groundwater replenishment in critical basins, rivers, or other bodies of water. This concern continues to increase for Ashland

and for the global supply chain where fresh water is a key resource for manufacturing operations. Failure to respond to this risk could lead to business interruptions and impact the availability and pricing of product.

Ashland sources several key natural raw materials that contain processed timber, palm, soy, and other harvested or farmed raw materials. Deforestation is an increasing concern where the irresponsible harvest of these raw materials can lead to loss of critical forests and habitats. Additional sourcing of these materials is under increasing scrutiny due to deforestation, and the availability of these raw materials may be limited in the future. Failure to source responsibly and respond to or mitigate the risk could lead to business impacts and increased cost.

As part of its commitment to supporting climate change response efforts, Ashland has committed to 2032 targets through the Science Based Targets Initiative (SBTi) which were approved by SBTi in November of 2023. These targets are aligned with the objective of limiting global warming to no more than 1.5C above preindustrial levels. Ashland's sustainability commitments are key to stakeholders and a differentiator for Ashland. Failure to meet stated commitments could lead to reputational and business impacts.

Ashland's customers could change their products in a way that reduces the demand for Ashland's products.

Ashland produces and sells specialty materials that are used by its customers for a broad range of applications. Many of these Ashland materials become part of end products that are sold to consumers. Changes in consumer preferences and demands can lead to certain Ashland customers making changes to their products. In other instances, Ashland's customers may change their products or production techniques to take advantage of newer technologies, alternative chemistries, more effective formulations, or improved processes, or in response to various market, technical or regulatory changes.

Such changes in Ashland's customers' products or production techniques may cause these customers to reduce consumption of Ashland's products or eliminate their need entirely. Ashland may not be able to supply products that meet the customers' new requirements. Such lost sales opportunities may not be replaced by those offering equal revenue potential or margin. If Ashland fails to develop new products and new applications of existing products, it may face loss of market share, margins and cash flow.

Ashland's substantial global operations subject it to risks of doing business in foreign countries, which could adversely affect its business, financial condition and results of operations.

Greater than half of Ashland's net sales for fiscal 2024 were to customers outside of North America. Ashland expects sales from international markets to continue to represent an even larger portion of the Company's sales in the future. Also, a significant portion of Ashland's manufacturing capacity is located outside of the United States. Accordingly, Ashland's business is subject to risks related to the differing legal, political, cultural, social and regulatory requirements and economic conditions of many jurisdictions.

The global nature of Ashland's business presents difficulties in hiring and maintaining a workforce in certain countries. Fluctuations in exchange rates may affect product demand and may adversely affect the profitability in U.S. dollars of products and services provided in foreign countries. In addition, foreign countries may impose additional withholding taxes or otherwise tax Ashland's foreign income, or adopt other restrictions on foreign trade or investment, including currency exchange controls. The imposition of new tariffs or trade quotas, or an impairment of existing trade agreements is also a risk that could impair Ashland's financial performance.

Certain legal and political risks are also inherent in the operation of a company with Ashland's global scope. Ashland's ability to do business and execute its growth strategies could be adversely affected by legal and political changes or other changes to trade policy and trade relationships. Ashland could also be impacted negatively if the ongoing trade disputes between the United States and China, or those between the United States and the E.U. were to worsen. In addition, it may be more difficult for Ashland to enforce its agreements or collect receivables through foreign legal systems. There is a risk that foreign governments may nationalize private enterprises in certain countries where Ashland operates. In certain countries or regions, terrorist activities and the response to such activities may threaten Ashland's operations more than those in the United States. In Europe, the effect of economic sanctions imposed on Russia and/or Russia's reaction to the sanctions could adversely impact Ashland's performance and results of operations. The risks associated with localized or regional armed conflict in many parts of the world remain high and could disrupt and/or adversely impact Ashland's businesses. Social and cultural norms in certain countries may not support compliance with Ashland's corporate policies including those that require compliance with substantive laws and regulations. Also, changes in general economic and political conditions in countries where Ashland operates, particularly in Europe, the Middle East and emerging markets, are a risk to Ashland's financial performance.

As Ashland continues to operate its business globally, its success will depend, in part, on its ability to anticipate and effectively manage these and other related risks.

Adverse developments in the global economy and potential disruptions of financial markets could negatively impact Ashland's customers and suppliers, and therefore have a negative impact on Ashland's results of operations.

A global or regional economic downturn may reduce customer demand or inhibit Ashland's ability to produce and sell products. Ashland's business and operating results are sensitive to global and regional economic downturns, credit market tightness, declining consumer and business confidence, fluctuating commodity prices, volatile exchange rates, inflation or changes in interest rates, sovereign debt defaults and other challenges, including those related to international sanctions and acts of aggression or threatened aggression that can affect the global economy. In the event of adverse developments or stagnation in the economy or financial markets, Ashland's customers may experience deterioration of their businesses, reduced demand for their products, cash flow shortages and difficulty obtaining financing. As a result, existing or potential customers might delay or cancel plans to purchase products, which includes customer destocking of their own inventories, and may not be able to fulfill their obligations to Ashland in a timely fashion. Further, suppliers may experience similar conditions, which could impact their ability to fulfill their obligations to Ashland. A weakening or reversal of the current economic conditions in the global economy or a substantial part of it could negatively impact Ashland's business, results of operations, financial condition and ability to grow.

Ashland's substantial indebtedness may adversely affect our ability to pursue certain strategic acquisitions and other business opportunities, inhibit our flexibility in responding to changing market conditions, and impede our ability to generate revenue.

Ashland maintains a substantial amount of debt. Ashland's substantial indebtedness could adversely affect its business, results of operations and financial condition by, among other things:

- requiring Ashland to dedicate a substantial portion of its cash flow from operations to pay principal and interest on its debt, which would reduce the availability of Ashland's cash flow to fund working capital, capital expenditures, acquisitions, execution of its growth strategy and other general corporate purposes;
- limiting Ashland's ability to borrow additional amounts to fund working capital, capital expenditures, acquisitions, debt service requirements, execution of its growth strategy and other purposes;
- making Ashland more vulnerable to adverse changes in general economic, industry and regulatory conditions and in its business by limiting Ashland's flexibility in planning for, and making it more difficult for Ashland to react quickly to, changing conditions;
- placing Ashland at a competitive disadvantage compared with those of its competitors that have less debt and lower debt service requirements;
- making Ashland more vulnerable to increases in interest rates if debt is refinanced; and
- making it more difficult for Ashland to satisfy its financial obligations.

In addition, Ashland may not be able to generate sufficient cash flow from its operations to repay its indebtedness when it becomes due and to meet its other cash needs. If Ashland is not able to pay its debts as they become due, it could be in default under its credit facility or other indebtedness. Ashland might also be required to pursue one or more alternative strategies to repay indebtedness, such as selling assets, refinancing or restructuring its indebtedness or selling additional debt or equity securities. Ashland may not be able to refinance its debt or sell additional debt or equity securities or its assets on favorable terms, if at all, and if Ashland must sell its assets, it may negatively affect its ability to generate revenues.

Risks Related to Competition

Failure to develop and market new products and production technologies could impact Ashland's competitive position and have an adverse effect on its sales, businesses, and results of operations.

The specialty additives and materials industry is subject to periodic technological change and ongoing product improvements. In order to maintain margins and remain competitive, Ashland must successfully develop and introduce new products or improvements that appeal to its customers and ultimately to global consumers. Ashland plans to grow earnings, in part, by focusing on developing markets and solutions to meet increasing demand in those markets, including demand for personal care and pharmaceutical products which are subject to lengthy regulatory approval processes. The fast change in Ashland's industry and those of its customers necessitates that Ashland continue the development of new technologies to replace older technologies whose demand or market position may be fading. Ashland's efforts to respond to changes in customer demand in a timely and cost-efficient manner to drive growth could be adversely affected by difficulties or delays in product development, including the inability to identify viable new products, successfully complete research and development, obtain regulatory approvals, obtain intellectual property protection or gain market acceptance of new products. Due to the lengthy development process, technological challenges and intense competition, Ashland's products may not achieve substantial commercial success.

In all business segments and especially within Personal Care, there is an increasing awareness of and competition for innovations relating to more sustainable products with increasing attributes such as naturality and biodegradability, or materials sourced from bio-based raw materials. Ashland sees increasing pressure to innovate and provide solutions with these features to stay competitive and to differentiate the Company from competitors in key markets. Failure to innovate could result in a loss of business to competitors who offer similar or improved sustainable product portfolios.

The competitive nature of Ashland's markets may delay or prevent Ashland from passing increases in raw materials or energy costs on to its customers. In addition, certain of Ashland's suppliers may be unable to deliver products or raw materials or fulfill contractual requirements. The occurrence of either event could result in decreased sales, increased costs, and adverse impacts to the valuation of Ashland's inventory.

Rising and volatile raw material prices, especially those of hydrocarbon derivatives, cotton linters or wood pulp, may negatively impact Ashland's costs, results of operations and the valuation of its inventory. Similarly, energy costs are a significant component of certain of Ashland's product costs. Ashland is not always able to raise prices in response to such increased costs, and its ability to pass on the costs of such price increases is dependent upon market conditions. Likewise, reductions in the valuation of Ashland's inventory due to market volatility may not be recovered and could result in losses.

Ashland purchases certain products and raw materials from suppliers, often pursuant to written supply contracts. If those suppliers are unable to meet Ashland's orders in a timely manner or choose to terminate or not fulfill contractual arrangements, Ashland may not be able to make alternative supply arrangements. Also, domestic and global government regulations related to the manufacture, transport or import of certain raw materials may impede Ashland's ability to obtain those raw materials on commercially reasonable terms. Certain Ashland businesses rely on agricultural output of clary sage, guar, and cotton linters, and the availability of these materials can be severely impacted by crop yields, weather events, and other factors. If Ashland is unable to obtain and retain qualified suppliers under commercially acceptable terms, its ability to manufacture and deliver products in a timely, competitive and profitable manner or grow its business successfully could be adversely affected.

Ashland operates in highly competitive markets which places downward pressure on prices and margins and may adversely affect Ashland's businesses and results of operations.

Ashland operates in highly competitive markets, competing against a number of domestic and foreign companies. Competition is based on several key criteria, including product performance and quality, product price, product availability and security of supply, responsiveness of product development in cooperation with customers and customer service, as well as the ability to bring innovative products or services to the marketplace. Certain key competitors are significantly larger than Ashland and have greater financial resources, leading to greater operating and financial flexibility. As a result, these competitors may be better able to withstand changes in conditions within the relevant industry, changes in the prices of raw materials and energy and changes in general economic conditions. In addition, competitors' pricing decisions could compel Ashland to decrease its prices, which could negatively affect its margins and profitability. Additional competition in markets served by Ashland could adversely affect margins and profitability and could lead to a reduction in market share. Also, Ashland competes in certain markets that are declining and has targeted other markets for growth opportunities. Competitive and pricing pressures could also impact Ashland's production volumes, which can in turn reduce cost efficiency. If Ashland's strategies for dealing with declining markets and leveraging opportunity markets are not successful, its businesses and results of operations could be negatively affected.

Risks Related to Human Capital

Ashland's success depends upon its ability to attract and retain key employees and the identification and development of talent to succeed senior management.

Ashland's success depends on its ability to attract and retain key personnel. Ashland relies heavily on its senior management team as these executives are primarily responsible for determining the strategic direction of Ashland's business and for executing its growth strategy. Therefore, Ashland's future success depends, in part, on the continued service of its senior management team. The loss of any member of the senior management team could impact the Company's execution of its growth strategy and also be viewed negatively by investors and analysts, which may cause the price of Ashland's common stock to decline.

In addition, Ashland's success further depends on the Company's ability to identify and develop talent to succeed its senior management team and other key positions throughout the organization. If Ashland fails to identify and develop successors, the Company is at risk of being harmed by the departures of these key employees. The inability to recruit, retain and develop key personnel or the unexpected loss, voluntarily or otherwise, of key personnel may adversely affect Ashland's operations.

Risks Related to Information Technology, Cybersecurity and Intellectual Property

Ashland uses information technology ("IT") systems to conduct business and these IT systems are at risk of potential disruption and cybersecurity threats.

Ashland's businesses rely on IT systems to operate efficiently and in some cases, to operate at all. Ashland employs third parties to manage and maintain a significant portion of its IT systems, including, but not limited to data centers, IT infrastructure, network, client support and end user services, as well as the functions of backing up and securing those systems. A partial or complete failure of Ashland's IT systems or those of our third parties managing, providing or servicing them for any amount of time more than several hours could result in significant business disruption causing harm to Ashland's reputation, results of operations or financial condition.

In addition, the nature of our businesses, the markets we serve, and the extensive geographic profile of our operations make Ashland a target of cybersecurity threats. Cybersecurity threats in general are increasing and becoming more advanced and could occur as a result of the activity of hackers, employee error or employee misconduct. In addition, bad actors are becoming more sophisticated in using various techniques and tools, including artificial intelligence, for malicious purposes. We have in the past experienced cybersecurity threats and other incidents, and we expect such incidents to continue in varying degrees. Ashland utilizes various cybersecurity controls and governance procedures to protect against such disruptions; however, these measures may not be sufficient for all eventualities. A failure in these controls and procedures may prevent us from detecting a failure or breach of our information systems and delay our ability to respond. Such failure of our controls and procedures and/or a breach of our IT systems could lead to the loss and destruction of trade secrets, confidential information, proprietary data, intellectual property, customer and supplier data, and employee personal information and we may be required by law to notify the impacted individuals and/or make other disclosures. These events could expose us to customer litigation, regulatory actions and costs related to the reporting and handling of such a failure or breach, all of which could disrupt our business operations and adversely affect Ashland's relationships with business partners, harm our brands, reputation, and financial results.

Ashland may not be able to effectively protect or enforce its intellectual property rights.

Ashland relies on the patent, trademark, trade secret and copyright laws of the United States and other countries to protect its intellectual property rights. The laws of some countries may not protect Ashland's intellectual property rights to the same extent as the laws of the United States. Failure of foreign countries to have laws to protect Ashland's intellectual property rights or an inability to effectively enforce such rights in foreign countries could result in the loss of valuable proprietary information, which could have an adverse effect on Ashland's business and results of operations.

Even in circumstances where Ashland has a patent on certain technologies, such patents may not provide meaningful protection against competitors or against competing technologies. In addition, any patent applications submitted by Ashland may not result in an issued patent. Ashland's intellectual property rights may be challenged, invalidated, circumvented or rendered unenforceable. Ashland could also face claims from third parties alleging that Ashland's products or processes infringe on their proprietary rights. If Ashland is found liable for infringement, it could be responsible for significant damages, prohibited from using certain products or processes or required to modify certain products and processes. Any such infringement liability could adversely affect Ashland's product and service offerings, profitability and results of operations.

Ashland also has substantial intellectual property associated with its know-how and trade secrets that are not protected by patent or copyright laws. Ashland's confidentiality and non-disclosure agreements with its employees and third parties may be breached or may not be effectively enforced. In addition, Ashland's trade secrets and know-how may be improperly obtained by other means, such as a breach of Ashland's information technologies security systems or direct theft. Any unauthorized disclosure of any of Ashland's material know-how or trade secrets could adversely affect Ashland's business and results of operations.

Risks Related to Legal and Regulatory Compliance and Litigation

Ashland's business exposes it to potential product liability claims and recalls, which could adversely affect its financial condition, performance, and reputation.

The development, manufacture and sale of specialty materials and other products by Ashland, including products produced for the food, beverage, personal care, pharmaceutical and nutritional supplement industries, involve an inherent risk of exposure to product liability claims, product recalls, product seizures and related adverse publicity. Ashland also produces products that are subject to rigorous specifications and quality standards, with an expectation from its customers around these strict requirements. A product liability claim, recall or judgment against Ashland, or a customer complaint on product specifications, could also result in substantial and unexpected expenditures, affect consumer or customer confidence in its products, and divert management's attention from other responsibilities. Ashland's product liability insurance may be inadequate to address such claims, recalls, or judgments. Additionally, Ashland may be unable to continue to maintain its existing insurance or obtain comparable insurance at a reasonable cost, if at all. A product recall or a partially or completely uninsured product liability judgment against Ashland could have a material adverse effect on its reputation, results of operations and financial condition.

Ashland has incurred, and will continue to incur, substantial costs as a result of environmental, health and safety, and hazardous substances liabilities and related compliance requirements. These costs could adversely impact Ashland's cash flow, and, to the extent they exceed Ashland's established reserves for these liabilities, its results of operations.

Ashland is subject to extensive federal, state, local and foreign laws, regulations, rules and ordinances relating to pollution, protection of the environment and human health and safety, and the generation, storage, handling, treatment, disposal and remediation of hazardous substances and waste materials. Ashland has incurred, and will continue to incur, significant costs and capital expenditures to comply with these laws and regulations.

Environmental, health and safety regulations change over time, and such regulations and their enforcement have tended to become more stringent. Accordingly, changes in environmental, health and safety laws and regulations and the enforcement of such laws and regulations could interrupt Ashland's operations, require modifications to its facilities or cause Ashland to incur significant liabilities, costs or losses that could adversely affect its profitability. Actual or alleged violations of environmental, health or safety laws and regulations could result in restrictions or prohibitions on plant operations as well as substantial damages, penalties, fines, civil or criminal sanctions and remediation costs. In addition, under some environmental laws, Ashland may be strictly liable and/or jointly and severally liable for environmental damages and penalties.

Ashland is also subject to various federal, state, local and foreign environmental laws and regulations that require environmental assessment or remediation efforts (collectively, environmental remediation) at multiple locations. Ashland uses engineering studies, historical experience and other factors to identify and evaluate remediation alternatives and their related costs in determining the estimated reserves for environmental remediation. Environmental remediation reserves are subject to uncertainties that affect Ashland's ability to estimate its share of the applicable costs. Such uncertainties involve the nature and extent of contamination at each site and the extent of required cleanup efforts under existing environmental regulations, with varying costs of alternate cleanup methods. There may also be situations in which certain environmental liabilities are not known to Ashland or are not probable and estimable. As a result, Ashland's actual costs for environmental remediation could adversely affect Ashland's cash flow and, to the extent costs exceed established reserves for those liabilities, its results of operations.

Ashland is responsible for, and has financial exposure to, liabilities from pending and threatened claims, including those alleging personal injury caused by exposure to asbestos, which could adversely impact Ashland's results of operations and cash flow.

There are various claims, lawsuits and administrative proceedings pending or threatened, including those alleging personal injury caused by exposure to asbestos, against Ashland and its current and former subsidiaries. Such actions are with respect to commercial matters, product liability, toxic tort liability and other matters that seek remedies or damages, some of which are for substantial amounts. While these actions are being contested, their outcome is not predictable. Ashland's results could be adversely affected by financial exposure to these liabilities. Insurance maintained by Ashland to protect against claims for damages alleged by third parties is subject to coverage limitations, depending on the nature of the risk insured. This insurance may not be sufficient to cover all of Ashland's liabilities to others. In addition, insurance related to these types of risks may not be available now or, if available, may not be available in the future at commercially reasonable rates. Ashland's ability to recover from its insurers for asbestos liabilities could also have an adverse impact on its results of operations. Projecting future asbestos costs is subject to numerous variables that are extremely difficult to predict. In addition to the significant uncertainties surrounding the number of claims that might be received, other variables include the type and severity of the disease alleged by each claimant, the long latency period associated with asbestos exposure, dismissal rates, costs of medical treatment, the impact of bankruptcies of other companies that are co-defendants in claims, uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case, and the impact of potential changes in legislative or judicial standards. Furthermore, any predictions with respect to these variables are subject to even greater uncertainty as the projection period lengthens. As a part of the process to develop estimates of the Company's future asbestos costs, a range of long-term cost models was developed. These models are based on national studies that predict the number of people likely to develop asbestos-related diseases and are heavily influenced by assumptions regarding long-term inflation rates for indemnity payments and legal defense costs, as well as other variables mentioned previously. Because of the inherent uncertainties in projecting future asbestos liabilities and establishing appropriate reserves, Ashland's actual asbestos costs could adversely affect its results of operations and, to the extent they exceed its reserves, could adversely affect its results of operations.

The impact of changing laws or regulations or the manner of interpretation or enforcement of existing rules could adversely impact Ashland's financial performance and restrict its ability to operate its business or execute its strategies.

New laws or regulations, or changes in existing laws or regulations or the manner of their interpretation or enforcement, could increase Ashland's cost of doing business and restrict its ability to operate its business or execute its strategies. This includes, among other things, the possible taxation under U.S. law of certain income from foreign operations, the possible taxation under foreign laws of certain income Ashland reports in other jurisdictions, the Pillar Two initiative of the Organization for Economic Co-operation and Development which introduces a 15% global minimum tax applied on a country-by-country basis to Ashland in many jurisdictions starting October 1, 2024, tariffs or quotas levied on Ashland products, raw materials or key components by certain countries, regulations related to the protection of private information of Ashland's employees and customers, regulations issued by the U.S. Food and Drug Administration (and analogous non-U.S. agencies) affecting Ashland and its customers, compliance with the U.S. Foreign Corrupt Practices Act (and analogous non-U.S. laws) and the European Union's Registration, Authorization and Restriction of Chemicals ("REACH") regulation (and analogous non-EU initiatives), and potential operational impacts of General Data Protection Regulation ("GDPR"). Uncertainty associated with the passage of new laws, application of executive authority beyond the legislative process, as well as changes in and enforcement of existing laws, can limit Ashland's ability to make and execute business plans effectively. In addition, compliance with laws and regulations is complicated by Ashland's substantial and growing global footprint, which will require significant and additional resources to comprehend and ensure compliance with applicable laws in the more than one hundred countries where Ashland conducts business. Compliance with current and future regulations is further complicated by uncertainty around the reevaluation of international agreements by various countries, including the United States, and the resulting impact on regulatory regimes, customs regulations, tariffs, sanctions, and other transnational protocols.

Emerging ESG regulations in the European Union and globally such as the Corporate Sustainability Reporting Directive ("CSRD") and European Union Deforestation Regulations ("EUDR") may also require significant resources and data management systems to continue to support the Company. These regulations have the potential to impact Ashland's business and ability to manage materials effectively.

Risks Related to Taxation

Imposition of new taxes, disagreements with tax authorities or additional tax liabilities could adversely affect Ashland's business, financial condition, reputation or results of operations.

Ashland's products are made, manufactured, distributed or sold in more than 100 countries and territories. A significant portion of Ashland's revenues are generated outside the United States. As such, Ashland is subject to taxes in the United States as well as numerous foreign countries. Ashland's future effective tax rates could be affected by changes in the mix of earnings in countries with differing tax rates, changes in the valuation of deferred tax assets and liabilities, changes in liabilities for uncertain tax positions, cost of repatriations or changes in tax laws, regulations, administrative practices or their interpretation. Moreover, because Ashland is subject to the regular examination of its income tax returns by various tax authorities, the economic and political pressure to increase tax revenues in these jurisdictions may make resolving tax disputes even more difficult, and the final resolution of tax audits and any related litigation may differ from our historical provisions and accruals resulting in an adverse impact on our business, financial condition, reputation or results of operations. The Tax Cuts and Jobs Act (the Tax Act), enacted in December 2017, made significant changes to US tax law; many other countries or organizations, including those where Ashland has significant operations, are actively considering or enacting changes to tax laws which could significantly impact our tax rate and cash flows. The increasingly complex global tax environment, including changes in how United States multinational corporations are taxed, could adversely affect Ashland's business, financial condition or results of operations.

Other than the one-time transition tax enacted by the Tax Act, Ashland will continue to be indefinitely reinvested in our foreign earnings. As such, Ashland has not accrued income taxes or foreign withholding taxes on undistributed earnings for most non-US subsidiaries because those earnings are intended to be indefinitely reinvested in the operations of those subsidiaries. If these earnings are needed for Ashland's operations in the United States, the repatriation of such earnings could adversely affect its business, results of operations or financial condition.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

Ashland recognizes the importance of cybersecurity in safeguarding sensitive information and maintaining operational integrity. To that end, Ashland maintains an information security program as part of its overall Enterprise Risk Management ("ERM") program. The Company's information security program includes an incident response plan, which has been reviewed by third-party consultants and aligns with the National Institute of Standards and Technology ("NIST") Cybersecurity Framework 2.0. The information security program, led by the Company's Vice President of Cyber Security, is designed to provide a framework for assessing, identifying, managing, mitigating and responding to cybersecurity threats and incidents and to facilitate cross-functional coordination within Ashland.

Ashland's information security program also includes policies and processes that are designed to provide visibility and information about the identification, assessment, and management of critical risks and management's risk mitigation strategies. This includes the use of a 24/7 Security Operations Center as well as an in-house, dedicated threat hunting team. Additional safeguards also include employee training and awareness programs around phishing, malware, and other cybersecurity risks. In addition, the Company conducts periodic testing of software, hardware, defensive capabilities, and other information security systems and regularly engages consultants and other expert third parties to assist the Company in the identification and assessment of risks.

Ashland also maintains a similar risk-based approach to its third-party vendor management program including identifying and overseeing cybersecurity risks that such third parties may present. As part of this program, the Company, imposes additional scrutiny for vendors that may handle personally identifiable information (PII) data or trade secrets.

As of the date of this Annual Report on Form 10-K, the Company is not aware of any cybersecurity incidents that have materially affected or are reasonably likely to materially affect its business, results of operations or financial condition. However, despite the Company's best efforts, it cannot eliminate all risks from cybersecurity threats or provide assurances that undetected cybersecurity incidents have not occurred. See the "Risk Factors" in Item 1A of this Annual Report on Form 10-K for further information.

Governance

Ashland's information security program is led by the Company's Vice President of Cyber Security who is a Certified Information Systems Security Professional (CISSP) with more than 30 years of experience in information technology and 12 years of experience serving in a chief information security officer role or top executive leader in cyber. Our Vice President of Cyber Security is primarily responsible for integrating cybersecurity risk considerations into the Company's overall risk management strategy. The Vice President of Cyber Security also holds a master's in business administration and a Bachelor of Science degree in Computer Science and Engineering. In addition, other members of the Company's information security team also have significant experience in information security.

As noted above, management of Ashland's cybersecurity risks is part of the Company's overall ERM program, which is overseen by the Board. The Board's Audit Committee has primary responsibility for the oversight of the Company's information and cybersecurity risks and programs established to manage such risks. The Audit Committee fulfills this oversight responsibility through receiving regular (and as needed) reports and updates from the Company's Vice President of Cyber Security and Ashland's Board also receives periodic reports updates from the Vice President of Cyber Security and the Audit Committee regarding information and cybersecurity matters.

ITEM 2. PROPERTIES

Ashland's corporate headquarters is located in Wilmington, Delaware. Principal offices of other major operations are located in Wilmington, Delaware (Life Sciences, Specialty Additives, Intermediates and Corporate); and Bridgewater, New Jersey (Personal Care and Corporate) within the United States and Hyderabad, India; Warsaw, Poland; and Schaffhausen, Switzerland (each of which are shared service centers of Ashland's and house corporate and direct business segment personnel). All of these locations are leased, except for the Wilmington, Delaware site which is owned. Principal manufacturing, marketing and other materially important physical properties of Ashland and its subsidiaries are described within the applicable business units under "Item 1" in this Annual Report on Form 10-K. All of Ashland's physical properties are owned or leased. Ashland believes its physical properties are suitable and adequate for the Company's business. Additional information concerning leases may be found in Note J of Notes to Consolidated Financial Statements in this Annual Report on Form 10-K.

ITEM 3. LEGAL PROCEEDINGS

The following is a description of Ashland's material legal proceedings. Ashland's threshold for disclosing material environmental legal proceedings involving a governmental authority where potential monetary sanctions are involved is $1 million.

Asbestos-Related Litigation

Ashland is subject to liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims result primarily from indemnification obligations undertaken in 1990 in connection with the sale of Riley Stoker Corporation (Riley), a former subsidiary. Although Riley was neither a producer nor a manufacturer of asbestos, its industrial boilers contained some asbestos containing components provided by other companies.

Hercules LLC (Hercules) (formerly Hercules Incorporated), an indirect wholly-owned subsidiary of Ashland, is also subject to liabilities from asbestos-related personal injury lawsuits involving claims which typically arise from alleged exposure to asbestos fibers from resin encapsulated pipe and tank products which were sold by one of Hercules' former subsidiaries to a limited industrial market.

Ashland and Hercules are also defendants in lawsuits alleging exposure to asbestos at facilities formerly or presently owned or operated by Ashland or Hercules.

For additional detailed information regarding liabilities arising from asbestos-related litigation, see "Management's Discussion and Analysis - Critical Accounting Policies - Asbestos Litigation" and Note M of Notes to Consolidated Financial Statements in this Annual Report on Form 10-K.

Environmental Proceedings

(a) *CERCLA and Similar State Law Sites* - Under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 and similar state laws, Ashland and its subsidiaries may be subject to joint and several liability for cleanup costs in connection with alleged releases of hazardous substances at sites where it has been identified as a "potentially responsible party" (PRP). As of September 30, 2024, Ashland and its subsidiaries have been identified as a PRP by U.S. federal and state authorities, or by private parties seeking contribution, for the cost of environmental investigation and/or cleanup at 53 sites. These sites are currently subject to ongoing investigation and remedial activities, overseen by the United States Environmental Protection Agency (USEPA) or a state agency, in which Ashland or its subsidiaries are typically participating as a member of a PRP group. Generally, the types of relief sought include remediation of contaminated sediment, soil and/or groundwater, reimbursement for past costs of site cleanup and administrative oversight and/or long-term monitoring of environmental conditions at the sites. The ultimate costs are not predictable with assurance.

(b) *Lower Passaic River, New Jersey Matters* - Ashland, through two formerly owned facilities, and International Specialty Products (ISP), through a now-closed facility, were identified as PRPs, along with approximately 70 other companies (the Cooperating Parties Group or the CPG), in a May 2007 Administrative Order of Consent (AOOC) with the USEPA. The parties were required to perform a remedial investigation and feasibility study (RI/FS) of the entire 17 miles of the Passaic River. In June 2007, the USEPA separately commenced a Focused Feasibility Study (FFS) as an interim measure of the lower 8 miles of the river. In accordance with the 2007 AOOC, in June 2012 the CPG voluntarily entered into another AOOC for an interim removal action focused solely at mile 10.9 of the Passaic River. The allocations for the 2007 AOOC and the 2012 removal action were based on interim allocations, are immaterial and have been accrued. In April 2014, the USEPA released the FFS for a cleanup of the lower 8 miles. The CPG submitted the Draft RI/FS Report on April 30, 2015. In March 2016, the USEPA released the FFS Record of Decision for the lower 8 miles and reached an agreement with another chemical company, Occidental Chemical Corporation (OCC) to conduct and pay for the remedial design in Sept. 2016, which design work was completed in Spring 2024. In March 2023, USEPA issued a unilateral order with OCC to conduct and pay for the remedial design for a remedy in the upper 9 miles of the river. In June 2018, OCC sued Ashland, ISP and numerous other defendants in the United States District Court for the District of New Jersey to recover past and future costs of the lower 8 miles pursuant to CERCLA, and filed a later suit in March 2023 for past and future costs of the upper 9 miles of the river. Between 2017 and 2020, Ashland and ISP participated in an USEPA allocation process that resulted in a partial settlement with the EPA. The settlement was lodged with the New Jersey District Court on December 16, 2022, and is currently pending court approval amidst opposition from OCC and others. The 2018 and 2023 OCC litigations have been stayed pending the outcome of the settlement.

For additional information regarding environmental matters and reserves, see Note M of Notes to Consolidated Financial Statements in this Annual Report on Form 10-K.

Other Pending Legal Proceedings

In addition to the matters described above, there are other various claims, lawsuits and administrative proceedings pending or threatened against Ashland and its current and former subsidiaries. Such actions are with respect to commercial matters, product liability, toxic tort liability, employment matters and other environmental matters which seek remedies or damages, some of which are for substantial amounts. While Ashland cannot predict with certainty the outcome of such actions, it believes that adequate reserves have been recorded as of September 30, 2024. There is a reasonable possibility that a loss exceeding amounts already recognized may be incurred related to these actions; however, Ashland believes that such potential losses would not be material as of September 30, 2024.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

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

Market Information

Ashland's Common Stock is listed on the NYSE (ticker symbol "ASH") and has trading privileges on Nasdaq.

Holders

At October 31, 2024, there were approximately 8,003 holders of record of Ashland's Common Stock.

Dividends

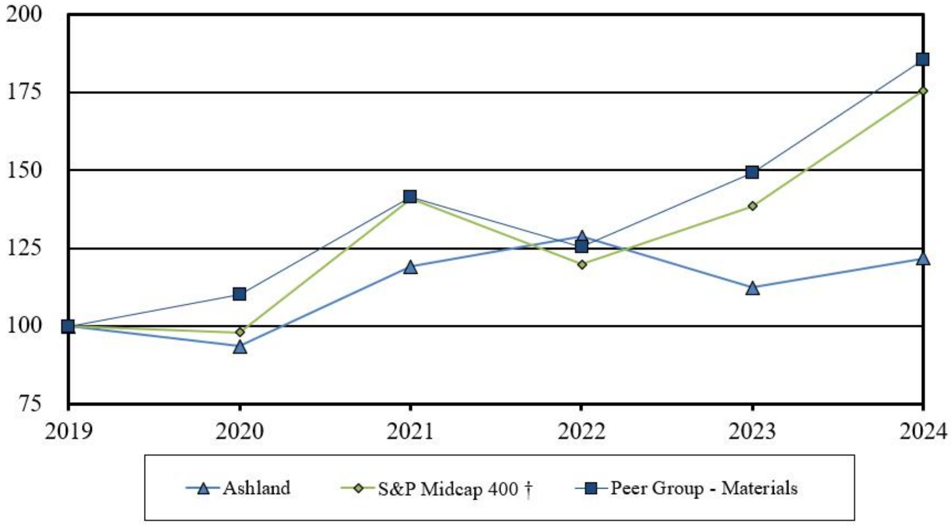
While we currently expect that quarterly cash dividends comparable to past dividends will continue to be paid in the future, such payments are at the discretion of our Board of Directors and will depend upon many factors, including our results of operations and liquidity position.

There were no sales of unregistered securities required to be reported under Item 5 of Form 10-K.

FIVE-YEAR TOTAL RETURN PERFORMANCE GRAPH

The following graph compares Ashland's five-year cumulative total shareholder return with the cumulative total return of the S&P MidCap 400† index and one peer group of companies. Ashland is listed in the S&P MidCap 400† index. The cumulative total shareholder return assumes the reinvestment of dividends.

COMPARISON OF FIVE-YEAR CUMULATIVE TOTAL RETURN
ASHLAND, S&P MIDCAP 400† INDEX AND PEER GROUP



	2019	2020	2021	2022	2023	2024
Ashland	100	94	119	129	112	122
S&P MidCap 400†	100	98	141	120	138	176
Peer Group - Materials	100	110	141	125	149	185

The peer group consists of the following industry indices:

- *Peer Group – Materials:* S&P 500† Materials (large-cap) and S&P MidCap 400† Materials. As of September 30, 2024, this peer group consisted of 53 companies.

Repurchases of Company Common Stock

Share repurchase activity during the three months ended September 30, 2024 was as follows:

Q4 Fiscal Periods	Total Number of Shares Purchased	Average Price Paid per Share, including commission	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in millions)[(a)]
July 1, 2024 to July 31, 2024	—	$ —	—	$ 770
August 1, 2024 to August 31, 2024	992,380	86.44	992,380	684
September 1, 2024 to September 30, 2024	740,117	86.82	740,117	620
Total	1,732,497		1,732,497	$ 620

(a) On June 28, 2023, Ashland's board of directors authorized a new evergreen $1 billion common share repurchase program ("2023 Stock Repurchase Program"). The new authorization terminated and replaced the Company's 2022 Stock Repurchase Program, which had $200 million outstanding at the date of termination. As of September 30, 2024, $620 million remained available for repurchase under this authorization.

ITEM 6. [RESERVED]

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

See Management's Discussion and Analysis of Financial Condition and Results of Operations on pages M-1 through M-42.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See Quantitative and Qualitative Disclosures about Market Risk on page M-42.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The consolidated financial statements of Ashland presented in this Annual Report on Form 10-K are listed in the index on page F-1.

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

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures – As of September 30, 2024, Ashland, under the supervision and with the participation of Ashland's management, including Ashland's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of Ashland's disclosure controls and procedures as defined in Exchange Act Rules 13a-15(e) and 15d-15(e). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures were effective as of September 30, 2024.

Internal Control over Financial Reporting - See Management's Report on Internal Control Over Financial Reporting on page F-2 and the Reports of the Independent Registered Public Accounting Firm on pages F-3 and F-4.

Changes in Internal Control over Financial Reporting – There have been no changes in Ashland's internal control over financial reporting that occurred during the quarter ended September 30, 2024, that have materially affected, or are reasonably likely to materially affect, Ashland's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Securities Trading Plans of Directors and Executive Officers

On August 12, 2024, Robin E. Lampkin, Ashland's Senior Vice President, General Counsel and Corporate Secretary, entered into a Rule 10b5-1 trading arrangement that provides for the sale of 1,464 shares of Ashland Common Stock. The trading arrangement is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. The duration of the trading arrangement is until the earlier of (1) February 28, 2025, (2) the date on which all transactions under the trading arrangement are completed, or (3) at such time as the trading arrangement is otherwise terminated or expires according to its terms.

Insider Trading Policy

Ashland has adopted an insider trading policy (the "Insider Trading Policy") to govern the purchase, sale, and other dispositions of Company securities by its directors, officers, and employees. The Insider Trading Policy is reasonably designed to promote compliance with insider trading laws, rules and regulations, and any listing standards applicable to the Company.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this Item is incorporated herein by reference to the sections captioned "Proposal One - Election of Directors," "Executive Officers," "Delinquent Section 16(a) Reports," "Corporate Governance - Governance Principles," "Corporate Governance - Stockholder Nominations of Directors," "Corporate Governance – Insider Trading Policy," and "Corporate Governance - Committees and Meetings of the Board of Directors" in the Proxy Statement for Ashland's 2025 Annual Meeting of Stockholders. Ashland plans to file such Proxy Statement within 120 days after September 30, 2024, the end of Ashland's fiscal year.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item is incorporated herein by reference to the sections captioned "Director Compensation," "Compensation Committee Interlocks and Insider Participation," "Executive Compensation," and "Compensation Committee Report," in the Proxy Statement for Ashland's 2025 Annual Meeting of Stockholders. The Compensation Committee Report to be included in such Proxy Statement shall be deemed to be furnished in this report and shall not be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act as a result of such furnishing in this Item 11. Ashland plans to file such Proxy Statement within 120 days after September 30, 2024, the end of Ashland's fiscal year.

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

The information required by this Item is incorporated herein by reference to the sections captioned "Ashland Common Stock Ownership of Certain Beneficial Owners," and "Ashland Common Stock Ownership of Directors and Executive Officers of Ashland" in the Proxy Statement for Ashland's 2025 Annual Meeting of Shareholders. Ashland plans to file such Proxy Statement within 120 days after September 30, 2024, the end of Ashland's fiscal year.

The following table summarizes the equity compensation plans under which Ashland Common Stock may be issued as of September 30, 2024.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	534,449 (1)	$ 66.16 (2)	10,363,703 (3)
Equity compensation plans not approved by security holders	51,848 (4)	—	1,275,314 (5)
Total	586,297	$ 66.16 (2)	11,639,017

(1) This figure includes 4,699 net shares that could be issued under stock-settled SARs under the Amended and Restated 2011 Ashland Inc. Incentive Plan ("2011 Incentive Plan"), 171,579 net shares that could be issued under stock-settled SARs, 19,655 net shares that could be issued under stock-settled SARs, 61,646 shares that could be issued under stock settled restricted stock units under the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (the "2018 Omnibus Plan"), 18,983 shares that could be issued under stock settled restricted stock units under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan (the "2021 Omnibus Plan"), based upon the closing price of Ashland Common Stock on the NYSE as of September 30, 2024 of $86.97. Additionally, this figure includes 50,521 performance units for the fiscal 2022-2024 performance period payable in Ashland Common Stock under the 2021 Omnibus Plan, 29,522 performance units for the fiscal 2023-2025 performance period payable in Ashland Common Stock under the 2021 Omnibus Plan and 163,481 performance units for the fiscal 2024-2026 performance period payable in Ashland Common Stock under the 2021 Omnibus Plan, estimated assuming target performance is achieved. Also included in the figure are 14,363 shares to be issued under the pre-2005 Deferred Compensation Plan for Employees payable in Ashland Common Stock upon termination of employment or service with Ashland.

(2) The weighted-average exercise price excludes shares in Ashland Common Stock which may be distributed under the deferred compensation plans and the deferred restricted stock, and performance share units and restricted stock units which may be distributed under the 2011 Incentive Plan, the 2015 Incentive Plan and the 2018 Omnibus Plan, as described in footnotes (1) and (4) in this table.

(3) This figure includes 6,136,427 available for issuance under the Ashland Global Holdings Inc. 2021 Omnibus Plan, 123,183 shares available for issuance under the pre-2005 Deferred Compensation Plan for Employees (closed) and 341,697 shares available for issuance under the pre-2005 Deferred Compensation Plan for Non-Employee Directors (closed). Under the 2018 Incentive Plan, full-value awards, which include all awards other than stock options and SARs, reduce the share reserve on a 2-to-1 basis. The remaining balance of shares available for grant under the 2018 Omnibus Plan are now available for grant under the 2021 Omnibus Plan and are included in the numbers of shares available for issuance under the 2021 Omnibus Plan. This figure also includes 80,311 shares available for issuance under the 2006 Incentive Plan, 2,574,171 shares available for issuance under the 2011 Incentive Plan and 1,107,914 shares available for issuance under the 2015 Incentive Plan; however, these plans are closed for new issuances and the only shares remaining to be issued are shares paid in lieu of dividends and for the 2015 Incentive Plan, shares to be issued for unvested performance units and restricted stock units.

(4) This figure includes 34,453 shares to be issued under the Deferred Compensation Plan for Employees (2005), which is described in the "Non-Qualified Deferred Compensation-Ashland Employees' Deferral Plan" section of Ashland's proxy statement, and 17,395 shares to be issued under the Deferred Compensation Plan for Non-Employee Directors (2005), which is described in the "Compensation of Directors" section of Ashland's proxy statement, payable in Ashland Common Stock upon termination of employment or service with Ashland. Because these plans are not equity compensation plans as defined by the rules of the NYSE, neither plan required approval by Ashland's stockholders.

(5) This figure includes 616,459 shares available for issuance under the Deferred Compensation Plan for Employees (2005) and 658,855 shares available for issuance under the Deferred Compensation Plan for Non-Employee Directors (2005). Because these plans are not equity compensation plans as defined by the rules of the NYSE, neither plan required approval by Ashland's stockholders.

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

The information required by this Item is incorporated herein by reference to the sections captioned "Corporate Governance - Director Independence and Certain Relationships," "Corporate Governance - Related Person Transaction Policy," and "Audit Committee Report" in in the Proxy Statement for Ashland's 2025 Annual Meeting of Stockholders. Ashland plans to file such Proxy Statement within 120 days after September 30, 2024, the end of Ashland's fiscal year.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this Item is incorporated herein by reference to the sections captioned "Audit Committee Report" and "Proposal Two - Ratification of Independent Registered Public Accountants" in the Proxy Statement for Ashland's 2025 Annual Meeting of Stockholders. Ashland plans to file such Proxy Statement within 120 days after September 30, 2024, the end of Ashland's fiscal year.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Documents filed as part of this Report

(1) Financial Statements; and

(2) See Item 15(b) in this Annual Report on Form 10-K

The consolidated financial statements of Ashland presented in this Annual Report on Form 10-K are listed in the index on page F-1.

Schedules other than that listed above have been omitted because of the absence of the conditions under which they are required or because the information required is shown in the consolidated financial statements or the notes thereto. Separate financial statements of unconsolidated affiliates are omitted because each company does not constitute a significant subsidiary using the 20% tests when considered individually.

(b) Documents required by Item 601 of Regulation S-K

2.1	–	Stock and Asset Purchase Agreement, dated as of February 18, 2014, between Ashland Inc. and CD&R Seahawk Bidco, LLC (filed as Exhibit 2.1 to Ashland's Form 8-K filed on February 24, 2014 (SEC File No. 001-32532), and incorporated herein by reference).
2.2	–	Sale and Purchase Agreement related to the ASK Chemicals Group, dated April 8, 2014, among Ashland Inc., Ashland International Holdings, Inc., Clariant Produkte (Deutschland) GmbH, Clariant Corp., mertus 158. GmbH, Ascot US Bidco Inc. and Ascot UK Bidco Limited (filed as Exhibit 2.1 to Ashland's Form 8-K filed on April 14, 2014 (SEC File No. 001-32532), and incorporated herein by reference).
2.3	–	Agreement and Plan of Merger dated May 31, 2016, by and among Ashland Inc., Ashland Global Holdings Inc. and Ashland Merger Sub Corp. (filed as Exhibit 2.1 to Ashland's Form 8-K filed on May 31, 2016 (SEC File No. 001-32532), and incorporated herein by reference).
2.4	–	Stock and Asset Purchase Agreement, dated November 14, 2018, between Ashland Global Holdings Inc. and INEOS Enterprises Holdings Limited (pursuant to Item 601(b)(2) of Regulation S-K, exhibits, schedules and certain annexes to the Stock and Asset Purchase Agreement have been omitted; exhibits, schedules and annexes will be supplementally provided to the SEC upon request) (filed as Exhibit 2.1 to Ashland's Form 8-K filed on November 20, 2018 (SEC File No. 333-211719), and incorporated herein by reference.)
2.5	–	First Amendment to Stock and Asset Purchase Agreement, dated July 1, 2019, between Ashland Global Holdings Inc. and INEOS Enterprises Holdings Limited (pursuant to Item 601(b)(2) of Regulation S-K, exhibits, schedules and certain annexes to the Stock and Asset Purchase Agreement have been omitted; exhibits, schedules and annexes will be supplementally provided to the SEC upon request) (filed as Exhibit 2.1 to Ashland's Form 8-K filed on July 8, 2019 (SEC File No. 333-211719) and incorporated herein by reference).
2.6	–	Second Amendment to Stock and Asset Purchase Agreement, dated July 30, 2019, between Ashland Global Holdings Inc. and INEOS Enterprises Holdings Limited (pursuant to Item 601(b)(2) of Regulation S-K, exhibits, schedules and certain annexes to the Stock and Asset Purchase Agreement have been omitted; exhibits, schedules and annexes will be supplementally provided to the SEC upon request (filed as Exhibit 2.1 to Ashland's Form 8-K filed on August 2, 2019 (SEC File No. 333-211719) and incorporated herein by reference).
2.7	–	Asset Purchase Agreement dated July 25, 2020, by and between Ashland LLC and AOC Materials LLC (filed as Exhibit 2.1 to Ashland's Form 8-K filed on July 27, 2020 (SEC File No. 333-211719 and incorporated herein by reference).
2.8	–	Master Asset Purchase Agreement, dated January 18, 2021, entered into by and between Schülke & Mayr GmbH, ISP Marl Holdings and Ashland Industries Europe GmbH (filed as Exhibit 2.1 to Ashland's Form 8-K filed on January 22, 2021 (SEC File No.333-211719) and incorporated herein by reference).

2.9	–	Amendment Agreement to the Master Purchase Agreement regarding the acquisition of the Personal Care Business of Schülke & Mayr GmbH dated April 29, 2021, filed as Exhibit 2.2 to Ashland's Form 10-Q filed on July 29, 2021 (SEC File No.333-211719) and incorporated herein by reference).
2.10	–	Purchase and Sale Agreement, dated as of August 30, 2021, between Ashland LLC and Arkema, filed as Exhibit 2.1 to Ashland's Form 8-K filed on August 31, 2021 (SEC File No.333-211719) and incorporated herein by reference).
2.11	–	Amendment No. 1 to the Purchase and Sale Agreement, dated as of February 28, 2022, by and between Arkema and Ashland LLC (filed as Exhibit 2.1 to Ashland's Form 8-K filed on February 28, 2022 (SEC File No.333-211719) and incorporated herein by reference).
2.12	–	Stock Purchase Agreement, dated April 14, 2017, by and among Ashland LLC, Pharmachem Laboratories, Inc., the holders of common stock of Pharmachem Laboratories, Inc., Dr. David Peele, and Photon SH Representative LLC, solely as the shareholders' representative (filed as Exhibit 2.1 to Ashland's Form 8-K filed on May 18, 2017 (SEC File No. 333-211719) and incorporated herein by reference).
2.13	–	Amendment No. 1 to the Stock Purchase Agreement, dated May 16, 2017, by and among Ashland LLC, Pharmachem Laboratories, Inc., the holders of common stock of Pharmachem Laboratories, Inc., Dr. David Peele, and Photon SH Representative LLC, solely as the shareholders' representative (filed as Exhibit 2.2 to Ashland's Form 8-K filed on May 18, 2017 (SEC File No. 333-211719) and incorporated herein by reference).
2.14	–	Amendment No. 2 to the Stock Purchase Agreement, dated August 23, 2017, by and among Ashland LLC, Pharmachem Laboratories, Inc., the holders of common stock of Pharmachem Laboratories, Inc., Dr. David Peele, and Photon SH Representative LLC, solely as the shareholders' representative (filed as Exhibit 10.84 to Ashland's Form 10-K for the fiscal year ended September 30, 2017 (SEC File No. 333-211719), and incorporated by reference herein).
3.1	–	Amended and Restated Articles of Incorporation of Ashland Global Holdings Inc. (filed as Exhibit 3.1 to Ashland's Form 8-K filed on September 20, 2016 (SEC File No. 001-32532)) and incorporated by reference herein).
3.2	–	Certificate of Ownership & Merger, amending the Company's Amended and Restated Certificate of Incorporation (filed as Exhibit 3.1 to Ashland's Form 8-K filed on August 1, 2022 (SEC File No. 001-32532) and incorporated by reference herein).
3.3	–	By-laws of Ashland Inc. (Amended and Restated as of September 20, 2022) (filed as Exhibit 3.1 to Ashland's Form 8-K filed on September 20, 2022 (SEC File No. 333-211719) and incorporated by reference herein).

Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, copies of instruments defining the rights of holders of long-term debt of Ashland and all of its subsidiaries are not filed, Ashland agrees to furnish a copy of such instruments with the SEC upon request.

4.1	–	Indenture, dated as of February 26, 2013, between Ashland Inc. and U.S. Bank National Association, as Trustee (filed as Exhibit 4.3 to Ashland's Form 8-K filed on February 27, 2013 (SEC File No. 001- 32532), and incorporated herein by reference).
4.2	–	First Supplemental Indenture, dated as of February 26, 2013, between Ashland Inc. and U.S. Bank National Association, as Trustee, in respect of the senior notes due 2016, 2018 and 2043 (filed as Exhibit 4.4 to Ashland's Form 8-K filed on February 27, 2013 (SEC File No. 001-32532), and incorporated herein by reference).
4.3	–	Second Supplemental Indenture, dated as of March 14, 2013, between Ashland Inc. and U.S. Bank National Association, as Trustee, in respect of the senior notes due 2043 (filed as Exhibit 4.2 to Ashland's Form 8-K filed on March 18, 2013 (SEC File No. 001-32532), and incorporated herein by reference).
4.4	–	First Supplemental Indenture as of August 1, 2022, to the Trust Indenture in respect of the 2031 Notes dated as of August 18, 2021, by and among Ashland Global Holdings Inc. (now Ashland Inc.), U.S. Bank Trust Company, National Association, as trustee (filed as Exhibit 4.12 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated herein by reference).

4.5	–	Third Supplemental Indenture dated October 19, 2016, among Ashland LLC, Ashland Global Holdings Inc. and US Bank National Association, to the Indenture dated as of February 26, 2013 between Ashland LLC and US Bank National Association (filed as Exhibit 4.2 to Ashland's Form 8-K filed on October 20, 2016 (SEC File No. 333-211719), and incorporated herein by reference).
4.6	–	Fourth Supplemental Indenture dated August 1, 2022, to the Trust Indenture dated as of February 26, 2013, between Ashland Global Holdings Inc. (now Ashland Inc.) and U.S. Bank Trust Company, National Association, as trustee (filed as Exhibit 4.14 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated herein by reference).
4.7	–	Indenture dated January 23, 2020, among Ashland Services B.V., Ashland Global Holdings Inc., Ashland LLC and U.S. Bank National Association, as trustee, in respect of the Senior Euro-Denominated Notes due 2028 (filed as Exhibit 4.1 to Ashland's Form 8-K filed on January 23, 2020 (SEC File No. 333-211719) and incorporated herein by reference).
4.8(a)	–	Description of Capital Stock (filed as Exhibit 4.14(a) to Ashland's Form 10-K for the fiscal year ended September 30, 2019 (SEC File No. 333-211719) and incorporated herein by reference).
4.8(b)	–	Description of 6.875% Senior Notes due 2043 (filed as Exhibit 4.14(b) to Ashland's Form 10-K for the fiscal year ended September 30, 2019 (SEC File No. 333-211719) and incorporated herein by reference).
4.8(c)**	–	Description of 3.75% Senior Notes due 2031, filed herewith.
4.9	–	Indenture dated August 18, 2021, among Ashland LLC, Ashland Global Holdings Inc. and U.S. Bank National Association, as trustee, in respect of the Notes due 2031 (filed as Exhibit 4.1 to Ashland's Form 8-K filed on August 18, 2021 (SEC File No. 333-211719), and incorporated herein by reference).

The following Exhibits 10.1 through 10.67 are contracts or compensatory plans or arrangements or management contracts required to be filed as exhibits pursuant to Items 601(b)(10)(ii)(A) and 601(b)(10)(iii)(A) and (B) of Regulation S-K.

10.1	–	Amended and Restated Ashland Inc. Deferred Compensation Plan for Non-Employee Directors (2005) (filed as Exhibit 10.4 to Ashland's Form 10-K for the fiscal year ended September 30, 2008 (SEC File No. 001-32532), and incorporated herein by reference).
10.2	–	Amendment to the Amended and Restated Ashland Inc. Deferred Compensation Plan for Non-Employee Directors (2005) (filed as Exhibit 10.4 to Ashland's Form 10-Q for the quarter ended March 31, 2015 (SEC File No. 001-32532), and incorporated herein by reference).
10.3	–	Amended and Restated Ashland Global Holdings Inc. Deferred Compensation Plan for Non-Employee Directors (2005) effective as of January 1, 2017 (filed as Exhibit 10.4 to Ashland's Form 10-Q for the quarter ended December 31, 2016 (SEC File No. 333-211719), and incorporated herein by reference).
10.4	–	Amended and Restated Ashland Inc. Deferred Compensation Plan for Employees (2005) (filed as Exhibit 10.3 to Ashland's Form 10-K for the fiscal year ended September 30, 2008 (SEC File No. 001-32532) and incorporated herein by reference).
10.5	–	Ashland Global Holdings Inc. Deferred Compensation Plan for Employees (Amended and Restated Effective as of May 22, 2019) (filed as Exhibit 10.1 to Ashland's Form10-Q for the quarter ended June 30, 2019 (SEC File No. 333-211719), and incorporated herein by reference).
10.6	–	Ashland Global Holdings Inc. Deferred Compensation Plan for Non-Employee Directors (Amended and Restated as of May 22, 2019) (filed as Exhibit 10.2 to Ashland's Form 10-Q for the quarter ended June 30, 2019 (SEC File No. 333-21179), and incorporated herein by reference).
10.7	–	Ashland Supplemental Defined Contribution Plan for Certain Employees (filed as Exhibit 10.3 to Ashland's Form 10-Q for the quarter ended March 31, 2011 (SEC File No. 001-32532), and incorporated herein by reference) (Frozen).
10.8	–	Amended and Restated 2011 Ashland Inc. Incentive Plan (filed as Exhibit 10.2 to Ashland's Form 8-K filed on February 1, 2013 (SEC File No. 001-32532), and incorporated herein by reference).
10.9	–	Amended and Restated 2015 Ashland Global Holdings Inc. Incentive Plan (filed as Exhibit 10.21 to Ashland's Form 10-K for the fiscal year ended September 30, 2016 (SEC File No. 333-211719), and incorporated by reference herein).

10.10	–	Form of Stock Appreciation Rights Award Agreement under the Amended and Restated 2011 Ashland Inc. Incentive Plan (filed as Exhibit 10.16 to Ashland's Form 10-K for the fiscal year ended September 30, 2014 (SEC File No. 001-32532), and incorporated herein by reference).
10.11	–	Form of Stock Appreciation Rights Award Agreement under the Amended and Restated 2015 Ashland Global Holdings Inc. Incentive Plan (Double-Trigger Form) (filed as Exhibit 10.39 to Ashland's Form 10-K for the fiscal year ended September 30, 2016 (SEC File No. 333-211719), and incorporated by reference herein).
10.12	–	Form of Indemnification Agreement between Ashland and members of its Board of Directors (filed as Exhibit 10.2 to Ashland's Form 8-K filed on September 20, 2016 (SEC File No. 333-211719), and incorporated herein by reference).
10.13	–	Form of Cash-Settled Performance Unit (LTIP) Award Agreement under the Amended and Restated 2015 Ashland Global Holdings Inc. Incentive Plan (Double-Trigger Form) (filed as Exhibit 10.59 to Ashland's Form 10-K for the fiscal year ended September 30, 2016 (SEC File No. 333-211719), and incorporated by reference herein).
10.14	–	Amended and Restated Hercules Deferred Compensation Plan effective January 1, 2008 (filed as Exhibit 10.8 to Ashland's Form 10-K for the fiscal year ended on September 30, 2010 (SEC File No. 001-32532), and incorporated herein by reference).
10.15	–	Amendment to the Amended and Restated Hercules Deferred Compensation Plan dated September 30, 2016 (annuity cash-out) (filed as Exhibit 10.61 to Ashland's Form 10-K for the fiscal year ended September 30, 2016 (SEC File No. 333-211719), and incorporated by reference herein).
10.16	–	Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (filed as Exhibit 10.1 to Ashland's Form 8-K filed on January 26, 2018 (SEC File No. 333-211719), and incorporated herein by reference).
10.17	–	Form of Stock-Settled Restricted Stock Unit Award Agreement under the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (filed as Exhibit 10.2 to Ashland's Form 8-K filed on January 26, 2018 (SEC File No. 333-211719), and incorporated herein by reference).
10.18	–	Form of Restricted Stock Award Agreement under the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (filed as Exhibit 10.3 to Ashland's Form 8-K filed on January 26, 2018 (SEC File No. 333-211719), and incorporated herein by reference).
10.19	–	Form of Stock Appreciation Rights Award Agreement under the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (filed as Exhibit 10.4 to Ashland's Form 8-K filed on January 26, 2018 (SEC File No. 333-211719), and incorporated herein by reference).
10.20	–	Form of Performance Unit Award Agreement under the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (filed as Exhibit 10.5 to Ashland's Form 8-K filed on January 26, 2018 (SEC File No. 333-211719), and incorporated herein by reference).
10.21	–	Form of Cash-Settled Restricted Stock Unit Award Agreement under the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (filed as Exhibit 10.6 to Ashland's Form 8-K filed on January 26, 2018 (SEC File No. 333-211719), and incorporated herein by reference).
10.22	–	Ashland Global Holdings Inc. NonQualified Defined Contribution Plan (Amended and Restated as of May 22, 2019) (filed as Exhibit 10.3 to Ashland's Form 10-Q for the quarter ended June 30, 2019 (SEC File No. 333-211719), and incorporated herein by reference).
10.23	–	Ashland Global Holdings Inc. Supplemental Defined Contribution Plan for Certain Employees (Amended and Restated as of May 22, 2019) (filed as Exhibit 10.39 to Ashland's Form 10-K filed on November 25, 2019 (SEC File No. 333-211719) and incorporated herein by reference).
10.24	–	Form of Restricted Stock Award Agreement under the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (with pro-rata vesting upon death, disability and retirement) (filed as Exhibit 10.5 to Ashland's Form 10-Q for the quarter ended June 30, 2019 (SEC File No. 333-211719), and incorporated herein by reference).
10.25	–	Form of Stock Appreciation Rights Award Agreement (Stock Settled) under the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (with pro-rata vesting upon death, disability and

retirement) (filed as Exhibit 10.6 to Ashland's Form 10-Q for the quarter ended June 30, 2019 (SEC File No. 333-211719), and incorporated herein by reference).

10.26	–	Form of Restricted Stock Unit Award Agreement under the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (with pro-rata vesting upon death, disability and retirement) (filed as Exhibit 10.7 to Ashland's Form 10-Q for the quarter ended June 30, 2019 (SEC File No. 333-211719), and incorporated herein by reference).
10.27	–	Form of Stock-Settled Performance Unit Award Agreement under the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan (with pro-rata vesting upon death, disability and retirement) (filed as Exhibit 10.8 to Ashland's Form 10-Q for the quarter ended June 30, 2019 (SEC File No. 333-211719), and incorporated herein by reference).
10.28	–	Offer Letter dated as of October 8, 2019, entered into by Guillermo Novo and Ashland Global Holdings Inc. (filed as Exhibit 10.1 to Ashland's Form 8-K filed on October 8, 2019 (SEC File No. 333-211719) and incorporated herein by reference).
10.29	–	Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan (filed as Exhibit 10.1 to Ashland's Form 8-K filed on February 3, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.30	–	Form of Stock-Settled Restricted Stock Unit Award Agreement (filed as Exhibit 10.2 to Ashland's Form 8-K filed on February 3, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.31	–	Form of Restricted Share Award Agreement (filed as Exhibit 10.3 to Ashland's Form 8-K filed on February 3, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.32	–	Form of Stock Appreciation Rights Award Agreement (filed as Exhibit 10.4 to Ashland's Form 8-K filed on February 3, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.33	–	Form of Performance Unit Award Agreement (filed as Exhibit 10.5 to Ashland's Form 8-K filed on February 3, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.34	–	Form of Cash-Settled Restricted Stock Unit Award Agreement (filed as Exhibit 10.6 to Ashland's Form 8-K filed on February 3, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.35	–	Form of Cash Settled Restricted Stock Equivalent Award Agreement for Non-U.S. Participants under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan (filed as Exhibit 10.2 to Ashland's Form 8-K filed on August 6, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.36	–	Form of Cash Settled Performance Unit Award Agreement for Non-U.S. Participants under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan (filed as Exhibit 10.3 to Ashland's Form 8-K filed on August 6, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.37	–	Form of Stock Settled Performance Unit Agreement for U.S. Employees under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan (filed as Exhibit 10.4 to Ashland's Form 8-K filed on August 6, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.38	–	Form of Restricted Stock Unit Agreement for U.S. Employees under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan (filed as Exhibit 10.5 to Ashland's Form 8-K filed on August 6, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.39	–	Form of Stock-Settled Performance Unit Agreement for (Germany) under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan (filed as Exhibit 10.6 to Ashland's Form 8-K filed on August 6, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.40	–	Form of Restricted Stock Unit Agreement for (Germany) under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan (filed as Exhibit 10.7 to Ashland's Form 8-K filed on August 6, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.41	–	Form of Chief Executive Officer Change in Control Agreement (filed as Exhibit 10.69 to Ashland's Form 10-K for the fiscal year ended September 30, 2021, filed on November 22, 2021 (SEC File No. 333-211719), and incorporated by reference herein.

10.42	–	Ashland Inc. Senior Leadership Severance Plan (effective as of September 19, 2022) filed as Exhibit 10.60 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated by reference herein.
10.43	–	Form of Stock-Settled Performance Unit Agreement for US Employees, effective as of September 19, 2022 under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan filed as Exhibit 10.61 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated by reference herein.
10.44	–	Form of Cash-Settled Performance Unit (PSU) Award Agreement for Non-US Participants, effective as of September 19, 2022 under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan filed as Exhibit 10.62 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated by reference herein.
10.45	–	Form of Restricted Stock Unit (RSU) Award Agreement for US Participants, effective as of September 19, 2022 under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan filed as Exhibit 10.63 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated by reference herein.
10.46	–	Form of Cash-Settled Restricted Equivalent (RSE) Award Agreement for Non-US Participants, effective as of September 19, 2022 under the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan filed as Exhibit 10.64 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated by reference herein.
10.47	–	Amendment No. 1 effective as of November 17, 2022, to the Ashland Global Holdings Inc. Deferred Compensation Plan for Non-Employee Directors (Amended and Restated as of May 2019) filed as Exhibit 10.65 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated by reference herein.
10.48	–	Ashland Inc. Independent Director Deferred Compensation Program effective as of November 17, 2022 filed as Exhibit 10.66 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated by reference herein.
10.49	–	Form of Restricted Stock Unit Agreement (Independent Directors), effective as of November 17, 2022 filed as Exhibit 10.67 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated by reference herein.
10.50	–	Credit Agreement dated as of January 10, 2020, among Ashland Global Holdings Inc., Ashland Chemco Inc., Ashland LLC, Ashland Services B.V., each lender from time to time party thereto, the Bank of Nova Scotia, as administrative agent, swing line lender and a letter of credit issuer, each other letter of credit issuer from time to time party thereto and Citibank, N.A., as syndication agent (filed as Exhibit 10.1 to Ashland's Form 8-K filed on January 10, 2020 (SEC File No. 333-211719) and incorporated herein by reference).
10.51	–	Amended and Restated Credit Agreement dated as of July 22, 2022, among Ashland Global Holdings Inc., Ashland Chemco Inc., Ashland LLC, Ashland Services B.V., each lender from time to time party thereto, the Bank of Nova Scotia, Houston Branch, as administrative agent, swing line lender and a letter of credit issuer, each other letter of credit issuer from time to time party thereto and Citibank, N.A., as syndication agent (filed as Exhibit 10.1 to Ashland's Form 8-K filed on July 22, 2022 (SEC File No. 333-211719) and incorporated herein by reference).
10.52	–	Second Amended and Restated Purchase and Sale Agreement, dated March 17, 2021, by and among Ashland LLC and Ashland Specialty Ingredients G.P., as originators, Ashland LLC, as initial servicer, and CVG Capital III LLC, as purchaser (filed as Exhibit 10.1 to Ashland's Form 8-K filed on March 18, 2021 (SEC File No. 333-211719) and incorporated herein by reference).
10.53	–	Receivables Purchasing Agreement, dated March 17, 2021, by and among CVG Capital III LLC, PNC Bank, National Association, as administrative agent, PNC Bank Capital Markets LLC, as structuring agent, Ashland LLC, as initial servicer, and certain other persons from time to time party thereto (filed as Exhibit 10.2 to Ashland's Form 8-K filed on March 18, 2021 (SEC File No. 333-211719) and incorporated herein by reference).

10.54	–	First Amendment as of February 22, 2022, to the Receivables Purchase Agreement dated March 17, 2021, by and among CVG Capital III LLC, PNC Bank, National Association, as administrative agent, Ashland LLC, as initial servicer, and certain other persons identified as Purchasers, LC, LC Participants and Group Agents and other persons from time to time identified as parties thereto (filed as Exhibit 10.1 to Ashland's Form 8-K filed on February 28, 2022 (SEC File No. 333-211719) and incorporated herein by reference).
10.55	–	Assignment Agreement dated February 22, 2022, between CVG Capital III LLC and Ashland LLC (filed as Exhibit 10.2 to Ashland's Form 8-K filed on February 28, 2022 (SEC File No. 333-211719) and incorporated herein by reference).
10.56	–	First Amendment as of August 1, 2022, to the Second Amended and Restated Purchase and Sale Agreement, dated March 17, 2021, by and among Ashland Inc. as an originator and servicer, and Ashland Specialty Ingredients G.P., as originator, and CVG Capital III LLC, as purchaser filed as Exhibit 10.74 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated by reference herein.
10.57	–	Second Amendment as of August 1, 2022, to the Receivables Purchase Agreement dated March 17, 2021, by and among CVG Capital III LLC, PNC Bank, National Association, as administrative agent, Ashland Inc. in its individual capacity and as initial servicer, and certain other persons identified as Purchasers, LC, LC Participants and Group Agents and other persons from time to time identified as parties thereto filed as Exhibit 10.75 to Ashland's Form 10-K for the fiscal year ended September 30, 2022, filed on November 21, 2022 (SEC File No. 333-211719), and incorporated by reference herein.
10.58	–	Assumption Agreement dated September 20, 2016, by and between Ashland Global Holdings Inc. and Ashland Inc. (filed as Exhibit 10.1 to Ashland's Form 8-K filed on September 20, 2016 (SEC File No. 333-211719), and incorporated herein by reference).
10.59	–	Separation Agreement dated as of September 22, 2016, between and among Ashland Global Holdings Inc. and Valvoline Inc. (filed as Exhibit 10.1 to Ashland's Form 8-K filed on September 28, 2016 (SEC File No. 333-211719), and incorporated herein by reference).
10.60	–	Tax Matters Agreement dated as of September 22, 2016, between and among Ashland Global Holdings Inc. and Valvoline Inc. (filed as Exhibit 10.4 to Ashland's Form 8-K filed on September 28, 2016 (SEC File No. 333-211719), and incorporated herein by reference).
10.61	–	Employee Matters Agreement dated as of September 22, 2016, between and among Ashland Global Holdings Inc. and Valvoline Inc. (filed as Exhibit 10.5 to Ashland's Form 8-K filed on September 28, 2016 (SEC File No. 333-211719), and incorporated herein by reference).
10.62	–	Master Confirmation - Uncollared Accelerated Share Repurchase, dated September 2, 2021, between Ashland Global Holdings Inc. and JPMorgan Chase Bank, National Association (filed as Exhibit 10.1 to Ashland's Form 8-K filed on September 7, 2021 (SEC File No. 333-211719), and incorporated herein by reference).
10.63	–	Amendment dated November 22, 2021 to the Master Confirmation (as supplemented by the Supplemental Confirmation) – Uncollared Accelerated Share Repurchase September 2, 2021, between Ashland Global Holdings Inc. and JPMorgan Chase Bank, National Association (filed as Exhibit 10.1 to Ashland's Form 10-Q filed on February 3, 2022 (SEC File No. 333-211719), and incorporated herein by reference).
10.64	–	Fourth Amendment to the Receivables Purchase Agreement dated as of September 13, 2024 by and among Ashland, Ashland Specialty Ingredients G.P., a Delaware general partnership, CVG Capital III LLC, a bankruptcy-remote special purpose entity and subsidiary of Ashland, PNC Bank, National Association, as administrative agent, PNC Capital Markets LLC, as structuring agent, Ashland, as initial servicer, and certain other persons from time to time named as parties thereto as purchasers, group agents, LC banks and LC participants (filed as Exhibit 10.1 to Ashland's Form 8-K filed on September 16, 2024 (SEC File No. 333-211719), and incorporated herein by reference).
10.65**	–	Form of Restricted Stock Unit Agreement pursuant to Ashland Inc.'s 2021 Omnibus Incentive Compensation Plan, filed herewith.

10.66**	–	Form of Cash-Settled Restricted Stock Equivalent Agreement for Non-U.S. Participants pursuant to Ashland Inc.'s 2021 Omnibus Incentive Compensation Plan, filed herewith.
10.67**	–	Form of Stock-Settled Performance Unit Agreement pursuant to Ashland Inc.'s 2021 Omnibus Incentive Compensation Plan, filed herewith.
10.68**	–	Form of Cash-Settled Performance Unit Agreement for Non-U.S. Participants pursuant to Ashland Inc.'s 2021 Omnibus Incentive Compensation Plan, filed herewith.
19.1**	–	Insider Trading Policy.
21**	–	List of Subsidiaries.
23.1**	–	Consent of Ernst & Young LLP.
23.2**	–	Consent of Gnarus Advisors LLC.
24**	–	Power of Attorney.
31.1**	–	Certification of Guillermo Novo, Chief Executive Officer of Ashland, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2**	–	Certification of J. Kevin Willis, Chief Financial Officer of Ashland, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32**	–	Certification of Guillermo Novo, Chief Executive Officer of Ashland, and J. Kevin Willis, Chief Financial Officer of Ashland, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97**	–	Ashland, Inc. Dodd-Frank Compensation Recoupment Policy.
101.INS*	–	Inline XBRL Instance Document.
101.SCH*	–	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	–	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	–	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	–	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	–	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	–	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Attached as Exhibit 101 to this report are the following documents formatted in XBRL (Extensible Business Reporting Language): (i) Statements of Consolidated Comprehensive Income (Loss) for years ended September 30, 2024, 2023 and 2022; (ii) Consolidated Balance Sheets at September 30, 2024 and 2023; (iii) Statements of Consolidated Equity at September 30, 2024, 2023 and 2022; (iv) Statements of Consolidated Cash Flows for years ended September 30, 2024, 2023 and 2022; and (v) Notes to Consolidated Financial Statements.

** Filed herewith.

SM Service mark, Ashland or its subsidiaries, registered in various countries.

™ Trademark, Ashland or its subsidiaries, registered in various countries.

† Trademark owned by a third party.

Upon written or oral request, a copy of the above exhibits will be furnished at cost.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

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

ASHLAND INC.
(Registrant)
By:
/s/ J. Kevin Willis
J. Kevin Willis
Senior Vice President and Chief Financial Officer
Date: November 18, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant, in the capacities indicated, on November 18, 2024.

Signatures	Capacity
/s/ Guillermo Novo Guillermo Novo	Chair of the Board, Chief Executive Officer and Director (Principal Executive Officer)
/s/ J. Kevin Willis J. Kevin Willis	Senior Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ Eric N. Boni Eric N. Boni	Vice President, Finance and Principal Accounting Officer (Principal Accounting Officer)
* Steven D. Bishop	Director
* Sanat Chattopadhyay	Director
* Suzan F. Harrison	Director
* Wetteny Joseph	Director
* Ashish K. Kulkarni	Director
* Susan L. Main	Director
* Sergio Pedreiro	Director
* Jerome A. Peribere	Director
* Janice J. Teal	Director
* Scott A. Tozier	Director

*By: /s/ Robin E. Lampkin
Robin E. Lampkin
Attorney-in-Fact

Date: November 18, 2024

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

The following discussion should be read in conjunction with the Consolidated Financial Statements and the accompanying Notes to Consolidated Financial Statements for the years ended September 30, 2024, 2023 and 2022.

BUSINESS OVERVIEW

Ashland profile

Ashland is a global additives and specialty ingredients company with a conscious and proactive mindset for environmental, social and governance ("ESG"). The company serves customers in a wide range of consumer and industrial markets, including architectural coatings, construction, energy, food and beverage, personal care and pharmaceutical. With approximately 3,200 employees worldwide, Ashland serves customers in more than 100 countries.

Ashland's sales generated outside of North America were 69%, 69% and 68% in 2024, 2023 and 2022, respectively. Sales by region expressed as a percentage of total consolidated sales were as follows:

Sales by Geography	2024	2023	2022
North America[(a)]	31 %	31 %	32 %
Europe[(a)]	35 %	36 %	35 %
Asia Pacific	25 %	23 %	24 %
Latin America & other	9 %	10 %	9 %
	100 %	100 %	100 %

(a) Ashland includes only U.S. and Canada in its North American designation and includes Europe, the Middle East and Africa in its Europe designation.

Reportable segments

Ashland's reportable segments include Life Sciences, Personal Care, Specialty Additives and Intermediates. Unallocated and Other includes corporate governance activities and certain legacy matters. The contribution to sales by each reportable segment expressed as a percentage of total consolidated sales for the year ended September 30 were as follows:

Sales by Reportable Segment	2024	2023	2022
Life Sciences	38 %	40 %	34 %
Personal Care	30 %	27 %	28 %
Specialty Additives	27 %	28 %	30 %
Intermediates	5 %	5 %	8 %
	100 %	100 %	100 %

KEY DEVELOPMENTS

Uncertainty relating to the ongoing Ukraine/Russia conflict and Israel/Hamas conflict

Business disruptions, including those related to the ongoing conflicts between Ukraine/Russia or Israel/Hamas continue to impact businesses around the globe. While it is impossible to predict the effects of the conflicts such as possible escalating geopolitical tensions (including the imposition of existing and additional sanctions by the U.S. and the European Union on Russia), worsening macroeconomic and general business conditions, supply chain interruptions and unfavorable energy markets, the impact could be material. Ashland is closely monitoring these situations and maintains business continuity plans that are intended to continue operations or mitigate the effects of events that could disrupt its business.

Ashland does not have manufacturing operations in Russia, Ukraine, or Belarus. Ashland sells (or previously sold) additives and specialty ingredients to manufacturers in these countries for their use in pharmaceuticals, personal care, and coatings applications. Sales to Russia and Belarus were previously limited and our products were primarily used in products and applications that are essential to the population's well-being and currently support our customers' humanitarian efforts. We have sales controls in place to ensure that future potential sales into the region are only to support critical pharmaceutical or personal hygiene products which are essential for the general population and in accordance with any applicable sanctions. Sales to Ukraine, Russia, and Belarus represent less than 1% of total consolidated sales and less than 1% of total consolidated assets (related to accounts receivable).

Ashland does not have manufacturing operations in Israel. Sales to Israel represent approximately 1% of total consolidated sales and less than 1% of total consolidated assets (related to accounts receivable).

Other significant items

Stock repurchase program

On June 28, 2023, Ashland's board of directors authorized a new evergreen $1 billion common share repurchase program ("2023 Stock Repurchase Program"). The new authorization terminated and replaced the Company's 2022 Stock Repurchase Program, which had $200 million outstanding at the date of termination. As of September 30, 2024, $620 million remained available for repurchase under the 2023 Stock Repurchase Program.

Stock repurchase program agreements

During fiscal year 2024, under the 2023 Stock Repurchase Program, Ashland initiated and completed a number of Rule 10b5-1 trading plan agreements. Ashland paid a total of $380 million and repurchased a total of 4.3 million shares. During the most recent three fiscal years Ashland paid a total of $880 million and received a total of 10.2 million shares. See Note N for more information.

Restructuring programs

As previously disclosed, in November 2023, Ashland is taking portfolio optimization actions to further strengthen Ashland’s resilience and improve margins and returns. When completed, these portfolio actions are expected to result in improved Adjusted EBITDA margins of approximately 200 to 250 basis-points and returns on net assets of 150 to 200 basis-points. These actions are expected to reduce volatility, improve focus and decrease working capital and maintenance capital expenditures.

Ashland continues to make progress on these portfolio optimization actions which include optimizing and consolidating CMC and MC production as well as rebalancing the global HEC production network. During fiscal year 2024, Ashland closed CMC production at Hopewell, Virginia. CMC levels continue to be drawn down while Ashland migrates select production volumes into Alizay, France. In addition, Ashland completed actions to optimize MC by consolidating production capacity in Doel, Belgium. Other actions to improve Ashland's HEC business continue to be assessed. Ashland also executed similar optimization actions at a Personal Care facility in Summerville, South Carolina.

The impact of these portfolio actions for the twelve months ended September 30, 2024, resulted in accelerated depreciation charges of $57 million and other plant optimization costs of $10 million recorded within the cost of sales caption of the Statements of Consolidated Comprehensive Income (Loss). In addition, severance of $25 million and other restructuring costs of $5 million were recorded for the twelve months ended September 30, 2024, each respectively within the selling, general and administrative caption of the Statements of Consolidated Comprehensive Income (Loss). See Note D for additional information.

Nutraceuticals business

On August 30, 2024, Ashland completed the sale of its Nutraceuticals business to Turnspire Capital Partners LLC ("Turnspire"). Proceeds from the sale were approximately $26 million, net of transaction costs. Ashland recorded $107 million impairment charge and loss on sale within the income (loss) on acquisitions and divestitures, net caption of the Statements of Consolidated Comprehensive Income (Loss) for the twelve months ended September 30, 2024. See Note B of the Notes to the Consolidated Financial Statements for more information.

RESULTS OF OPERATIONS – CONSOLIDATED REVIEW

Consolidated review

Overview

Key financial results for 2024, 2023 and 2022 included the following:

(In millions except per share data)	2024	2023	2022	2024 change	2023 change
Net income[a]	$ 169	$ 178	$ 927	$ (9)	$ (749)
Diluted earnings per share net income	3.36	3.31	16.41	0.05	(13.10)
Income from continuing operations	199	168	181	31	(13)
Diluted earnings per share income from continuing operations	3.95	3.13	3.20	0.82	(0.07)
Operating income (loss)	(26)	172	333	(198)	(161)
EBITDA[b]	142	419	1,342	(277)	(923)
Adjusted EBITDA[b]	459	459	590	-	(131)
Adjusted Diluted EPS from Continuing Operations Excluding Intangibles Amortization Expense[b]	4.45	4.07	5.70	0.38	(1.63)

(a) Fiscal 2022 includes a $726 million gain associated with the sale of the Performance Adhesives business.

(b) These are non-GAAP measures. See "Use of non-GAAP measures" section below for reconciliations to U.S. GAAP.

Ashland’s net income of $169 million ($3.36 diluted earnings per share) in 2024, $178 million ($3.31 diluted earnings per share) in 2023 and $927 million ($16.41 diluted earnings per share) in 2022 included a loss from discontinued operations of $30 million, ($0.59 diluted earnings per share) in 2024, income from discontinued operations of $10 million ($0.18 diluted earnings per share) in 2023, and $746 million ($13.21 diluted earnings per share) in 2022. Fiscal 2022 included a $726 million gain recorded in discontinued operations associated with the sale of the Performance Adhesives business in February of 2022 and was the largest impact on net income between periods.

Results for Ashland’s continuing operations, diluted earnings per share from continuing operations and operating income (loss) for 2024, 2023 and 2022 included certain key items that were excluded to arrive at Adjusted EBITDA and are quantified in the “Use of non-GAAP measures” section of this Annual Report on Form 10-K. These pre-tax key items totaled expense of $227 million, $21 million and $96 million in 2024, 2023 and 2022, respectively, impacting continuing operations. Continuing operations was also impacted by favorable discrete tax items totaling $234 million, $44 million and $9 million in 2024, 2023 and 2022, respectively, for various tax specific key items for uncertain tax positions, valuation allowances, restructuring and separation activity and tax reform related activity. The pre-tax key items impacting operating income (loss) totaled expense of $273 million, $52 million, and $16 million in 2024, 2023 and 2022, respectively. Excluding these key items, continuing operations, diluted earnings per share from continuing operations and operating income (loss) increased from fiscal 2023 to 2024 primarily due to deflationary raw materials offset by unfavorable pricing and lower volume. The decrease in continuing operations, diluted earnings per share from continuing operations and operating income (loss) from fiscal 2022 to 2023 was primarily driven by lower sales volumes from customer de-stocking, partially offset by improved pricing associated with cost inflation pricing actions and favorable selling, general and administrative expense primarily driven by lower incentive compensation. In addition, diluted earnings per share from continuing operations was also impacted by common share reductions from repurchases of Ashland common stock in the amount of $380 million in 2024, $300 million in 2023 and $200 million in

2022. These common stock repurchases reduced the number of weighted average shares from 56 million diluted shares in 2022 to 54 million diluted shares in 2023 and 50 million diluted shares in 2024.

Ashland's Adjusted EBITDA was $459 million for both 2024 and 2023 (see U.S. GAAP reconciliation under "Use of non-GAAP measures" below). Adjusted EBITDA remained consistent from fiscal 2023 to 2024 primarily due to deflationary raw materials, unfavorable product mix and favorable foreign exchange currency, offset by unfavorable pricing and lower volume in the Life Sciences segment. The $131 million decrease in Adjusted EBITDA from fiscal 2022 to 2023 was primarily driven by lower sales volumes from customer de-stocking, partially offset by improved pricing associated with cost inflation pricing actions and favorable selling, general and administrative expense primarily driven by lower incentive compensation. Adjusted Diluted EPS from Continuing Operations (non-GAAP) Excluding Intangibles Amortization Expense was also impacted by these key factors along with the impact of common share repurchases noted above.

For further information on the items reported above, see the discussion in the comparative Statements of Consolidated Comprehensive Income (Loss) caption review analysis.

Statements of Consolidated Comprehensive Income (Loss) – caption review

A comparative analysis of the Statements of Consolidated Comprehensive Income (Loss) by caption is provided as follows for the years ended September 30, 2024, 2023 and 2022.

(In millions)	2024	2023	2022	2024 change	2023 change
Sales	$ 2,113	$ 2,191	$ 2,391	$ (78)	$ (200)

The following table provides a reconciliation of the change in sales between fiscal years 2024 and 2023 and between fiscal years 2023 and 2022.

(In millions)	2024 change	2023 change
Sales change		
Volume	$ 1	$ (354)
Foreign currency exchange	2	(21)
Acquisition (Divestiture)	(3)	(3)
Price/mix	(78)	178
Change in sales	**$ (78)**	**$ (200)**

Sales for 2024 decreased $78 million, or 4%, compared to 2023 primarily from unfavorable pricing. Pricing was softer as compared to the prior year in a moderately deflationary raw material environment. CMC and MC portfolio optimization initiatives and the Nutraceuticals business sale reduced sales by approximately $30 million during the current year.

Sales for 2023 decreased $200 million, or 8%, compared to 2022. Lower sales volume of $354 million, primarily from customer de-stocking and the COVID-19 impact related to the China re-opening in the first half of fiscal 2023, and unfavorable foreign currency exchange of $21 million, were the main drivers of the decline. These declines were partially offset by favorable mix and favorable product pricing associated with cost inflation pricing actions, which increased sales by $178 million.

(In millions)	2024	2023	2022	2024 change	2023 change
Cost of sales	$ 1,495	$ 1,523	$ 1,561	$ (28)	$ (38)
Gross profit as a percent of sales	29.2 %	30.5 %	34.7 %		

Fluctuations in cost of sales are driven primarily by product line and plant optimization costs in the current year, the effects of challenges in shipping and logistics in the prior year, the impact of the COVID-19 pandemic in the prior periods, raw material prices and energy, volume and changes in product mix, currency exchange, acquisitions and divestitures and other certain charges incurred as a result of changes or events within the businesses or other restructuring activities.

The following table provides a reconciliation of the changes in cost of sales between fiscal years 2024 and 2023 and between fiscal years 2023 and 2022.

(In millions)	2024 change	2023 change
Cost of sales change		
Volume	$ 10	$ (241)
Foreign currency exchange	3	(9)
Acquisition (Divestiture)	(2)	(1)
Operating costs (plant)	17	183
Price/mix	(56)	30
Change in cost of sales	**$ (28)**	**$ (38)**

Cost of sales for 2024 decreased $28 million compared to 2023. Favorable product price/mix was the primary factor for the decrease. This decrease was partially offset by higher operating costs driven by higher unit manufacturing costs associated with decreased plant loading to produce to demand in the first half of the year, $57 million of accelerated depreciation for product line optimization activities associated with two Specialty Additives manufacturing facilities and one Personal Care manufacturing facility, $10 million of other plant optimization costs, and higher volume compared to inventory control measures in the prior year. Gross profit as a percentage of sales decreased 1.3 percentage points primarily as a result of higher operating costs including higher unit manufacturing cost and product line optimization activities.

Cost of sales for 2023 decreased $38 million compared to 2022. Lower volume primarily from customer de-stocking, including the divestiture in Specialty Additives, and unfavorable foreign currency exchange decreased cost of sales by $242 million and $9 million, respectively. This decrease was partially offset by higher operating costs, which includes costs associated with inventory control actions and inflation associated with plant manufacturing and shipping costs (as well as planned and unplanned plant shutdowns and maintenance), and higher price/mix associated with other cost inflation increased cost of sales by $183 million and $30 million, respectively. Gross profit as a percentage of sales decreased 4.2 percentage points primarily as a result of lower sales volume and higher operating costs.

(In millions)	2024	2023	2022	2024 change	2023 change
Selling, general and administrative expense	$ 404	$ 365	$ 393	$ 39	$ (28)
As a percent of sales	19.1%	16.7%	16.4%		

Selling, general and administrative expense for 2024 increased $39 million compared to 2023, while expenses as a percent of sales increased 2.4 percentage points. Key drivers of the fluctuation in selling, general and administrative expense compared to 2023 were:

- Expense of $30 million and $9 million comprised of key items for severance, lease abandonment and other restructuring costs during 2024 and 2023, respectively;
- $45 million and $54 million in net environmental-related expenses during 2024 and 2023, respectively (see Note M for more information);
- $11 million capital project impairment charge in 2024 and a $4 million impairment charge in 2023 associated with the sale of a Specialty Additives manufacturing facility;
- $12 million gain associated with ICMS Brazil tax credit in 2023;
- A $5 million charge associated with the impact of a currency devaluation in Argentina during 2024;
- A $4 million legal settlement during 2024; and

- Increases associated with the following:
  - o Higher variable compensation expense, partially offset by lower stock based compensation;
  - o Higher salary, benefits and travel expenses of $10 million; and
  - o Partially offset by favorable foreign currency exchange of $5 million.

Selling, general and administrative expense for 2023 decreased $28 million compared to 2022, while expenses as a percent of sales increased 0.3 percentage points. Key drivers of the fluctuation in selling, general and administrative expense compared to 2022 were:

- Expense of $9 million and $5 million comprised of key items for severance, lease abandonment and other restructuring costs during 2023 and 2022, respectively;
- $54 million and $53 million in net environmental-related expenses during 2023 and 2022, respectively (see Note M for more information);
- $4 million impairment charge in 2023 associated with the sale of a Specialty Additives manufacturing facility;
- $12 million gain associated with ICMS Brazil tax credit in 2023; and
- Decreases associated with the following:
  - o Lower incentive pay of $33 million;
  - o Unfavorable foreign currency exchange of $6 million; and
  - o Higher salary, benefits and travel expenses of $5 million.

(In millions)	2024	2023	2022	2024 change	2023 change
Research and development expense	$ 55	$ 51	$ 55	$ 4	$ (4)

Research and development expense increased $4 million in 2024 compared to 2023 primarily due to higher compensation costs. In 2023, the $4 million decrease compared to 2022 was primarily due to lower compensation costs.

(In millions)	2024	2023	2022	2024 change	2023 change
Intangibles amortization expense	$ 76	$ 93	$ 94	$ (17)	$ (1)

Amortization expense decreased $17 million in 2024 compared to 2023 primarily due to the impact of fully amortized intangibles in prior periods and $2 million from the impact of the held for sale treatment of the Nutraceuticals business divested during 2024, while amortization expense was primarily consistent in 2023 compared to 2022.

(In millions)	2024	2023	2022	2024 change	2023 change
Equity and other income	$ 6	$ 7	$ 3	$ (1)	$ 4

Equity and other income remained relatively consistent in 2024 compared to 2023. The $4 million increase in 2023 compared to 2022 was primarily related to the China financial cash subsidies.

(In millions)	2024	2023	2022	2024 change	2023 change
Income (loss) on acquisitions and divestitures, net	$ (115)	$ 6	$ 42	$ (121)	$ (36)

Income (loss) on acquisitions and divestitures, net during 2024 primarily relates to $107 million impairment charge and loss on sale associated with the divestiture of the Nutraceuticals business. In addition, a $7 million reserve for foreign VAT taxes was also recorded in 2024 associated with the sold Nutraceuticals legal entities. See Note B for more information.

Income (loss) on acquisitions and divestitures, net during 2023 primarily relates to a $7 million gain on the sale of excess corporate real estate.

Income (loss) on acquisitions and divestitures, net during 2022 primarily relates to a $42 million gain on the sale of excess corporate real estate.

(In millions)	2024	2023	2022	2024 change	2023 change
Net interest and other expense (income)					
Interest expense	$ 53	$ 54	$ 62	$ (1)	$ (8)
Interest income	(10)	(12)	(4)	2	(8)
Loss on the accounts receivable sale programs	6	3	1	3	2
Loss (income) from restricted investments	(75)	(42)	86	(33)	(128)
Other financing costs	2	3	4	(1)	(1)
	$ (24)	$ 6	$ 149	$ (30)	$ (143)

Net interest and other expense (income) decreased by $30 million in 2024 compared to 2023. Interest expense and interest income remained primarily consistent to the prior year. Restricted investments gains of $75 million and losses of $42 million included realized gains of $60 million compared to losses of $29 million for 2024 and 2023, respectively. See Note E for more information on the restricted investments.

Net interest and other expense (income) decreased by $143 million in 2023 compared to 2022. Interest expense decreased by $8 million primarily due to lower debt levels during 2023 compared to 2022. Interest income increased $8 million due to higher investment yields and higher cash balances. Restricted investments gains of $42 million and losses of $86 million included mark-to-market gains of $29 million compared to losses of $102 million for 2023 and 2022, respectively. See Note E for more information on the restricted investments.

(In millions)	2024	2023	2022	2024 change	2023 change
Other net periodic benefit loss (income)	$ 22	$ 6	$ (22)	$ 16	$ 28

Other net periodic benefit expense during 2024 primarily included interest cost of $16 million and a $14 million loss on pension postretirement plan remeasurements offset by expected return on plan assets of $8 million.

Other net periodic benefit income during 2023 primarily included interest cost of $15 million offset by expected return on plan assets of $7 million and a $2 million gain on pension and other postretirement plan remeasurements.

Other net periodic benefit expense during 2022 primarily included actuarial gains of $25 million and expected return on plan assets of $7 million, offset by interest cost of $10 million.

(In millions)	2024	2023	2022	2024 change	2023 change
Income tax expense (benefit)	$ (223)	$ (8)	$ 25	$ (215)	$ (33)
Effective tax rate	929 %	(5)%	12 %		

The 2024 effective tax rate was impacted by jurisdictional income mix, as well as favorable discrete items of $231 million primarily related to changes in foreign tax activity and the tax impact of the Nutraceuticals business sale.

The 2023 effective tax rate was impacted by jurisdictional income mix, as well as favorable discrete items of $49 million primarily related to uncertain tax positions.

The 2022 effective tax rate was impacted by jurisdictional income mix, as well as favorable discrete items of $15 million primarily related to uncertain tax positions and restructuring activities.

Adjusted income tax expense

Key items are defined as the financial effects from significant transactions that may have caused short-term fluctuations in net income and/or operating income (loss) which Ashland believes do not accurately reflect Ashland's underlying business performance and trends. Tax specific key items are defined as the financial effects from tax specific financial transactions, tax law changes or other matters that fall within the definition of key items as previously described. The Effective Tax Rate, Excluding Key Items, which is a non-GAAP measure, has been prepared to illustrate the ongoing tax effects of Ashland's operations. Management believes investors and analysts use this financial measure in assessing Ashland's business performance and that presenting this non-GAAP measure on a consolidated basis assists investors in better understanding Ashland's ongoing business performance and enhancing their ability to compare period-to-period financial results.

The effective tax rates during 2024, 2023 and 2022 were significantly impacted by the following tax specific key items:

- Uncertain tax position – Includes the impact from the settlement of uncertain tax positions with various tax authorities;
- Valuation allowances – Includes the impact from the release of certain foreign tax credit valuation allowances;
- Restructuring and separation activity – Includes the tax impact of the Nutraceuticals business sale and company-wide restructuring activities; and
- Other and tax reform related activity – Includes miscellaneous state and foreign statute adjustments.

The following table is a calculation of the effective tax rate, excluding the impact of these key items:

(In millions)	2024	2023	2022
Income (loss) from continuing operations before income taxes	$ (24)	$ 160	$ 206
Key items (pre-tax)[(a)]	227	21	96
Adjusted income from continuing operations before income taxes	$ 203	$ 181	$ 302
Income tax expense (benefit)	(223)	(8)	25
Income tax rate adjustments:			
Tax effect of key items[(b)]	31	1	21
Tax specific key items:[(c)]			
Uncertain tax positions	(9)	32	8
Valuation allowance	(5)	6	4
Restructuring and separation activity	115	—	(3)
Other and tax reform related activity	133	6	—
Total income tax rate adjustments	265	45	30
Adjusted income tax expense	$ 42	$ 37	$ 55
Effective tax rate	929 %	(5)%	12 %
Effective Tax Rate, Excluding Key Items (Non-GAAP)[(d)]	20 %	21 %	18 %

(a) See Adjusted EBITDA reconciliation table disclosed below in this Management, Discussion and Analysis of Financial Condition and Results of Operation for a summary of the key items, before tax.

(b) The tax rate specific to the jurisdiction in which the key item originates is used to calculate the tax effect of key items.

(c) For additional information on the effect that these tax specific key items had on EPS, see the Adjusted Diluted EPS table disclosed below in this Management Discussion and Analysis of Financial Condition and Results of Operation.

(d) Due to rounding conventions, the effective tax rate presented may not recalculate precisely based on the numbers disclosed within this table.

The following table provides a reconciliation of tax specific key items within the statutory federal income tax with the provision for income taxes summary disclosed in Note K of the Notes to Consolidated Financial Statements.

(In millions)	2024	2023	2022
Tax effect of key items computed at applicable statutory rate[(a)]	$ 31	$ 1	$ 21
Uncertain tax positions	(9)	32	8
Valuation allowance changes	(5)	6	4
Basis difference on stock sale	115	—	—
Tax law changes	49	—	—
Non US Restructuring	84	—	—
Deemed inclusions, foreign dividends and other restructuring	—	6	(3)
	$ 265	$ 45	$ 30

(a) The tax rate specific to the jurisdiction in which the key item originates is used to calculate the tax effect of key items.

(In millions)	2024	2023	2022	2024 change	2023 change
Income (loss) from discontinued operations, net of income taxes					
Performance Adhesives	$ (2)	$ 5	$ 41	$ (7)	$ (36)
Composites/Marl Facility	(2)	(1)	2	(1)	(3)
Asbestos-related litigation	(18)	(5)	(14)	(13)	9
Water Technologies	(4)	—	4	(4)	(4)
Distribution	(6)	(4)	(7)	(2)	3
Valvoline	2	15	(6)	(13)	21
Gain (loss) on disposal of discontinued operations					
Performance Adhesives	—	—	726	—	(726)
Composites/Marl facility	—	—	—	—	—
Water Technologies	—	—	—	—	—
	$ (30)	$ 10	$ 746	$ (40)	$ (736)

As a result of the divestiture of the Performance Adhesives segment during 2022 the related operating results have been reflected as discontinued operations (net of income taxes) within the Statements of Consolidated Comprehensive Income (Loss). See Note B for more information on this transaction. In 2024, 2023 and 2022, the Performance Adhesives activity represents subsequent adjustments that were made in conjunction with the post-closing disputes. In 2022, the sales and pre-tax income included in discontinued operations were $171 million and $33 million, respectively, for the Performance Adhesives segment. In 2022, a $726 million gain on disposal was recorded associated with the February 28, 2022 closing of the Performance Adhesives business segment divestiture.

Asbestos-related activity during 2024, 2023 and 2022 included after-tax net adjustments to the asbestos reserves and receivables of $18 million of expense, $5 million of expense and $14 million of expense, respectively, including the adjustments for the annual update for each of these years.

The Valvoline activity within 2024, 2023 and 2022 primarily represents subsequent adjustments that were made in conjunction with post-closing disputes and the Tax Matters Agreement.

The activity for Water Technologies and Distribution were primarily related to post-closing adjustments associated with environmental remediation reserves associated with these businesses.

See Note C for more information related to discontinued operations.

Other comprehensive income (loss)

A comparative analysis of the components of other comprehensive income (loss) is provided below for the last three fiscal years ended September 30.

(In millions)	2024	2023	2022	2024 change	2023 change
Other comprehensive income (loss), net of tax					
Unrealized translation gain (loss)	$ 54	$ 72	$ (197)	$ (18)	$ 269
Unrealized gain (loss) on commodity hedges	1	(6)	(1)	7	(5)
Pension and postretirement obligation adjustment	—	—	1	—	(1)
	$ 55	$ 66	$ (197)	$ (11)	$ 263

Total other comprehensive income (loss), net of tax, decreased $11 million in 2024 as compared to 2023 as a result of the following components:

- In 2024, the change in unrealized gain (loss) from foreign currency translation adjustments resulted in a gain of $54 million, compared to a gain of $72 million during 2023. The fluctuations in unrealized translation gains and losses were primarily due to translating foreign subsidiary financial statements from local currencies to U.S. Dollars; and
- In 2024, a $1 million unrealized gain on commodity hedges was recorded compared to a loss of $6 million during 2023. See Note E for more information.

Total other comprehensive income (loss), net of tax, increased $263 million in 2023 as compared to 2022 as a result of the following components:

- In 2023, the change in unrealized gain (loss) from foreign currency translation adjustments resulted in a gain of $72 million, compared to a loss of $197 million during 2022. The fluctuations in unrealized translation gains and losses were primarily due to translating foreign subsidiary financial statements from local currencies to U.S. Dollars;
- In 2023, a $6 million unrealized loss on commodity hedges was recorded compared to a loss of $1 million during 2022. See Note E for more information; and
- In 2022, a $1 million pension and postretirement obligation adjustment was recorded. See Note L for more information.

Use of non-GAAP measures

Ashland has included within this document the following non-GAAP measures, on both a consolidated and reportable segment basis, which are not defined within U.S. GAAP and do not purport to be alternatives to net income or cash flows from operating activities as a measure of operating performance or cash flows:

EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin

EBITDA is defined as net income, plus income tax expense (benefit), net interest and other expense (income), and depreciation and amortization. Adjusted EBITDA is EBITDA adjusted for discontinued operations and key items (including remeasurement gains and losses related to pension and other postretirement plans). Adjusted EBITDA margin is Adjusted EBITDA divided by sales.

Management believes the use of EBITDA and Adjusted EBITDA measures on a consolidated and reportable segment basis assists investors in understanding the ongoing operating performance by presenting comparable financial results between periods. Ashland believes that by removing the impact of depreciation and amortization and excluding certain non-cash charges, amounts spent on interest and taxes and certain other charges that are highly variable from year to year, EBITDA and Adjusted EBITDA provide Ashland’s investors with performance measures that reflect the impact to operations from trends in changes in sales, margin and operating expenses, providing a perspective not immediately apparent from net income and operating income (loss). The adjustments Ashland makes to derive the non-GAAP measures of EBITDA and Adjusted EBITDA exclude items which may cause short-term fluctuations in net income and operating income (loss) and which Ashland does not consider to be the fundamental attributes or primary drivers of its business. EBITDA and Adjusted EBITDA provide disclosure on the same basis as that used by Ashland’s management to evaluate financial performance on a consolidated and reportable segment basis and provide consistency in our financial reporting, facilitate internal and external comparisons of Ashland's historical operating performance and its segments and provide continuity to investors for comparability purposes.

Adjusted Diluted Earnings Per Share (EPS)

Adjusted Diluted EPS is defined as income (loss) from continuing operations, adjusted for key items, net of tax, divided by the average outstanding diluted shares for the applicable period. The Adjusted Diluted EPS metric enables Ashland to demonstrate what effect key items have on an earnings per diluted share basis by taking income (loss) from continuing operations, adjusted for key items after tax that have been identified in the Adjusted EBITDA table, and dividing by the average outstanding diluted shares for the applicable period. Ashland's management believes this presentation is helpful to illustrate how the key items have impacted this metric during the applicable period.

Adjusted Diluted Earnings Per Share (EPS) Excluding Intangibles Amortization Expense

The Adjusted Diluted EPS Excluding Intangible Amortization Expense is adjusted earnings per share adjusted for intangibles amortization expense net of tax, divided by the average outstanding diluted shares for the applicable period. The Adjusted Diluted EPS, Excluding Intangibles Amortization Expense metric enables Ashland to demonstrate the impact of non-cash intangibles amortization expense on EPS, in addition to the key items previously mentioned. Ashland's management believes this presentation is helpful to illustrate how previous acquisitions impact applicable period results.

Free Cash Flow, Ongoing Free Cash Flow and Ongoing Free Cash Flow Conversion

Free Cash Flow is defined as operating cash flows less capital expenditures while Ongoing Free Cash Flow is operating cash flows less capital expenditures and certain other adjustments as applicable. Ongoing Free Cash Flow Conversion is Ongoing Free Cash Flow divided by Adjusted EBITDA. These Free Cash Flow metrics enable Ashland to provide a better indication of the ongoing cash being generated that is ultimately available for both debt and equity holders as well as other investment opportunities. Unlike cash flow provided by operating activities, Free Cash Flow and Ongoing Free Cash Flow includes the impact of capital expenditures from continuing operations and other significant items impacting cash flow, providing a more complete picture of current and future cash generation. Free Cash Flow, Ongoing Free Cash Flow, and Free Cash Flow Conversion are non-GAAP liquidity measures that Ashland believes provide useful information to management and investors about Ashland's ability to convert Adjusted EBITDA to Ongoing Free Cash Flow. These liquidity measures are used regularly by Ashland's stakeholders and industry peers to measure the efficiency at providing cash from regular business activity. Free Cash Flow, Ongoing Free Cash Flow, and Ongoing Free Cash Flow Conversion have certain limitations, including that they do not reflect adjustments for certain non-discretionary cash flows such as mandatory debt repayments. The amount of mandatory versus discretionary expenditures can vary significantly between periods.

Other disclosures on non-GAAP measures

Although Ashland may provide forward-looking guidance for Adjusted EBITDA, Adjusted Diluted EPS and Ongoing Free Cash Flow, Ashland is not reaffirming or providing forward-looking guidance for U.S. GAAP-reported financial measures or a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP measure because it is unable to predict with reasonable certainty the ultimate outcome of certain significant items that affect these metrics such as domestic and international economic, political, legislative, regulatory and legal actions. In addition, certain economic conditions, such as recessionary trends, inflation, interest and monetary exchange rates, government fiscal policies and changes in the prices of certain key raw materials, can have a significant effect on operations and are difficult to predict with certainty.

These non-GAAP measures should be considered supplemental in nature and should not be construed as more significant than comparable measures defined by U.S. GAAP. Limitations associated with the use of these non-GAAP measures include that these measures do not present all of the amounts associated with our results as determined in accordance with U.S. GAAP. The non-GAAP measures provided are used by Ashland management and may not be determined in a manner consistent with the methodologies used by other companies. EBITDA and Adjusted EBITDA provide a supplemental presentation of Ashland's operating performance on a consolidated and reportable segment basis. Adjusted EBITDA generally includes adjustments for items that impact comparability between periods. In addition, certain financial covenants related to Ashland's 2022 Credit Agreement are based on similar non-GAAP measures and are defined further in the sections that reference this metric.

In accordance with U.S. GAAP, Ashland recognizes actuarial gains and losses for defined benefit pension and other postretirement benefit plans annually in the fourth quarter of each fiscal year and whenever a plan is determined to qualify for a remeasurement during a fiscal year. Actuarial gains and losses occur when actual experience differs from the estimates used to allocate the change in value of pension and other postretirement benefit plans to expense throughout the year or when assumptions change, as they may each year. Significant factors that can contribute to the recognition of actuarial gains and losses include changes in discount rates used to remeasure pension and other postretirement obligations on an annual basis or upon a qualifying remeasurement, differences between actual and expected returns on plan assets and other changes in actuarial assumptions, for example, the life expectancy of plan participants. Management believes Adjusted EBITDA, which includes the expected return on pension plan assets yet excludes both the actual return on pension plan assets and the impact of actuarial gains and losses, provides investors with a meaningful supplemental presentation of Ashland's operating performance (see the Adjusted EBITDA reconciliation table for additional details on exact amounts included within this non-GAAP measure related to pension and other postretirement plans). Management believes these actuarial gains and losses are primarily financing activities that are more reflective of changes in current conditions in global financial markets (and in particular interest rates) that are not directly related to the underlying business. For further information on the actuarial assumptions and plan assets referenced above, see Note L of the Notes to Consolidated Financial Statements.

EBITDA and Adjusted EBITDA

EBITDA totaled income of $142 million, $419 million and $1,342 million for 2024, 2023 and 2022, respectively. EBITDA and Adjusted EBITDA results in the following table have been prepared to illustrate the ongoing effects of Ashland's operations, which exclude certain key items previously described. Management believes the use of such non-GAAP measures on a consolidated and reportable segment basis assists investors in understanding the ongoing operating performance by presenting the financial results between periods on a more comparable basis.

These operating key items for the applicable periods are summarized as follows:

- Nutraceuticals impairment and sale – During 2024, Ashland sold substantially all of the net assets of its Nutraceuticals business. As a result, Ashland recorded an impairment charge and loss on sale within the income (loss) on acquisitions and divestitures, net caption of the Statements of Consolidated Comprehensive Income (Loss) in 2024. See Note B of the Notes to Consolidated Financial Statements for more information;
- Accelerated depreciation – As a result of product line optimization activities at two Specialty Additives manufacturing plants and a Personal Care manufacturing plant, Ashland recorded accelerated depreciation due to changes in the expected useful life of certain property, plant and equipment during 2024. See Note D of the Notes to Consolidated Financial Statements for more information;
- Environmental reserve adjustments – Ashland is subject to various federal, state and local environmental laws and regulations that require environmental assessment or remediation efforts (collectively environmental remediation) at multiple locations. As a result of these activities, Ashland recorded adjustments during each year to its environmental liabilities and receivables primarily related to previously divested businesses or non-operational sites. See Note M of the Notes to Consolidated Financial Statements for more information;
- Restructuring, separation and other costs – Ashland periodically implements company-wide and targeted cost reduction programs related to acquisitions, divestitures and other cost reduction programs in order to enhance profitability through streamlined operations and an improved overall cost structure. Ashland often incurs severance, facility and integration costs associated with these programs. See Note D in the Notes to Consolidated Financial Statements for further information on the restructuring activities;
- Asset impairments – Ashland recognized impairment charges to certain assets during 2024 and 2023. See Note D of the Notes to Consolidated Financial Statements for more information;
- Other plant optimization costs – During 2024, Ashland incurred inventory adjustment and production costs associated with product line optimization actions;

- Nutraceuticals VAT reserve – During 2024, Ashland incurred a Value-Added Tax ("VAT") reserve associated with the sale of the Nutraceuticals business;
- Argentina foreign currency devaluation – Following the enactment by the Argentina government of a 50% peso devaluation against the dollar, Ashland recorded a currency devaluation charge within the selling, general and administrative expense caption of the Statements of Consolidated Comprehensive Income (Loss) during 2024;
- Legal settlement – During 2024, Ashland incurred $4 million in costs associated with a legal settlement;
- Income on acquisitions and divestitures, net – Ashland recorded income of $6 million and $42 million during 2023 and 2022, respectively. The income was related to the pre-tax gains in connection with the sale of excess corporate property;
- ICMS Brazil tax credit – In 2017, the Federal Supreme Court of Brazil ruled in a leading case that a Brazil value-added tax (ICMS) should not be included in the base used to calculate a taxpayer's federal contribution on total revenue known as PIS/COFINS (2017 Decision). Following favorable court rulings from lawsuits previously filed by two of Ashland's Brazilian subsidiaries challenging the inclusion of ICMS in Ashland's calculation of PIS/COFINS, Ashland received acknowledgment from the Brazilian tax authorities that allows Ashland to begin the process to recover the taxes. See Note M of the Notes to Consolidated Financial Statements for more information; and
- Held for sale depreciation and amortization – Represents the depreciation and amortization for the Nutraceuticals business held for sale assets during fiscal 2024. See Note B of the Notes to Consolidated Financial Statements for more information.

Non-operating key items affecting EBITDA

During the current and prior years, there were certain key items that were not included in operating income (loss) but were excluded to arrive at Adjusted EBITDA. These non-operating key items for the applicable periods are summarized as follows:

- Gain/loss on pension and other postretirement plan remeasurements – Ashland recognized actuarial gains and losses for defined benefit pension and other postretirement benefit plans annually in the fourth quarter of each fiscal year and whenever a plan is determined to qualify for a remeasurement during a fiscal year. See Note L of the Notes to Consolidated Financial Statements for more information.

(In millions)	2024	2023	2022
Net income	$ 169	$ 178	$ 927
Income tax expense (benefit)	(223)	(8)	25
Net interest and other financing expense	(24)	6	149
Depreciation and amortization[(a)]	220	243	241
EBITDA	142	419	1,342
Income (loss) from discontinued operations, net of income taxes	30	(10)	(746)
Key items included in EBITDA:			
Nutraceuticals impairment and sale	107	—	—
Accelerated depreciation	57	—	—
Environmental reserve adjustments	45	56	53
Restructuring, separation and other costs	30	10	5
Loss (gain) on pension and other postretirement plan remeasurements[(b)]	14	(2)	(22)
Asset impairments	11	4	—
Other plant optimization costs	10	—	—
Nutraceuticals VAT reserve	7	—	—
Argentina currency devaluation impact	5	—	—
Legal settlement	4	—	—
Income on acquisitions and divestitures, net	—	(6)	(42)
ICMS Brazil tax credit	—	(12)	—
Held for sale depreciation and amortization	(3)	—	—
Total key items included in EBITDA	287	50	(6)
Adjusted EBITDA[(b)]	$ 459	$ 459	$ 590
Total key items included in EBITDA	$ 287	$ 50	$ (6)
Unrealized (gain) loss on securities	(60)	(29)	102
Total key items, before tax	$ 227	$ 21	$ 96

(a) Depreciation and amortization excludes accelerated depreciation of $2 million and $55 million for Personal Care and Specialty Additives for fiscal 2024, respectively, which is included as a key item within this table as a component of Adjusted EBITDA. Depreciation and amortization includes $3 million for Life Sciences associated with the Nutraceuticals business held for sale assets for fiscal 2024, which is included as a key item within this table as a component of Adjusted EBITDA.

(b) Includes $12 million, $12 million and $7 million during 2024, 2023 and 2022, respectively, of net periodic pension and other postretirement expense recognized ratably through the fiscal year. These expenses are comprised of service cost, interest cost, expected return on plan assets, and amortization of prior service credit and are disclosed in further detail in Note L of the Notes to Consolidated Financial Statements.

Diluted EPS and Adjusted Diluted EPS

The following table reflects the U.S. GAAP calculation for the income (loss) from continuing operations adjusted for the cumulative diluted EPS effect for key items after tax that have been identified in the Adjusted EBITDA table in the previous section. Key items are defined as the financial effects from significant transactions that may have caused short-term fluctuations in net income and/or operating income (loss) which Ashland believes do not accurately reflect Ashland’s underlying business performance and trends. The Adjusted Diluted EPS for the income (loss) from continuing operations and Adjusted Diluted EPS from Continuing Operations Excluding Intangibles Amortization Expense in the following table have been prepared to illustrate these ongoing effects on Ashland’s operations. Management believes investors and analysts use this financial measure in assessing Ashland's business performance and that presenting this non-GAAP measure on a consolidated basis assists investors in better understanding Ashland’s ongoing business performance and enhancing their ability to compare period-to-period financial results.

In addition to the operating key items previously described, additional non-operating key items for the applicable periods are summarized as follows:

- Unrealized gain on securities – represents gains recognized on restricted investments related to the Asbestos trust and Environmental trust for each period. See Note E of the Notes to Consolidated Financial Statements for more information;
- Uncertain tax positions – represents the impact from the settlement of uncertain tax positions with various tax authorities for fiscal 2024 and 2023;

- Valuation allowance – represents the impact from the release of certain foreign tax credit valuation allowances;
- Restructuring and separation activity – represents the tax impact of the held for sale classification for the Nutraceuticals business; and
- Other and tax reform related activity – represents tax specific key items associated with foreign tax related activity for fiscal 2024.

	2024	2023	2022
Diluted EPS from continuing operations (as reported)	$ 3.95	$ 3.13	$ 3.20
Key items, before tax:			
Nutraceuticals impairment and sale	2.14	—	—
Accelerated depreciation	1.14	—	—
Environmental reserve adjustments	0.90	1.04	0.95
Restructuring, separation and other costs	0.60	0.19	0.09
Loss (gain) on pension and other postretirement plan remeasurements	0.29	(0.04)	(0.40)
Asset impairments	0.22	0.08	—
Other plant optimization costs	0.20	—	—
Nutraceuticals VAT reserve	0.14	—	—
Argentina currency devaluation impact	0.10	—	—
Legal settlement	0.08	—	—
Income on acquisitions and divestitures, net	—	(0.11)	(0.75)
ICMS Brazil tax credit	—	(0.22)	—
Held for sale depreciation and amortization	(0.06)	—	—
Unrealized (gain) loss on securities	(1.20)	(0.54)	1.82
Key items, before tax	4.55	0.40	1.71
Tax effect of key items[(a)]	(0.62)	(0.02)	(0.38)
Key items, after tax	3.93	0.38	1.33
Tax specific key items:			
Uncertain tax positions	0.18	(0.60)	(0.15)
Valuation allowance	0.10	(0.12)	(0.07)
Restructuring and separation activity	(2.30)	—	0.06
Other tax reform related activity	(2.66)	(0.11)	—
Tax specific key items[(b)]	(4.68)	(0.83)	(0.16)
Total key items	(0.75)	(0.45)	1.17
Adjusted Diluted EPS from Continuing Operations (non-GAAP)	$ 3.20	$ 2.68	$ 4.37
Amortization expense adjustment (net of tax)[(c)]	1.25	1.39	1.33
Adjusted Diluted EPS from Continuing Operations (non-GAAP) Excluding Intangibles Amortization Expense	$ 4.45	$ 4.07	$ 5.70

(a) Represents the diluted EPS impact from the tax effect of the key items that are previously identified above.

(b) Represents the diluted EPS impact from tax specific financial transactions, tax law changes or other matters that fall within the definition of tax specific key items. For additional explanation of these tax specific key items, see the income tax expense (benefit) discussion within the following caption review section.

(c) Amortization expense adjustment (net of tax) tax rates were 20% for each of the years ended 2024, 2023 and 2022.

RESULTS OF OPERATIONS – REPORTABLE SEGMENT REVIEW

Ashland's reportable segments include Life Sciences, Personal Care, Specialty Additives, and Intermediates. Unallocated and Other includes corporate governance activities and certain legacy matters.

Results of Ashland’s reportable segments are presented based on its management and internal accounting structure. The structure is specific to Ashland; therefore, the financial results of Ashland’s reportable segments are not necessarily comparable with similar information for other companies. Ashland allocates all significant costs to its reportable segments except for certain significant company-wide restructuring activities, certain corporate governance costs and other costs or activities that relate to former businesses that Ashland no longer operates. The service cost component of pension and other postretirement benefits costs is allocated to each reportable segment on a ratable basis; while the remaining components of pension and other postretirement benefits costs are recorded within the other net periodic benefit loss (income) caption on the Statements of Consolidated Comprehensive Income (Loss). Ashland refines its expense allocation methodologies to the reportable segments from time to time as internal accounting practices are improved, more refined information becomes available and the industry or market changes. Significant revisions to Ashland’s methodologies are adjusted for all segments on a retrospective basis. This includes charges in prior years for indirect corporate costs previously allocated to Performance Adhesives. These costs are reflected in Unallocated and Other for all periods presented.

The following table shows sales, operating income (loss), depreciation and amortization and EBITDA by reportable segment for each of the last three years ended September 30.

(In millions)	2024	2023	2022	2024 change	2023 change
Sales					
Life Sciences	$ 810	$ 869	$ 815	$ (59)	$ 54
Personal Care	634	598	678	36	(80)
Specialty Additives	572	600	719	(28)	(119)
Intermediates	144	185	256	(41)	(71)
Intersegment sales[(a)]	(47)	(61)	(77)	14	16
	$ 2,113	$ 2,191	$ 2,391	$ (78)	$ (200)
Operating income (loss)					
Life Sciences	$ 168	$ 172	$ 155	$ (4)	$ 17
Personal Care[(b)]	73	52	102	21	(50)
Specialty Additives[(b)]	(32)	10	103	(42)	(93)
Intermediates	29	50	87	(21)	(37)
Unallocated and Other[(b)]	(264)	(112)	(114)	(152)	2
	$ (26)	$ 172	$ 333	$ (198)	$ (161)
Depreciation expense					
Life Sciences	$ 38	$ 41	$ 35	$ (3)	$ 6
Personal Care[(c)]	36	38	37	(2)	1
Specialty Additives[(d)]	111	58	63	53	(5)
Intermediates	13	13	12	—	1
Unallocated and Other	—	—	—	—	—
	$ 198	$ 150	$ 147	$ 48	$ 3
Amortization expense					
Life Sciences	$ 23	$ 28	$ 28	$ (5)	$ —
Personal Care	43	47	47	(4)	—
Specialty Additives	10	18	18	(8)	—
Intermediates	—	—	1	—	(1)
Unallocated and Other	—	—	—	—	—
	$ 76	$ 93	$ 94	$ (17)	$ (1)
EBITDA[(e)]					
Life Sciences	$ 229	$ 241	$ 218	$ (12)	$ 23
Personal Care	152	137	186	15	(49)
Specialty Additives	89	86	184	3	(98)
Intermediates	42	63	100	(21)	(37)
Unallocated and Other	(264)	(112)	(114)	(152)	2
	$ 248	$ 415	$ 574	$ (167)	$ (159)

(a) Intersegment sales from Intermediates are accounted for at prices that approximate fair value. All other intersegment sales are accounted for at cost.

(b) Includes a $99 million impairment charge and a $8 million loss on sale, both related to the divestiture of the Nutraceuticals business within the income (loss) on acquisitions and divestitures, net in 2024. Includes a capital project impairment charge of $11 million within Personal Care in 2024 and a $4 million impairment charge related to a Specialty Additives facility in 2023.

(c) Depreciation includes accelerated depreciation of $2 million for Personal Care in 2024.

(d) Depreciation includes accelerated depreciation of $55 million for Specialty Additives in 2024.

(e) Excludes income (loss) from discontinued operations and other net periodic benefit loss (income). See the Statement of Consolidated Comprehensive Income (Loss) for applicable amounts excluded.

Life Sciences

Life Sciences is comprised of pharmaceuticals, nutrition, agricultural chemicals, diagnostic films (formerly known as advanced materials) and fine chemicals. Pharmaceutical solutions include controlled release polymers, disintegrants, tablet coating, thickeners, solubilizers, and tablet binders. Nutrition solutions include thickeners, stabilizers, emulsifiers and additives for enhancing mouthfeel, controlling moisture migration, reducing oil uptake and binding structured foods. Customers include pharmaceutical, food, beverage, hospitals and radiologists and industrial manufacturers. The nutraceuticals business was sold in August 2024. See Note B of the the Notes to Consolidated Financial Statements for more information.

The following table provides a reconciliation of the change in sales for the Life Sciences operating segment between fiscal years 2024 and 2023 and between fiscal years 2023 and 2022.

(In millions)	2024 change	2023 change
Sales change		
Volume	$ (46)	$ (33)
Price/mix	(14)	95
Foreign Currency	1	(8)
	$ (59)	$ 54

The following table provides a reconciliation of the change in operating income for the Life Sciences operating segment between fiscal years 2024 and 2023 and between fiscal years 2023 and 2022.

(In millions)	2024 change	2023 change
Operating income change		
Volume	$ (20)	$ (5)
Cost	8	(73)
Price/mix	4	100
Foreign Currency	4	(5)
	$ (4)	$ 17

EBITDA and Adjusted EBITDA reconciliation

The EBITDA and Adjusted EBITDA amounts presented within this business section are provided as a means to enhance the understanding of financial measurements that Ashland has internally determined to be relevant measures of comparison for each segment. Each of these non-GAAP measures is defined as follows: EBITDA (operating income (loss) plus depreciation and amortization), Adjusted EBITDA (EBITDA adjusted for key items as applicable), and Adjusted EBITDA margin (Adjusted EBITDA divided by sales). Ashland does not allocate items to each reportable segment below operating income (loss), such as interest expense and income taxes. As a result, reportable segment EBITDA and Adjusted EBITDA are reconciled directly to operating income (loss) since it is the most directly comparable Statements of Consolidated Comprehensive Income (Loss) caption.

The following EBITDA presentation for the years ended September 30, 2024, 2023 and 2022, is provided as a means to enhance the understanding of financial measurements that Ashland has internally determined to be relevant measures of comparison for the results of Life Sciences. The key items during the year ended September 30, 2024 related to charges of $1 million for environmental reserve adjustments which is more than offset by $3 million held for sale reversal of depreciation and amortization. The key items during the year ended September 30, 2023 related to charges of $4 million for restructuring actions and $2 million for environmental reserve adjustments. Life Sciences had no key items for the year ended September 30, 2022.

(In millions)	2024	2023	2022	2024 change	2023 change
Operating income	$ 168	$ 172	$ 155	$ (4)	$ 17
Depreciation and amortization[(a)]	64	69	63	(5)	6
EBITDA	232	241	218	(9)	23
Restructuring and other costs	—	4	—	(4)	4
Environmental reserve adjustments	1	2	—	(1)	2
Held for sale depreciation and amortization	(3)	—	—	(3)	—
Adjusted EBITDA	$ 230	$ 247	$ 218	$ (17)	$ 29
Operating income as a percent of sales	20.7%	19.8%	19.0%	90 bps	80 bps
Adjusted EBITDA as a percent of sales	28.4%	28.4%	26.7%	0 bps	170 bps

(a) Depreciation and amortization includes $3 million for Life Sciences associated with the Nutraceuticals business held for sale assets for 2024 which is included as a key item within this table as a component of Adjusted EBITDA.

2024 compared to 2023

Life Sciences' sales decreased in 2024 due to lower volume and pricing, while operating income and Adjusted EBITDA decreased in 2024 due to lower volume partially offset by favorable product price/mix, deflationary raw materials, and favorable foreign currency exchange. The CMC portfolio optimization initiative and the Nutraceuticals business sale had an approximate $12 million negative sales impact during the year. Pharma and crop sales showed growth on stronger sales volumes partially offset by lower pricing.

2023 compared to 2022

Life Sciences' sales, operating income and Adjusted EBITDA increased in 2023 due to favorable price/mix actions, partially offset by higher costs associated with inflation, lower volumes and unfavorable foreign currency exchange. Life Sciences experienced a strong global demand for pharmaceutical ingredients in 2023.

Personal Care

Personal Care is comprised of biofunctionals, microbial protectants (preservatives), skin care, sun care, oral care, hair care and household solutions. These businesses have a broad range of natural, nature-derived, biodegradable, and high-performance ingredients for customer driven solutions to help protect, renew, moisturize and revitalize skin and hair, and provide solutions for toothpastes, mouth washes and rinses, denture cleaning and care for teeth. Personal Care supplies nature-derived rheology ingredients, biodegradable surface wetting agents, performance encapsulates, and specialty polymers for household, industrial and institutional cleaning products. Customers include formulators at large multinational branded consumer products companies and smaller, independent boutique companies.

The following table provides a reconciliation of the change in sales for the Personal Care operating segment between fiscal years 2024 and 2023 and between fiscal years 2023 and 2022.

(In millions)	2024 change	2023 change
Sales change		
Volume	$ 42	$ (121)
Price/mix	(6)	46
Foreign Currency	—	(5)
	$ 36	$ (80)

The following table provides a reconciliation of the change in operating income for the Personal Care operating segment between fiscal years 2024 and 2023 and between fiscal years 2023 and 2022.

(In millions)	2024 change	2023 change
Operating income change		
Volume	$ 14	$ (47)
Price/mix	10	41
Foreign Currency	4	(1)
Costs	(7)	(43)
	$ 21	$ (50)

EBITDA and Adjusted EBITDA reconciliation

The following EBITDA presentation (as defined and described in the section above) for the years ended September 30, 2024, 2023 and 2022, is provided as a means to enhance the understanding of financial measurements that Ashland has internally determined to be relevant measures of comparison for the results of Personal Care. The key items during the year ended September 30, 2024 related to $11 million from a capital project impairment charge, $2 million of accelerated depreciation and $1 million from other plant optimization costs. Personal Care had no key items for the years ended September 30, 2023 and 2022.

(In millions)	2024	2023	2022	2024 change	2023 change
Operating income	$ 73	$ 52	$ 102	$ 21	$ (50)
Depreciation and amortization[(a)]	77	85	84	(8)	1
EBITDA	150	137	186	13	(49)
Accelerated depreciation	2	—	—	2	—
Other plant optimization costs	1	—	—	1	—
Asset impairment	11	—	—	11	—
Adjusted EBITDA	$ 164	$ 137	$ 186	$ 27	$ (49)
Operating income as a percent of sales	11.5%	8.7%	15.0%	280 bps	-630 bps
Adjusted EBITDA as a percent of sales	25.9%	22.9%	27.4%	300 bps	-450 bps

(a) Depreciation and amortization excludes accelerated depreciation of $2 million for Personal Care for 2024, which is included as a key item within this table as a component of Adjusted EBITDA.

2024 compared to 2023

Personal Care's sales increased in 2024 primarily due to higher volume partially offset by unfavorable pricing. Sales growth for Personal Care reflects improved demand in most regions for skin care and hair care. Personal Care's globalization initiatives for biofunctionals and microbial protection also contributed to sales growth. As expected, oral care sales were adversely impacted by order timing with a key customer. Operating income and Adjusted EBITDA increased primarily due to higher volume, favorable product mix and foreign currency exchange, partially offset by higher cost including $11 million for a capital impairment charge and $2 million of accelerated depreciation for product line optimization activities associated with a manufacturing facility. The CMC portfolio optimization initiative had an approximate $7 million negative sales impact during the year. The performance impact for Avoca moderated near the end of the fiscal year.

2023 compared to 2022

Personal Care's sales, operating income and Adjusted EBITDA decreased in 2023 primarily due to lower volume, higher costs, and unfavorable foreign currency exchange, partially offset by favorable price/mix.

Specialty Additives

Specialty Additives is comprised of rheology- and performance-enhancing additives serving the architectural coatings, construction, energy, automotive and various industrial markets. Solutions include coatings additives for architectural paints, finishes and lacquers, cement- and gypsum- based dry mortars, ready-mixed joint compounds, synthetic plasters for commercial and residential construction, and specialty materials for industrial applications. Products include rheology modifiers (cellulosic and associative thickeners), foam control agents, surfactants and wetting agents, pH neutralizers, advanced ceramics used in catalytic converters, and environmental filters, ingredients that aid the manufacturing process of ceramic capacitors, plasma display panels and solar cells, ingredients for textile printing, thermoplastic metals and alloys for welding. Products help improve desired functional outcomes through rheology modification and control, water retention, workability, adhesive strength, binding power, film formation, deposition and suspension and emulsification. Customers include global paint manufacturers, electronics and automotive manufacturers, textile mills, the construction industry, and welders.

The following table provides a reconciliation of the change in sales for the Specialty Additives operating segment between fiscal years 2024 and 2023 and between fiscal years 2023 and 2022.

(In millions)	2024 change	2023 change
Sales change		
Price/mix	$ (32)	$ 43
Divestiture	(3)	—
Volume	6	(155)
Foreign Currency	1	(7)
	$ (28)	$ (119)

The following table provides a reconciliation of the change in operating income for the Specialty Additives operating segment between fiscal years 2024 and 2023 and between fiscal years 2023 and 2022.

(In millions)	2024 change	2023 change
Operating income change		
Costs	$ (34)	$ (71)
Price/mix	(9)	20
Divestiture	(1)	—
Volume	1	(41)
Foreign Currency	1	(1)
	$ (42)	$ (93)

EBITDA and Adjusted EBITDA reconciliation

The following EBITDA presentation (as defined and described in the section above) for the years ended September 30, 2024, 2023 and 2022 below is provided as a means to enhance the understanding of financial measurements that Ashland has internally determined to be relevant measures of comparison for the results of Specialty Additives. The key items during 2024 included a $55 million charge for accelerated depreciation, $9 million of other plant optimization costs and $1 million related to environmental reserve adjustments within Specialty Additives, respectively. The key items during 2023 included a $4 million impairment charge associated with a manufacturing facility and $4 million related to environmental reserve adjustments within Specialty Additives, respectively. The key items during 2022 included $1 million related to environmental reserve adjustments within Specialty Additives.

(In millions)	2024	2023	2022	2024 change	2023 change
Operating income (loss)	$ (32)	$ 10	$ 103	$ (42)	$ (93)
Depreciation and amortization[a]	66	76	81	(10)	(5)
EBITDA	34	86	184	(52)	(98)
Accelerated depreciation	55	—	—	55	—
Other plant optimization costs	9	—	—	9	—
Asset impairment	—	4	—	(4)	4
Environmental reserve adjustments	1	4	1	(3)	3
Adjusted EBITDA	$ 99	$ 94	$ 185	$ 5	$ (91)
Operating income as a percent of sales	-5.6%	1.7%	14.3%	-730 bps	-1260 bps
Adjusted EBITDA as a percent of sales	17.3%	15.7%	25.7%	160 bps	-1000 bps

(a) Depreciation and amortization excludes accelerated depreciation of $55 million for Specialty Additives for 2024, which is included as a key item within this table as a component of Adjusted EBITDA.

2024 compared to 2023

Specialty Additives' sales for 2024 decreased primarily due to unfavorable pricing, while operating income (loss) and Adjusted EBITDA decreased primarily due to higher costs, including $55 million of accelerated depreciation and $9 million of other costs for product line optimization activities associated with two Specialty Additives manufacturing facilities, and unfavorable price/mix partially offset by higher volume and favorable foreign currency exchange. The lower pricing was primarily in coatings with the largest impact related to China. The CMC and MC portfolio optimization initiatives had an approximate $11 million negative sales impact during the year.

2023 compared to 2022

Specialty Additives' sales, operating income (loss) and Adjusted EBITDA for 2023 decreased primarily due to lower volume, including the divestiture of a manufacturing facility, higher costs, and unfavorable foreign currency exchange, partially offset by favorable price/mix.

Intermediates

Intermediates is comprised of the production of 1,4 butanediol (BDO) and related derivatives, including n-methylpyrrolidone. These products are used as chemical intermediates in the production of engineering polymers and polyurethanes, and as specialty process solvents in a wide array of applications including electronics, pharmaceuticals, water filtration membranes and more. BDO is also supplied to Life Sciences, Personal Care, and Specialty Additives for use as a raw material.

The following table provides a reconciliation of the change in sales for the Intermediates operating segment between fiscal years 2024 and 2023 and between fiscal years 2023 and 2022.

(In millions)	2024 change	2023 change
Sales change		
Price/mix	$ (34)	$ (21)
Volume	(7)	(50)
Foreign Currency	—	—
	$ (41)	$ (71)

The following table provides a reconciliation of the change in operating income for the Intermediates operating segment between fiscal years 2024 and 2023 and between fiscal years 2023 and 2022.

(In millions)	2024 change	2023 change
Operating income change		
Price/mix	$ (27)	$ (14)
Volume	(4)	(20)
Cost	10	(2)
Foreign Currency	—	(1)
	$ (21)	$ (37)

EBITDA and Adjusted EBITDA reconciliation

The following EBITDA presentation (as defined and described in the section above) for the years ended September 30, 2024, 2023 and 2022 is provided as a means to enhance the understanding of financial measurements that Ashland has internally determined to be relevant measures of comparison for the results of Intermediates. Intermediates had no key items for the years ended September 30, 2024, 2023 and 2022.

(In millions)	2024	2023	2022	2024 change	2023 change
Operating income	$ 29	$ 50	$ 87	$ (21)	$ (37)
Depreciation and amortization	13	13	13	—	—
EBITDA	42	63	100	(21)	(37)
None	—	—	—	—	—
Adjusted EBITDA	$ 42	$ 63	$ 100	$ (21)	$ (37)
Operating income as a percent of sales	20.1 %	27.0 %	34.0 %	-690 bps	-700 bps
Adjusted EBITDA as a percent of sales	29.2 %	34.1 %	39.1 %	-490 bps	-500 bps

2024 compared to 2023

Intermediates' sales, operating income and Adjusted EBITDA for 2024 decreased primarily due to unfavorable pricing and lower volume, partially offset by lower costs.

2023 compared to 2022

Intermediates' sales, operating income and Adjusted EBITDA for 2023 decreased primarily due to lower volume, unfavorable price/mix, higher costs and unfavorable foreign currency exchange.

Unallocated and other

The following table summarizes the key components of the Unallocated and other segment's operating income (loss) for each of the last three years ended September 30.

	Unallocated and Other		
(In millions)	2024	2023	2022
Restructuring activities	$ (30)	$ (9)	$ (14)
Environmental expenses	(43)	(49)	(51)
ICMS Brazil tax credit	—	12	—
Income (loss) on acquisitions and divestitures, net	(115)	6	42
Argentina currency devaluation impact	(5)	—	—
Other expenses (primarily governance and legacy expenses)	(71)	(72)	(91)
Total expense	$ (264)	$ (112)	$ (114)

Unallocated and other recorded expense of $264 million, $112 million and $114 million for 2024, 2023 and 2022, respectively. The charges for restructuring activities of $30 million, $9 million and $14 million during 2024, 2023 and 2022, respectively, were primarily comprised of the following items:

- $30 million, $9 million and $5 million of severance, lease abandonment and other restructuring costs related to company-wide cost reduction programs during 2024, 2023 and 2022, respectively; and
- $9 million of stranded divestiture costs during 2022.

The remaining items included: $43 million, $49 million and $51 million for environmental expenses in 2024, 2023 and 2022, respectively, expense of $5 million related to the devaluation of the currency in Argentina and loss of $115 million in 2024 (including a $107 million impairment charge and loss on sale associated with the Nutraceuticals business as well as a $7 million charge related to Nutraceutical VAT reserves) compared to income of $6 million and $42 million from acquisitions and divestitures in 2023 and 2022 related to excess corporate property sales, respectively, see income (loss) on acquisitions and divestitures, net caption review above for additional details, and income of $12 million for ICMS tax credits in Brazil in 2023 (see Note M for more information).

Other expenses between periods were driven by increases and decreases in governance and legacy expenses associated with foreign currency, deferred compensation, stock compensation and incentive compensation.

FINANCIAL POSITION

Liquidity

Ashland had $300 million in cash and cash equivalents as of September 30, 2024, of which $282 million was held by foreign subsidiaries and had no significant limitations that would prohibit remitting the funds to satisfy corporate obligations. In certain circumstances, if such amounts were repatriated to the United States, additional withholding taxes might need to be accrued and paid depending on the source of the earnings remitted. Ashland currently has no plans to repatriate any amounts for which additional taxes would need to be accrued.

Ashland has taken actions and may continue to take actions intended to increase its cash position and preserve financial flexibility. At September 30, 2024, Ashland has total remaining borrowing capacity of $596 million available under the Revolving Credit Facility and foreign Accounts Receivable Securitization Facility. Ashland had no available liquidity under the U.S. and Foreign Accounts Receivable Sales Program, respectively, as of September 30, 2024. Ashland has no maturities related to revolving credit facilities or bonds until fiscal 2027.

On October 19, 2023, Ashland entered, through an Ireland based, wholly-owned, bankruptcy-remote consolidated special purpose entity (SPE), into a three-year agreement with a group of entities (buyers) to sell certain trade receivables, without recourse beyond the pledged receivables, of certain wholly-owned Ashland subsidiaries (Foreign Accounts Receivable Sales Program) primarily in Europe. Under the agreement, Ashland can transfer whole receivables up to a limit established by the buyer, which is currently set at a maximum of €125 million subject to other limitations as applicable. Ashland accounts for receivables transferred to buyers as part of this agreement as sales. See Note H for more information on the Foreign Accounts Receivables Sale Program.

During April 2024, Ashland authorized a financing program offered through JP Morgan and Taulia Alliance. Under this program, JP Morgan and its affiliates may purchase certain confirmed receivables directly from suppliers pursuant to the terms of a separate arrangement entered into between JPMorgan and such suppliers. There were no changes to Ashland's standard payment terms with its suppliers in connection with this program. Ashland provides no guarantees to the third party under this program. As of September 30, 2024, the program is in systems implementation phase and has not yet been offered to suppliers.

Ashland believes that cash flow from operations, availability under existing credit facilities and arrangements, current cash and investment balances and the ability to obtain other financing, if necessary, will provide adequate cash funds for Ashland's foreseeable working capital needs, capital expenditures at existing facilities, dividend payments and debt service obligations. Ashland's cash requirements are subject to change as business conditions warrant and opportunities arise. The timing and size of any new business ventures or acquisitions that the Company may complete may also impact its cash requirements.

Ashland's cash flows from operating, investing and financing activities, as reflected in the Statements of Consolidated Cash Flows, are summarized as follows.

(In millions)	2024	2023	2022
Cash provided (used) by:			
Operating activities from continuing operations	$ 462	$ 294	$ 193
Investing activities from continuing operations	(51)	(109)	(102)
Financing activities from continuing operations	(479)	(371)	(896)
Discontinued operations	(51)	(51)	1,252
Effect of currency exchange rate changes on cash and cash equivalents	2	8	(11)
Net increase (decrease) in cash and cash equivalents	$ (117)	$ (229)	$ 436

Ashland paid income taxes of $53 million during 2024 compared to $63 million in 2023 (of which $16 million related to discontinued operations) and $406 million in 2022 (of which $339 million related to discounted operations). Cash receipts for interest income were $10 million in 2024, $12 million in 2023, and $4 million in 2022, respectively, while cash payments for interest expense amounted to $52 million in 2024, $53 million in 2023 and $56 million in 2022.

Operating activities

The following discloses the cash flows associated with Ashland's operating activities for 2024, 2023 and 2022, respectively.

(In millions)	2024	2023	2022
Cash flows provided (used) by operating activities from continuing operations			
Net income	$ 169	$ 178	$ 927
Loss (income) from discontinued operations, net of income taxes	30	(10)	(746)
Adjustments to reconcile income from continuing operations to cash flows from operating activities			
Depreciation and amortization	274	243	241
Original issue discount and debt issuance cost amortization	6	6	7
Deferred income taxes	(302)	(32)	(35)
Gain from sales of property and equipment	—	(1)	—
Stock based compensation expense - Note O	15	22	18
Excess tax benefits on stock based compensation	—	2	1
Loss (income) from restricted investments	(74)	(43)	86
Loss (income) on acquisitions and divestitures, net - Notes B	107	(7)	(42)
Asset impairments	11	4	—
Pension contributions	(15)	(8)	(5)
Loss (gain) on pension and other postretirement plan remeasurements	14	(2)	(22)
Change in operating assets and liabilities[a]	227	(58)	(237)
Total cash flows provided by operating activities from continuing operations	$ 462	$ 294	$ 193

(a) Excludes changes resulting from operations acquired or sold.

Cash flows provided by operating activities from continuing operations, a major source of Ashland's liquidity, amounted to $462 million in 2024, $294 million in 2023 and $193 million in 2022.

Operating Activities - Operating Assets and Liabilities

The cash results during each year were primarily driven by net income, excluding discontinued operation results, adjusted for certain non-cash items including depreciation and amortization (including debt issuance cost amortization), income (loss) on acquisitions and divestitures, net as well as changes in working capital, which are fluctuations within accounts receivable, inventory, trade payables and accrued expenses.

The following details certain changes in key operating assets and liabilities for 2024, 2023 and 2022, respectively.

(In millions)	2024	2023	2022
Cash flows from assets and liabilities[a]			
Accounts receivable	$ 96	$ 58	$ (23)
Inventories	79	(7)	(141)
Trade and other payables	56	(112)	34
Other assets and liabilities	(4)	3	(107)
Change in operating assets and liabilities	$ 227	$ (58)	$ (237)

(a) Excludes changes resulting from operations acquired or sold.

Changes in net working capital accounted for inflows of $231 million in 2024, outflows of $61 million in 2023 and $130 million in 2022, and were driven by the following:

- Accounts receivable – Changes in accounts receivable resulted in inflows of $96 million and $58 million, and outflows of $23 million in 2024, 2023 and 2022, respectively. The U.S. Accounts Receivable Sales Program contributed to inflows of $1 million, outflows of $40 million, and inflows of $17 million in 2024, 2023 and 2022, respectively. The Foreign Accounts Receivable Sales Program contributed to inflows of $104 million in 2024. Sales volumes in each period and activity from the U.S. and Foreign Accounts Receivable Sales Program were the main drivers of changes between periods.
- Inventory – Changes in inventory resulted in cash inflows of $79 million in 2024, outflows of $7 million in 2023 and outflows of $141 million in 2022 and were primarily driven by inventory production levels and volumes. Additionally, 2022 was impacted by cost inflation and management efforts to rebuild inventory levels globally in response to global supply-chain challenges.
- Trade and other payables – Changes in trade and other payables resulted in cash inflows of $56 million in 2024, cash outflows of $112 million in 2023, and cash inflows of $34 million in 2022, respectively, and primarily related to the timing of certain payments, most notably incentive plan payments in 2023 for fiscal year 2022.

The remaining cash outflows of $4 million, inflows of $3 million, and outflows of $107 million in 2024, 2023 and 2022, respectively, were primarily due to income taxes paid or income tax refunds, interest paid, and adjustments to certain accruals and other long-term assets and liabilities such as payments associated with environmental remediation.

Operating Activities - Other

Operating cash flows for 2024 included income from continuing operations of $199 million and significant non-cash adjustments of $274 million for depreciation and amortization, $15 million for stock-based compensation expense, $74 million of gains from restricted investments, $14 million loss on pension and other postretirement plan remeasurements, $302 million for deferred taxes, and $107 million of loss on acquisitions and divestitures, net.

Operating cash flows for 2023 included income from continuing operations of $168 million and significant non-cash adjustments of $243 million for depreciation and amortization, $22 million for stock-based compensation expense, $43 million of gains from restricted investments, $2 million gain on pension and other postretirement plan remeasurements, $32 million for deferred taxes, and $7 million of income on acquisitions and divestitures, net.

Operating cash flows for 2022 included income from continuing operations of $181 million and significant non-cash adjustments of $241 million for depreciation and amortization, $18 million for stock-based compensation expense, $86 million of losses from restricted investments, a $22 million gain on pension and other postretirement plan remeasurements, $35 million for deferred taxes, and $42 million of income on acquisitions and divestitures, net.

Investing activities

The following discloses the cash flows associated with Ashland's investing activities for 2024, 2023 and 2022.

(In millions)	2024	2023	2022
Cash flows provided (used) by investing activities from continuing operations			
Additions to property, plant and equipment	$ (137)	$ (170)	$ (113)
Proceeds from disposal of property, plant and equipment	—	11	51
Proceeds from sale or restructuring of operations	26	—	—
Proceeds from settlement of company-owned life insurance contracts	1	6	3
Company-owned life insurance payments	(5)	(5)	(4)
Funds restricted for specific transactions	(5)	(9)	(74)
Reimbursement from restricted investments	79	58	35
Proceeds from sale of securities	53	47	87
Purchase of securities	(53)	(47)	(87)
Other investing cash flows	(10)	—	—
Total cash flows used by investing activities from continuing operations	$ (51)	$ (109)	$ (102)

Cash used by investing activities was $51 million in 2024 compared to $109 million and $102 million in 2023 and 2022, respectively. The significant cash investing activities for the current year primarily related to cash outflows of $137 million for capital expenditures, $10 million for lease asset acquisition and $5 million restricted for investment trust purposes for environmental remediation. Additionally, there were inflows of $26 million from the sale of the Nutraceuticals business and reimbursements of $79 million from the restricted renewable annual investment trusts.

The significant cash investing activities for 2023 primarily related to cash outflows of $170 million for capital expenditures and $9 million restricted for investment trust purposes for environmental remediation. Additionally, there were inflows of $11 million from the disposal of excess corporate property, which were used to provide additional funding to the environmental trust, and reimbursements of $58 million from the restricted renewable annual investment trusts.

The significant cash investing activities for 2022 primarily related to cash outflows of $113 million for capital expenditures and $74 million restricted for investment trust purposes for environmental remediation. Additionally, there were inflows of $51 million from the disposal of excess corporate property and reimbursements of $35 million from the restricted renewable annual investment trusts.

Financing activities

The following discloses the cash flows associated with Ashland's financing activities for 2024, 2023 and 2022, respectively.

(In millions)	2024	2023	2022
Cash flows provided (used) by financing activities from continuing operations			
Repayment of long-term debt	—	—	(250)
Proceeds from (repayment of) short-term debt	(16)	16	(365)
Repurchase of common stock	(380)	(300)	(200)
Debt issuance costs	—	—	(2)
Cash dividends paid	(78)	(76)	(70)
Stock based compensation employee withholding taxes paid in cash	(5)	(11)	(9)
Total cash flows used by financing activities from continuing operations	$ (479)	$ (371)	$ (896)

Cash used by financing activities was $479 million for 2024, $371 million for 2023, and $896 million for 2022. Significant cash financing activities for 2024 included outflows of $380 million for common stock repurchases, short-term debt repayment of $16 million, and cash dividends paid of $1.58 per share, for a total of $78 million. See Note N for additional information.

Significant cash financing activities for 2023 included outflows of $300 million for common stock repurchases and cash dividends paid of $1.44 per share, for a total of $76 million. See Note N for additional information.

Significant cash financing activities for 2022 included outflows of $250 million for the full prepayment of the term loan A and short-term debt repayment of $365 million. See Note H for additional information. 2022 also included cash dividends paid of $1.27 per share, for a total of $70 million and common stock repurchases of $200 million.

Cash provided (used) by discontinued operations

The following discloses the cash flows associated with Ashland's discontinued operations for 2024, 2023 and 2022, respectively.

(In millions)	2024	2023	2022
Cash provided (used) by discontinued operations			
Operating cash flows	$ (51)	$ (51)	$ (406)
Investing cash flows	—	—	1,658
Total cash provided (used) by discontinued operations	$ (51)	$ (51)	$ 1,252

Cash flows for discontinued operations in 2024, 2023 and 2022 primarily related to cash outflows of $4 million related to cash taxes paid, $39 million and $6 million related to asbestos and environmental payments, respectively, $2 million related to insurance payments partially offset by cash inflows of $2 million related to Valvoline in 2024; outflows of $16 million related to cash taxes paid partially offset by cash inflows of $15 million related to Valvoline in 2023; inflows of $1.3 billion (which includes net proceeds from the completed sale of the Performance Adhesives business segment of $1.7 billion in 2022) related to the divestiture of the Performance Adhesives business segment including $339 million in cash tax payments associated with the transaction in 2022. The remaining cash flows for discontinued operations for these years related to other previously divested businesses, including net payments of asbestos and environmental liabilities related to those divested businesses.

Free Cash Flow and other liquidity resources

The following represents Ashland's calculation of Free Cash Flow and Ongoing Free Cash Flow for the disclosed periods. Free Cash Flow does not reflect adjustments for certain non-discretionary cash flows such as mandatory debt repayments.

	September 30		
(In millions)	2024	2023	2022
Total cash flows provided by operating activities from continuing operations	$ 462	$ 294	$ 193
Less:			
Additions to property, plant and equipment	(137)	(170)	(113)
Free Cash Flow	325	124	80
Cash (inflows) outflows from U.S. Accounts Receivable Sales Program[(a)]	(1)	40	(17)
Cash (inflows) outflows from Foreign Accounts Receivable Sales Program[(b)]	(104)	—	—
Restructuring-related payments[(c)]	14	8	10
Environmental and related litigation payments[(d)]	36	45	54
Ongoing Free Cash Flow	$ 270	$ 217	$ 127
Net Income	169	178	927
Adjusted EBITDA[(e)]	459	459	590
Operating Cash Flow Conversion[(f)]	273 %	165 %	21 %
Ongoing Free Cash Flow Conversion[(g)]	59 %	47 %	22 %

(a) Represents activity associated with the U.S. Accounts Receivable Sales Program impacting each period presented.
(b) Represents activity associated with the Foreign Accounts Receivable Sales Program impacting each period presented.
(c) Restructuring payments incurred during each period.
(d) Represents cash outflows associated with environmental and related litigation payments which will be reimbursed by the environmental trust.
(e) See Adjusted EBITDA reconciliation.
(f) Operating Cash Flow Conversion is defined as Cash flows provided by operating activities from continuing operations divided by Net income.
(g) Ongoing Free Cash Flow Conversion is defined as Ongoing Free Cash Flow divided by Adjusted EBITDA.

Working capital (current assets minus current liabilities, excluding long-term debt due within one year) amounted to $705 million and $1,050 million as of September 30, 2024 and September 30, 2023, respectively. The $345 million decrease in working capital was driven by a reduction in cash and cash equivalents, primarily associated with repurchases of common stock and lower trade working capital (accounts receivable and inventories minus trade and other payables and accrued expenses and other liabilities), including sales of foreign accounts receivables under the new Foreign Accounts Receivable Sales Program, partially offset by an increase in refundable income taxes. The $53 million increase in Ongoing Free Cash Flows between periods was primarily a result of reduced trade working capital compared to the prior year. Liquid assets (cash, cash equivalents and accounts receivable) amounted to 111% and 166% of current liabilities (excluding current liabilities held for sale) as of September 30, 2024 and September 30, 2023, respectively.

The following summary reflects Ashland's cash, investment securities and unused borrowing capacity as of September 30, 2024, 2023 and 2022.

	September 30		
(In millions)	2024	2023	2022
Cash and investment securities			
Cash and cash equivalents	$ 300	$ 417	$ 646
Restricted investments[(a)]	368	367	374
Unused borrowing capacity			
Revolving credit facility	$ 596	$ 594	$ 581
2018 accounts receivable securitization (foreign)	NA	104	99
U.S Accounts Receivable Sales Program	—	—	—
Foreign Accounts Receivable Sales Program	—	—	—

(a) Includes $248 million, $243 million and $245 million related to the Asbestos trust and $120 million, $124 million and $129 million related to the Environmental trust as of September 30, 2024, 2023 and 2022 respectively.

The borrowing capacity remaining under the 2022 Credit Agreement was $596 million, which reflects the full $600 million Revolving Credit Facility less a reduction of $4 million for letters of credit outstanding at September 30, 2024. In total, Ashland's available liquidity position, which includes cash, the revolving credit facility, and accounts receivable securitization facilities, was $896 million at September 30, 2024 as compared to $1,115 million at September 30, 2023 and $1,326 million at September 30, 2022. Ashland had zero available liquidity under the U.S. and Foreign Accounts Receivable Sales Program, respectively, as of September 30, 2024. Ashland also maintained $368 million of restricted investments to pay for future asbestos claims and environmental remediation and related litigation.

Capital resources

Debt

The following summary reflects Ashland's debt as of September 30, 2024 and 2023.

	September 30	
(In millions)	2024	2023
Short-term debt	$ —	$ 16
Long-term debt (less debt issuance cost discounts)[(a)]	1,349	1,314
Total debt	$ 1,349	$ 1,330

(a) Includes $12 million and $13 million of debt issuance cost discounts as of September 30, 2024 and 2023, respectively. The current portion of long-term debt was zero for both September 30, 2024 and 2023.

Ashland continues to maintain the 2022 Credit Agreement which provides for a $600 million five-year revolving credit facility. Proceeds of borrowings under the 2022 Revolving Credit Facility provide ongoing working capital and are used for other general corporate purposes.

Debt as a percent of capital employed was 32% at September 30, 2024 and 30% at September 30, 2023. At September 30, 2024, Ashland's total debt had an outstanding principal balance of $1,390 million, discounts of $29 million and debt issuance costs of $12 million. Ashland had no long-term debt (excluding debt issuance costs) maturing within the next 2 years, $4 million due in fiscal 2027 and $558 million due in fiscal 2028.

Credit Agreements and Refinancing

2022 Credit Agreement

During July 2022, Ashland, through two of its subsidiaries, enacted an amendment to the 2020 credit agreement. The amended credit agreement (the 2022 Credit Agreement) provides for a $600 million five-year revolving credit facility (the 2022 Revolving Credit Facility). The 2022 Credit Agreement and the obligations of Ashland Services B.V. under the 2022 Revolving Credit Facility are guaranteed by Ashland.

At Ashland's option, loans issued under the 2022 Credit Agreement will bear interest at (a) in the case of loans denominated in U.S. dollars, either Term SOFR or an alternate base rate and (b) in the case of loans denominated in Euros, EURIBOR, in each case plus the applicable interest rate margin. Loans will initially bear interest at Term SOFR or EURIBOR plus 1.250% per annum, in the case of Term SOFR borrowings or EURIBOR borrowings, respectively, or at the alternate base rate plus 0.250% per annum, in the case of alternate base rate borrowings, through and including the date of delivery of a quarterly compliance certificate and thereafter the interest rate will fluctuate between Term SOFR or EURIBOR plus 1.250% per annum and Term SOFR or EURIBOR plus 1.750% per annum (or between the alternate base rate plus 0.250% per annum and the alternate base rate plus 0.750% per annum), based upon the Consolidated Net Leverage Ratio (as defined in the 2022 Credit Agreement) at such time. Term SOFR borrowings are subject to a credit spread adjustment of 0.10% per annum. In addition, the Company will initially be required to pay fees of 0.125% per annum on the daily unused amount of the 2022 Revolving Credit Facility through and including the date of delivery of a quarterly compliance certificate, and thereafter the fee rate will fluctuate between 0.125% and 0.275% per annum, based upon the Consolidated Net Leverage Ratio. Borrowings under the 2022 Credit Agreement may be prepaid at any time without premiums.

As a result of the amendment of the 2020 Credit Agreement, Ashland recognized a $1 million charge for accelerated amortization of previously capitalized debt issuance costs during 2022, which is included in the net interest and other expense (income) caption of the Statements of Consolidated Comprehensive Income (Loss). Ashland also incurred $2 million of new debt issuance costs in connection with the 2022 Credit Agreement, of which $1 million was expensed immediately during 2022 within the net interest and other expense (income) caption of the Statements of Consolidated Comprehensive Income (Loss). The remaining balance is amortized using the straight-line method.

The 2022 Credit Agreement contains financial covenants for leverage and interest coverage ratios akin to those in effect under the 2020 Credit Agreement. The 2022 Credit Agreement contains usual and customary representations, warranties and affirmative and negative covenants, including financial covenants for leverage and interest coverage ratios, limitations on liens, additional indebtedness, further negative pledges, investments, mergers, sale of assets and restricted payments, and other customary limitations.

Debt repayments and repurchases

Cash repatriation

During 2024 and 2023, Ashland repatriated approximately $305 million and $92 million, respectively, in cash.

2022 Debt repayments and repurchases

2020 Credit Agreement

During 2022, Ashland prepaid its Term loan A principal balance of $250 million.

Other Debt

During 2022, Ashland repaid the outstanding balance on its European short-term loan facility for $23 million.

Accounts receivable facilities and off-balance sheet arrangements

U.S. accounts receivable sales program

On March 17, 2021, a wholly-owned, bankruptcy-remote special purpose entity and consolidated Ashland subsidiary (SPE) entered into an agreement with a group of entities (buyers) to sell certain trade receivables, without recourse beyond the pledged receivables, of two other U.S. based Ashland subsidiaries. On April 14, 2023, Ashland entered into Second and Third Amendments associated with this current program, whereby the scheduled termination date was extended to April 14, 2025 and the buyer's limits were reduced to allow for transfer of whole receivables up to a limit set at $115 million between February and October of each year and up to $100 million all other times. On September 13, 2024, Ashland entered into a Fourth Amendment associated with this current program, whereby the scheduled termination date was extended to September 11, 2026 and the buyer's limits were reduced to allow for transfer of whole receivables up to a limit set at $80 million between September 13, 2024 to (and including) December 31, 2024 and up to $70 million from January 1, 2025 through the termination date of the agreement. Ashland’s continuing involvement is limited to servicing the receivables, including billing, collections and remittance of payments to the buyers as well as a limited guarantee on over-collateralization.

Ashland determined that any receivables transferred under this agreement are put presumptively beyond the reach of Ashland and its creditors, even in bankruptcy or other receivership. Ashland received a true sale at law and non-consolidation opinions to support the legal isolation of these receivables. Ashland accounts for the receivables transferred to buyers as sales. Ashland recognizes any gains or losses based on the excess of proceeds received net of buyer’s discounts and fees compared to the carrying value of the assets. Proceeds received, net of buyer’s discounts and fees, are recorded within the operating activities of the Statements of Consolidated Cash Flows. Losses on sale of assets, including related transaction expenses are recorded within the net interest and other expense (income) caption of the Statements of Consolidated Comprehensive Income (Loss). Ashland regularly assesses its servicing obligations and records them as assets or liabilities when appropriate. Ashland also monitors its obligation with regards to the limited guarantee and records the resulting guarantee liability when warranted. When applicable, Ashland discloses the amount of the receivable that serves as over-collateralization as a restricted asset.

Ashland recognized a $3 million, a $3 million and a $1 million loss within the Statements of Consolidated Comprehensive Income (Loss) for 2024, 2023 and 2022, respectively, within the net interest and other expense (income) caption associated with sales under the program. Ashland has recorded $71 million of sales against the buyer’s limit, which was $71 million at September 30, 2024, compared to $86 million of sales against the buyer's limit, which was $86 million at September 30, 2023. Ashland transferred $85 million and $106 million in receivables to the SPE as of September 30, 2024 and 2023, respectively. Ashland recorded liabilities related to its service obligations and limited guarantee as of September 30, 2024 and 2023 of less than $1 million. As of September 30, 2024 and 2023, the year-to-date gross cash proceeds received for receivables transferred and derecognized were $323 million and $217 million, respectively, of which $322 million and $241 million were collected by Ashland in our capacity as a servicer of the receivables and remitted to the buyer. The difference between receivables transferred and derecognized versus collected of $1 million and $24 million for the periods ended September 30, 2024 and 2023, respectively, represents the impact of a net increase and a net reduction in account receivable sales volume during each year.

2018 foreign accounts receivable securitization

In October 2023, Ashland terminated its 2018 Foreign Accounts Receivable Securitization Facility. The program had no outstanding borrowings at its termination. This program did not meet criteria for sale accounting and was reported as secured borrowing under ASC 860. At September 30, 2023, the outstanding amount of accounts receivable transferred by Ashland to the purchaser was $124 million. The weighted-average interest rate for this instrument was 0.5% for 2023.

Foreign Accounts Receivable Sales Program

On October 19, 2023, Ashland entered, through an Ireland based, wholly-owned, bankruptcy-remote consolidated special purpose entity (the "SPE"), into a three-year agreement with a group of entities (buyers) to sell certain trade receivables, without recourse beyond the pledged receivables, of certain wholly-owned Ashland subsidiaries (Foreign Accounts Receivable Sales Program) primarily in Europe. Under the agreement, Ashland can transfer whole receivables up to a limit established by the buyer, which is currently set at €125 million. Ashland’s continuing involvement is limited to servicing the receivables, including billing, collections and remittance of payments to the buyers as well as a limited guarantee on over-collateralization.

Ashland determined that any receivables transferred under this agreement are put presumptively beyond the reach of Ashland and its creditors, even in bankruptcy or other receivership. Ashland received true sale at law and non-consolidation opinions from independent qualified legal advisors in the jurisdiction of each originating subsidiary to support the legal isolation of these receivables. Consequently, Ashland accounts for receivables transferred to buyers as part of this agreement as sales.

Through September 30, 2024, Ashland has sold $104 million in receivables under this agreement. Accordingly, Ashland recognized a loss of $3 million within the net interest and other expense (income) caption of the Statements of Consolidated Income (Loss) for the twelve months ended September 30, 2024. Ashland recorded $104 million in sales and gross proceeds received against the buyer's limit, which was $104 million at September 30, 2024. Ashland transferred $155 million in receivables to the SPE as of September 30, 2024. Ashland recorded less than $1 million in liabilities related to its service obligations and limited guarantee as of September 30, 2024.

Supply Chain Finance Program

During April 2024, Ashland authorized a financing program offered through JP Morgan and Taulia Alliance. Under this program, JP Morgan and its affiliates may purchase certain confirmed receivables directly from suppliers pursuant to the terms of a separate arrangement entered into between JPMorgan and such Suppliers. There were no changes to Ashland's standard payment terms with its suppliers in connection with this program. Ashland provides no guarantees to JP Morgan under this program. As of September 30, 2024, the program has not yet been offered to suppliers for utilization.

Other debt

At September 30, 2024 and 2023, Ashland held other debt totaling $71 million and $83 million, respectively, comprised primarily of the 6.50% notes due 2029 and other notes.

Available borrowing capacity and liquidity

The borrowing capacity remaining under the $600 million 2022 Revolving Credit Facility was $596 million due to a reduction of $4 million for letters of credit outstanding at September 30, 2024. Ashland's total borrowing capacity at September 30, 2024 was $596 million.

Additionally, Ashland has no available liquidity under its current U.S. and Foreign Accounts Receivable Sales Program.

Covenants related to current Ashland debt agreements

Ashland’s debt contains usual and customary representations, warranties and affirmative and negative covenants, including financial covenants for leverage and interest coverage ratios, limitations on liens, additional subsidiary indebtedness, restrictions on subsidiary distributions, investments, mergers, sale of assets and restricted payments and other customary limitations. As of September 30, 2024, Ashland was in compliance with all debt agreement covenant restrictions.

The maximum consolidated net leverage ratio permitted under the 2022 Credit Agreement is 4.0. The 2022 Credit Agreement defines the consolidated net leverage ratio as the ratio of consolidated indebtedness minus unrestricted cash and cash equivalents to consolidated EBITDA (Covenant Adjusted EBITDA) for any measurement period. In general, the 2022 Credit Agreement defines Covenant Adjusted EBITDA as net income plus consolidated interest charges, taxes, depreciation and amortization expense, fees and expenses related to capital market transactions and proposed or actual acquisitions and divestitures, restructuring and integration charges, certain environmental charges, non-cash stock and equity compensation expense, and any other nonrecurring expenses or losses that do not represent a cash item in such period or any future period; less any non-cash gains or other items increasing net income. The computation of Covenant Adjusted EBITDA differs from the calculation of EBITDA and Adjusted EBITDA, which have been reconciled in the "Use of non-GAAP measures" section. In general, consolidated indebtedness includes debt plus all purchase money indebtedness, banker’s acceptances and bank guaranties, deferred purchase price of property or services, attributable indebtedness and guarantees. At September 30, 2024, Ashland’s calculation of the consolidated net leverage ratio was 2.3.

The minimum required consolidated interest coverage ratio under the 2022 Credit Agreement is 3.0. The 2022 Credit Agreement defines the consolidated interest coverage ratio as the ratio of Covenant Adjusted EBITDA to consolidated interest charges for any measurement period. At September 30, 2024, Ashland’s calculation of the consolidated interest coverage ratio was 7.8.

Any change in Covenant Adjusted EBITDA of $100 million would have an approximate 0.4x effect on the consolidated net leverage ratio and a 1.7x effect on the consolidated interest coverage ratio. Any change in consolidated indebtedness of $100 million would affect the consolidated net leverage ratio by approximately 0.2x.

Ashland credit ratings

Ashland's corporate credit ratings remained unchanged at BB+ by Standard & Poor's and Ba1 by Moody's Investor Services. As of September 30, 2024, both Moody's Investor Services and Standard & Poor's outlook remained at stable. Subsequent changes to these ratings or outlook may have an effect on Ashland's borrowing rate or ability to access capital markets in the future.

Additional capital resources

Ashland cash projection

Ashland believes that cash flow from operations, availability under existing credit facilities and arrangements, current cash and investment balances and the ability to obtain other financing, if necessary, will provide adequate cash funds for the Company's foreseeable working capital needs, capital expenditures at existing facilities, pending acquisitions, dividend payments and debt service obligations. The Company's cash requirements are subject to change as business conditions warrant and opportunities arise. The timing and size of any new business ventures or acquisitions that the Company may complete may also impact its cash requirements.

Ashland expects the following material cash funding requirements from known contractual obligations at September 30, 2024:

(In millions)	Total	Less than 1 year	More than 1 year
Material Cash Funding Requirements Contractual obligations			
Raw material and service contract purchase obligations[(a)]	$ 224	$ 69	$ 155
Employee benefit obligations[(b)]	70	14	56
Operating lease obligations[(c)]	159	23	136
Interest payments[(d)]	553	58	495
Unrecognized tax benefits[(e)]	65	2	63
One-time transition tax[(f)]	29	13	16
Total contractual obligations	$ 1,100	$ 179	$ 921
Other commitments			
Letters of credit[(g)]	$ 47	$ 47	$ —

(a) Includes raw material and service contracts where minimal committed quantities and prices are fixed.
(b) Includes estimated funding of Ashland's qualified U.S. and non-U.S. pension plans for 2024 as well as projected benefit payments through 2031 under Ashland's unfunded pension and other postretirement benefit plans. Excludes the benefit payments from the pension plan trust funds. See Note L of the Notes to Consolidated Financial Statements for additional information.
(c) Includes leases for office buildings, transportation equipment, warehouses and storage facilities and other equipment. For further information, see Note J of the Notes to Consolidated Financial Statements.
(d) Includes interest expense on both variable and fixed rate debt assuming no prepayments. Variable interest rates have been assumed to remain constant through the end of the term at rates that existed as of September 30, 2024.
(e) Due to uncertainties in the timing of the effective settlement of tax positions with respect to taxing authorities, Ashland is unable to determine the timing of payments related to noncurrent unrecognized tax benefits, including interest and penalties. Therefore, these amounts were included in the "More than 1 year" column.
(f) As a result of the Tax Act enacted during fiscal year 2017, Ashland has currently recorded a $29 million liability for the one-time transition tax. This liability will be payable over two years.
(g) Ashland issues various types of letters of credit as part of its normal course of business.

Total Equity

Total equity was $2,868 million and $3,097 million at September 30, 2024 and September 30, 2023, respectively. During 2024, there were increases of $169 million for net income, $54 million for deferred translation gains, $9 million for common shares issued under stock incentive plans, and $1 million increase for unrealized gains on commodity hedges. The increases were more than offset by decreases of $79 million for dividends paid during 2024, and $383 million for repurchases of common stock (which includes $3 million in excise tax on stock repurchases).

2023 Stock repurchase program

On June 28, 2023, Ashland's board of directors authorized a new evergreen $1 billion common share repurchase program ("2023 Stock Repurchase Program"). The new authorization terminated and replaced the 2022 Stock Repurchase Program, which had $200 million outstanding at the date of termination. In 2022, the 2022 Stock Repurchase Program replaced and terminated the 2018 $1 billion share repurchase program, which had $150 million outstanding at its date of termination on May 22, 2022. As of September 30, 2024, $620 million remained available for repurchase under the 2023 Repurchase Program.

The following table provides the stock repurchase activity for fiscal years 2024, 2023, and 2022:

(In millions, except per share amounts)	2024		2023		2022	
Number of shares repurchased		4.30		3.10		2.85
Weighted-average price per share[(a)]	$	88.70	$	97.33	$	70.09
Aggregate purchase price[(a)]	$	380	$	300	$	200
Program	2023 Stock Repurchase Program		2022 Stock Repurchase Program		2018 Stock Repurchase Program	

(a) Includes transactions costs.

Stockholder dividends

Ashland paid dividends per common share of $1.58, $1.44 and $1.27 during 2024, 2023 and 2022, respectively.

In May 2024, the Board of Directors of Ashland announced a quarterly cash dividend of 40.5 cents per share to eligible stockholders at record, which represented an increase from the previous quarterly cash dividend of 38.5 cents per share. The dividend was paid in the third and fourth quarter of fiscal 2024.

In May 2023, the Board of Directors of Ashland announced a quarterly cash dividend of 38.5 cents per share to eligible stockholders at record, which represented an increase from the previous quarterly cash dividend of 33.5 cents per share. The dividend was paid in the third and fourth quarter of fiscal 2023.

In May 2022, the Board of Directors of Ashland announced a quarterly cash dividend of 33.5 cents per share to eligible stockholders at record, which represented an increase from the previous quarterly cash dividend of 30.0 cents per share. This dividend was paid in the third and fourth quarters of fiscal 2022 and the first and second quarters of fiscal 2023.

In May 2021, the Board of Directors of Ashland announced a quarterly cash dividend of 30.0 cents per share to eligible stockholders at record, which represented an increase from the previous quarterly cash dividend of 27.5 cents per share. This dividend was paid in the third and fourth quarters of fiscal 2021 and the first and second quarters of fiscal 2022.

Capital expenditures

Capital expenditures were $137 million for 2024 and averaged $140 million during the last three years. Ashland expects capital expenditures over the next three years to average approximately $123 million per year. A summary of capital expenditures by reportable segment during 2024, 2023 and 2022 follow.

(In millions)	2024		2023		2022	
Life Sciences	$	61	$	46	$	28
Personal Care		11		20		14
Specialty Additives		61		99		61
Intermediates		2		3		7
Unallocated and Other		2		2		3
Total capital expenditures	$	137	$	170	$	113

A summary of the capital employed in Ashland's current operations, which is calculated by adding equity to capital investment, as of the end of the last two years is as follows.

(In millions)	2024	2023
Capital employed[(a)]		
Life Sciences	$ 1,696	$ 1,807
Personal Care	882	943
Specialty Additives	1,351	1,421
Intermediates	101	116

(a) Excludes the assets and liabilities classified within unallocated and other which primarily includes debt and other long-term liabilities such as asbestos and pension. The net liability in unallocated and other was $1,162 million and $1,190 million as of September 30, 2024 and 2023, respectively.

OFF-BALANCE SHEET ARRANGEMENTS

As part of its normal course of business, Ashland is a party to various financial guarantees and other commitments. These arrangements involve elements of performance and credit risk that are not included in the Consolidated Balance Sheets. The possibility that Ashland would have to make actual cash expenditures in connection with these obligations is largely dependent on the performance of the guaranteed party, or the occurrence of future events that Ashland is unable to predict. The fair value of these guarantees is not significant.

NEW ACCOUNTING PRONOUNCEMENTS

For a discussion and analysis of recently issued accounting pronouncements and its impact on Ashland, see Note A of the Notes to Consolidated Financial Statements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of Ashland's Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, sales and expenses, and the disclosures of contingent assets and liabilities. Significant items that are subject to such estimates and assumptions include, but are not limited to, environmental remediation, asbestos litigation, the accounting for goodwill and other intangible assets and income taxes. Although management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results could differ significantly from the estimates under different assumptions or conditions. Management has reviewed the estimates affecting these items with the Audit Committee of Ashland's Board of Directors.

Environmental remediation and asset retirement obligations

Ashland is subject to various federal, state and local environmental laws and regulations that require environmental assessment or remediation efforts (collectively environmental remediation) at multiple locations. At September 30, 2024, such locations included 53 sites where Ashland has been identified as a potentially responsible party under Superfund or similar state laws, 108 current and former operating facilities and about 1,225 service station properties, of which 14 are being actively remediated. See Note N of the Notes to Consolidated Financial Statements for additional information.

Ashland's reserves for environmental remediation and related environmental litigation amounted to $221 million at September 30, 2024 compared to $214 million at September 30, 2023 of which $164 million at September 30, 2024 and $165 million at September 30, 2023 were classified in other noncurrent liabilities on the Consolidated Balance Sheets. The remaining reserves were classified in accrued expenses and other liabilities on the Consolidated Balance Sheets.

The total reserves for environmental remediation reflect Ashland's estimates of the most likely costs that will be incurred over an extended period to remediate identified conditions for which the costs are reasonably estimable, without regard to any third-party recoveries. Engineering studies, historical experience and other factors are used to identify and evaluate remediation alternatives and their related costs in determining the estimated reserves for environmental remediation. Ashland regularly adjusts its reserves as environmental remediation continues. Ashland has estimated the value of its probable insurance recoveries associated with its environmental reserve based on management's interpretations and estimates surrounding the available or applicable insurance coverage. At September 30, 2024 and 2023, Ashland's recorded receivable for these probable insurance recoveries was $13 million and $17 million, respectively, of which $11 million and $15 million was classified in other noncurrent assets in the respective Consolidated Balance Sheets.

During 2024, 2023 and 2022, Ashland recognized $54 million, $56 million and $66 million of expense, respectively, for certain environmental liabilities related to normal ongoing remediation cost estimate updates for sites, which is consistent with Ashland's historical environmental accounting policy.

Environmental remediation reserves are subject to uncertainties that affect Ashland's ability to estimate its share of the costs. Such uncertainties involve the nature and extent of contamination at each site and the extent of required cleanup efforts under existing environmental regulations. Although it is not possible to predict with certainty the ultimate costs of environmental remediation, Ashland currently estimates that the upper end of the reasonably possible range of future costs for identified sites could be as high as approximately $485 million. The largest reserve for any site is 21% of the remediation reserve as of September 30, 2024.

Asbestos litigation

Ashland and Hercules have liabilities from claims alleging personal injury caused by exposure to asbestos. To assist in developing and annually updating independent reserve estimates for future asbestos claims and related costs, Ashland has retained third party actuarial experts Gnarus Advisors, LLC ("Gnarus"). The methodology used by Gnarus to project future asbestos costs is based largely on recent experience, including claim-filing and settlement rates, disease mix, open claims and litigation defense. The claim experience of Ashland and Hercules are separately compared to the results of previously conducted third party epidemiological studies estimating the number of people likely to develop asbestos-related diseases. Those studies were undertaken in connection with national analyses of the population expected to have been exposed to asbestos. Using that information, Gnarus estimates a range of the number of future claims that may be filed, as well as the related costs that may be incurred in resolving those claims. Changes in asbestos-related liabilities and receivables are recorded on an after-tax basis within the discontinued operations caption in the Statements of Consolidated Comprehensive Income (Loss). See Note M of the Notes to Consolidated Financial Statements for additional information.

Ashland asbestos-related litigation

The claims alleging personal injury caused by exposure to asbestos asserted against Ashland result primarily from indemnification obligations undertaken in 1990 in connection with the sale of Riley, a former subsidiary. The amount and timing of settlements and number of open claims can fluctuate from period to period.

Ashland asbestos-related liability

From the range of estimates, Ashland records the amount it believes to be the best estimate of future payments for litigation defense and claim settlement costs. Ashland reviews this estimate and related assumptions quarterly and annually updates the results of a non-inflated, non-discounted approximate 40-year model developed with the assistance of Gnarus.

During the most recent update completed during 2024, it was determined that the liability for Ashland asbestos-related claims should be increased by $24 million. Total reserves for asbestos claims were $274 million at September 30, 2024 compared to $281 million at September 30, 2023.

Ashland asbestos-related receivables

Ashland has insurance coverage for certain litigation defense and claim settlement costs incurred in connection with its asbestos claims, and coverage-in-place agreements exist with the insurance companies that provide substantially all of the coverage that will be accessed.

For the Ashland asbestos-related obligations, Ashland has estimated the value of probable insurance recoveries associated with its asbestos reserve based on management's interpretations and estimates surrounding the available or applicable insurance coverage, including an assumption that all solvent insurance carriers remain solvent. Substantially all of the estimated receivables from insurance companies are expected to be due from domestic insurers, all of which are solvent.

At September 30, 2024, Ashland’s receivable for recoveries of litigation defense and claim settlement costs from insurers amounted to $97 million (excluding the Hercules receivable for asbestos claims). Receivables from insurers amounted to $95 million at September 30, 2023. During 2024, the annual update of the model used for purposes of valuing the asbestos reserve and its impact on valuation of future recoveries from insurers, was completed. This model update resulted in a $11 million increase in the receivable for probable insurance recoveries.

Hercules asbestos-related litigation

Hercules has liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims typically arise from alleged exposure to asbestos fibers from resin encapsulated pipe and tank products which were sold by one of Hercules’ former subsidiaries to a limited industrial market. The amount and timing of settlements and number of open claims can fluctuate from period to period.

Hercules asbestos-related liability

From the range of estimates, Ashland records the amount it believes to be the best estimate of future payments for litigation defense and claim settlement costs. Ashland reviews this estimate and related assumptions quarterly and annually updates the results of a non-inflated, non-discounted approximate 40-year model developed with the assistance of Gnarus. As a result of the most recent annual update of this estimate completed during 2024, it was determined that the liability for Hercules asbestos-related claims should be increased by $14 million. Total reserves for asbestos claims were $185 million at September 30, 2024 compared to $191 million at September 30, 2023.

Hercules asbestos-related receivables

For the Hercules asbestos-related obligations, certain reimbursement obligations pursuant to coverage-in-place agreements with insurance carriers exist. As a result, any increases in the asbestos reserve have been partially offset by probable insurance recoveries. Ashland has estimated the value of probable insurance recoveries associated with its asbestos reserve based on management’s interpretations and estimates surrounding the available or applicable insurance coverage, including an assumption that all solvent insurance carriers remain solvent. The estimated receivable consists exclusively of solvent domestic insurers.

As of September 30, 2024 and 2023, the receivables from insurers amounted to $50 million and $47 million, respectively. During 2024, the annual update of the model used for purposes of valuing the asbestos reserve and its impact on valuation of future recoveries from insurers was completed. This model update resulted in a $6 million increase in the receivable for probable insurance recoveries.

Asbestos litigation cost projection

Projecting future asbestos costs is subject to numerous variables that are difficult to predict. In addition to the uncertainties surrounding the number of claims that might be received, other variables include the type and severity of the disease alleged by each claimant and the related costs incurred in resolving those claims, mortality rates, dismissal rates, uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case. Furthermore, any predictions with respect to these variables are subject to even greater uncertainty as the projection period lengthens. In light of these inherent uncertainties, Ashland believes that the asbestos reserves for Ashland and Hercules represent the best estimate within a range of possible outcomes. As a part of the process to develop these estimates of future asbestos costs, a range of long-term cost models was developed. These models are based on national studies that predict the number of people likely to develop asbestos-related diseases and are heavily influenced by assumptions regarding long-term inflation rates for indemnity payments and legal defense costs, as well as other variables mentioned previously. Ashland has currently estimated in various models ranging from approximately 40 year periods that it is reasonably possible that total future litigation defense and claim settlement costs on an inflated and undiscounted basis could range as high as approximately $410 million for the Ashland asbestos-related litigation (current reserve of $274 million) and approximately $276 million for the Hercules asbestos-related litigation (current reserve of $185 million), depending on the combination of assumptions selected in the various models. While the timeframe used in Ashland's models for projecting asbestos liabilities generally decreases over time based on the expected lifetime of the liabilities, these models have been consistently applied within all periods presented. If actual experience is worse than projected, relative to the number of claims filed, the severity of alleged disease associated with those claims or costs incurred to resolve those claims, or actuarial refinement or improvements to the assumptions used within these models are initiated, Ashland may need to further increase the estimates of the costs associated with asbestos claims and these increases could be material over time.

Accounting for goodwill and other indefinite-lived intangible assets

Goodwill

Ashland accounts for goodwill and other intangible assets acquired in a business combination in conformity with current accounting guidance which does not allow for goodwill and indefinite-lived intangible assets to be amortized.

Ashland reviews goodwill for impairment annually as of July 1 or when events and circumstances indicate an impairment may have occurred. Ashland tests goodwill for impairment by comparing the estimated fair value of the reporting units to the related carrying value. If the fair value of the reporting unit is lower than its carrying amount, goodwill is written down for the amount by which the carrying amount exceeds fair value. However, the loss recognized cannot exceed the carrying amount of goodwill. Reporting units are defined as either operating segments or one level below the operating segments for which discrete financial information is available and reviewed by the business management. Ashland determined that its reporting units are Life Sciences, Personal Care, Specialty Additives and Intermediates.

Ashland makes various estimates and assumptions in determining the estimated fair value of each reporting unit using a combination of discounted cash flow models and valuations based on earnings multiples for guideline public companies in each reporting unit's industry peer group, when externally quoted market prices are not readily available. Discounted cash flow models are reliant on various assumptions, including projected business results, long-term growth factors and weighted-average cost of capital. Management judgment is involved in estimating these variables, and they include uncertainties since they are forecasting future events. Ashland performs sensitivity analyses by using a range of inputs to confirm the reasonableness of the long-term growth rate and weighted average cost of capital estimates. Additionally, Ashland compares the indicated equity value to Ashland's market capitalization and evaluates the resulting implied control premium/discount to determine if the estimated enterprise value is reasonable.

Ashland performed its annual goodwill impairment using the quantitative approach as of July 1, 2024, and concluded that all reporting units had fair values in excess of its respective carrying amounts. The fair values of Life Sciences, Personal Care, and Specialty Additives exceeded their carrying values by 15%, 82%, and 22%, respectively. The Intermediates reporting unit has no associated goodwill. Ashland concluded there was no impairment as of July 1, 2024. Ashland compared the total fair values of the reporting units to Ashland's market capitalization at July 1, 2024, to determine if the fair values are reasonable. Ashland's market capitalization exceeded the aggregate fair value of each reporting unit at the annual assessment date by approximately 10%. A discount of 10% implies a high level of conservatism in Ashland's impairment assessment as recent comparable market transactions would imply control premiums of approximately 20% at the median (i.e., the premium of an offer price over the closing stock price immediately preceding an announced transaction).

Assumptions inherent in the valuation methodologies include estimates of future projected business results (principally revenue and EBITDA), long-term growth rates, and the weighted-average cost of capital. Ashland performed sensitivity analyses by using a range of inputs to confirm the reasonableness of long-term growth rate and weighted average cost of capital estimates. Significant assumptions utilized in the impairment analysis included the weighted-average cost of capital, ranging between 11.25% and 12.50%, and terminal growth rate, ranging between 2.0% and 4.0% depending on the reporting unit. Based on sensitivity analysis performed on two key assumptions in the discounted cash flow model at July 1, 2024, a 1% decrease in the long-term growth factor assumption or a 1% increase in the weighted average cost of capital assumption across each of Ashland's reporting units would not have resulted in a fair value below the respective reporting units carrying value. For further information, see Note G of Notes to the Consolidated Financial Statements.

Other indefinite-lived intangible assets

Other indefinite-lived intangible assets include certain trademarks and trade names. Ashland reviews these intangible assets for possible impairment annually as of July 1 or whenever events or changes in circumstances indicate that carrying amounts may not be recoverable. If the carrying value of an individual indefinite-lived intangible asset exceeds its fair value, the asset is written down to its fair value and the amount of the write down is the impairment charge. Similar to its annual assessment for goodwill, Ashland performs a quantitative test for impairment.

Ashland tested these assets using a "relief-from-royalty" valuation method to determine the fair value. Assumptions inherent in the valuation methodologies include, but are not limited to, future projected business results, growth rates, the weighted-average cost of capital for a market participant, and royalty rates. In conjunction with the July 1 annual assessment of indefinite-lived intangible assets, Ashland's quantitative approach models did not indicate any impairment, as each indefinite-lived intangible asset's fair value exceeded its carrying values.

Ashland's assessment of an impairment on any of these assets classified currently as having indefinite lives, including goodwill, could change in future periods if significant events happen and/or circumstances change that affect the previously mentioned assumptions. Assumptions inherent in the valuation methodologies include, but are not limited to, such estimates as future projected business results, growth rates, the weighted average cost of capital for a market participant, and royalty rates. For further information, see Note G of Notes to Consolidated Financial Statements.

Income taxes

Ashland is subject to income taxes in the United States and numerous foreign jurisdictions. Judgment in the forecasting of taxable income using historical and projected future operating results is required in determining Ashland's provision for income taxes and the related assets and liabilities. The provision for income taxes includes income taxes paid, currently payable or receivable, and deferred taxes. Under U.S. GAAP, deferred tax assets and liabilities are determined based on differences between financial reporting and tax basis of assets and liabilities and are measured using enacted tax rates and laws that are expected to be in effect when the differences reverse. Deferred tax assets are also recognized for the estimated future effects of tax loss and credit carryforwards. The effect on deferred taxes of changes in tax rates is recognized in the period in which the enactment date occurs. Valuation allowances are established when necessary on a jurisdictional basis to reduce deferred tax assets to the amounts expected to be realized. Deferred taxes are not provided on the unremitted earnings of subsidiaries outside of the United States when it is expected that these earnings are indefinitely reinvested. In the event that the actual outcome of future tax consequences differs from Ashland's estimates and assumptions due to changes or future events such as tax legislation, geographic mix of earnings, completion of tax audits or earnings repatriation plans, the resulting change to the provision for income taxes could have a material effect on the Statement of Consolidated Comprehensive Income (Loss) and Consolidated Balance Sheets.

The recoverability of deferred tax assets and the recognition and measurement of uncertain tax positions are subject to various assumptions and judgment by Ashland. If actual results differ from the estimates made by Ashland in establishing or maintaining valuation allowances against deferred tax assets, the resulting change in the valuation allowance would generally impact earnings or other comprehensive income depending on the nature of the respective deferred tax asset. Additionally, the positions taken with regard to tax contingencies may be subject to audit and review by tax authorities, which may result in future taxes, interest and penalties. Positive and negative evidence is considered in determining the need for a valuation allowance against deferred tax assets, which includes such evidence as historical earnings, projected future earnings, tax planning strategies and expected timing of reversal of existing temporary differences.

In determining the recoverability of deferred tax assets Ashland gives consideration to all available positive and negative evidence including reversals of deferred tax liabilities (other than those with an indefinite reversal period), projected future taxable income, tax planning strategies and recent financial operations. Ashland attaches the most weight to historical earnings due to their verifiable nature. In evaluating the objective evidence that historical results provide, Ashland considers three years of cumulative income or loss. In addition, Ashland has reflected increases and decreases in our valuation allowance based on the overall weight of positive versus negative evidence on a jurisdiction by jurisdiction basis.

EFFECTS OF INFLATION AND CHANGING PRICES

Ashland’s financial statements are prepared on the historical cost method of accounting in accordance with U.S. GAAP and, as a result, do not reflect changes in the purchasing power of the U.S. dollar. Monetary assets (such as cash, cash equivalents and accounts receivable) lose purchasing power as a result of inflation, while monetary liabilities (such as accounts payable and indebtedness) result in a gain, because they can be settled with dollars of diminished purchasing power. As of September 30, 2024, Ashland’s monetary assets exceed its monetary liabilities, leaving it currently more exposed to the effects of future inflation. While inflation rose significantly during 2022, it began to gradually decrease in fiscal 2023 and fiscal 2024. See Item 1A - Risk Factors for additional information.

Certain of the industries in which Ashland operates are capital-intensive, and replacement costs for its plant and equipment generally would substantially exceed their historical costs. Accordingly, depreciation and amortization expense would be greater if it were based on current replacement costs. However, because replacement facilities would reflect technological improvements and changes in business strategies, such facilities would be expected to be more productive than existing facilities, mitigating at least part of the increased expense.

OUTLOOK

Portfolio-optimization actions

Ashland is taking the following actions to offset the impact of portfolio optimization and to further strengthen the company's core:

- Reviewing strategic alternatives for Avoca business line;
- Completed a share buyback program of $150 million to offset the annual adjusted earnings per share impact from the divestiture of nutraceuticals and the potential future exit of Avoca;
- Initiation of $30 million restructuring plan to offset impact from the nutraceuticals sale and other portfolio optimization actions, with 50 percent realization in fiscal year 2025 and 50 percent in fiscal year 2026;
- Advancing a multi-year manufacturing optimization restructuring plan to improve operational cost and strengthen the competitive position of HEC and VP&D which is expected to generate pre-tax savings of $60 million once fully achieved, including savings of $5 million in fiscal year 2025.

Financial Outlook

For fiscal year 2025, Ashland's outlook is based on the following assumptions:

- Continued geopolitical and economic uncertainty results in lower overall growth in most regions;
- China's economy will remain challenged for the fiscal year, especially the property market;
- Increased competitive intensity in China and several export markets result in volume growth being partially offset by additional price erosion;
- +$45 million in improved first-half absorption when compared to inventory actions in fiscal 2024;
- +$20 million in realized cost reduction actions;
- Generally stable raw material environment;
- ($30) million from reduced earnings and stranded costs from our nutraceuticals sale and other portfolio optimization actions;
- ($20) million in negative price carryover from fiscal year 2024;
- For Avoca, Ashland exited an unprofitable tolling operation and will sell or close the remaining sclareolide business; ($15) million year-over-year EBITDA erosion; and
- ($10) million in variable incentive reset.

For fiscal year 2025, Ashland expects sales to be in the range of $1.90 billion to $2.05 billion, and Adjusted EBITDA to be in the range of $430 million to $470 million.

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements including, without limitation, statements made under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operation" (MD&A), within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Ashland has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "predicts," "projects," "forecasts," "objectives," "may," "will," "should," "plans" and "intends" and the negative of these words or other comparable terminology. Ashland may from time to time make forward-looking statements in its Annual Report to Stockholders, quarterly reports and other filings with the Securities and Exchange Commission (SEC), news releases and other written and oral communications. These forward-looking statements are based on Ashland's expectations and assumptions, as of the date such statements are made, regarding Ashland's future operating performance and financial condition, as well as the economy and other future events or circumstances. Ashland's expectations and assumptions include, without limitation, those mentioned within the MD&A, internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, operating efficiencies, cost savings and economic conditions (such as prices, supply and demand, cost of raw materials, and the ability to recover raw-material cost increases through price increases), and risks and uncertainties associated with the following: the impact of acquisitions and/or divestitures Ashland has made or may make (including the possibility that Ashland may not realize the anticipated benefits from such transactions); Ashland's substantial indebtedness (including the possibility that such indebtedness and related restrictive covenants may adversely affect Ashland's future cash flows, results of operations, financial condition and its ability to repay debt); execution risks associated with our growth strategies; the competitive nature of our business; severe weather, natural disasters, public health crises, cyber events and legal proceedings and claims (including product recalls, environmental and asbestos matters); the ongoing Ukraine/Russia and Israel/Hamas conflict on the geographies in which Ashland operates, the end markets Ashland serves and on Ashland's supply chain and customers; and without limitation, risks and uncertainties affecting Ashland that are contained in "Use of estimates, risks and uncertainties" in Note A of Notes to Consolidated Financial Statements and in Item 1A of this Annual Report Form 10-K. Various risks and uncertainties may cause actual results to differ materially from those stated, projected or implied by any forward-looking statements. Ashland believes its expectations and assumptions are reasonable, but there can be no assurance that the expectations reflected herein will be achieved. Unless legally required, Ashland undertakes no obligation to update any forward-looking statements made in this Form 10-K whether as a result of new information, future events or otherwise. Information on Ashland's website is not incorporated into or a part of this Form 10-K.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Ashland conducts business in a variety of foreign currencies. Accordingly, Ashland regularly uses foreign currency derivative instruments to manage exposure on certain transactions denominated in foreign currencies to curtail potential earnings volatility effects of certain assets and liabilities, including short-term intercompany loans, denominated in currencies other than Ashland's functional currency of an entity. These derivative contracts generally require exchange of one foreign currency for another at a fixed rate at a future date and generally have maturities of less than twelve months. All contracts are valued at fair value with net changes in fair value recorded within the selling, general and administrative expense caption. The impacts of these contracts were largely offset by gains and losses resulting from the impact of changes in exchange rates on transactions denominated in non-functional currencies.

As of September 30, 2024 and 2023, Ashland had not identified any significant credit risk on open derivative contracts. The potential loss from a hypothetical 10% adverse change in foreign currency rates on Ashland's open foreign currency derivative instruments would be largely offset by gains resulting from the impact of changes in exchange rates on transactions denominated in non-functional currencies. Ashland did not have any significant open hedging contracts with respect to commodities or any related raw material requirements as of and for the year ended September 30, 2024.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for the preparation and integrity of the Consolidated Financial Statements and other financial information included in this Annual Report on Form 10-K. Such financial statements are prepared in accordance with accounting principles generally accepted in the United States. Accounting principles are selected, and information is reported which, using management's best judgment and estimates, present fairly Ashland's consolidated financial position, results of operations and cash flows. The other financial information in this Annual Report on Form 10-K is consistent with the Consolidated Financial Statements.

Ashland's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Ashland's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ashland's Consolidated Financial Statements. Ashland's internal control over financial reporting is supported by a code of business conduct which summarizes our guiding values such as obeying the law, adhering to high ethical standards and acting as responsible members of the communities where we operate. Compliance with that Code forms the foundation of our internal control systems, which are designed to provide reasonable assurance that Ashland's assets are safeguarded, and its records reflect, in all material respects, transactions in accordance with management's authorization. The concept of reasonable assurance is based on the recognition that the cost of a system of internal control should not exceed the related benefits. Management believes that adequate internal controls are maintained by the selection and training of qualified personnel, by an appropriate division of responsibility in all organizational arrangements, by the establishment and communication of accounting and business policies, and by internal audits.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements and even when determined to be effective, can only provide reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Board, subject to stockholder ratification, selects and engages the independent auditors based on the recommendation of the Audit Committee. The Audit Committee, composed of directors who are not members of management, reviews the adequacy of Ashland's policies, procedures, controls and risk management strategies, the scope of auditing and other services performed by the independent auditors, and the scope of the internal audit function. The Audit Committee holds meetings with Ashland's internal auditor and independent auditors, with and without management present, to discuss the findings of their audits, the overall quality of Ashland's financial reporting and their evaluation of Ashland's internal controls. The report of Ashland's Audit Committee can be found in Ashland's Proxy for its 2025 Annual Meeting.

Management assessed the effectiveness of Ashland's internal control over financial reporting as of September 30, 2024. Management conducted its assessment utilizing the framework described in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework). Based on this assessment, management believes that Ashland maintained effective internal control over financial reporting as of September 30, 2024.

Ernst & Young LLP, an independent registered public accounting firm, has audited and reported on the Consolidated Financial Statements of Ashland Inc. and Consolidated Subsidiaries as of and for the year ended September 30, 2024, and the effectiveness of Ashland's internal control over financial reporting as of September 30, 2024. The reports of the independent registered public accounting firm are contained in this Annual Report on Form 10-K.

/s/ Guillermo Novo
Guillermo Novo
Chair of the Board and Chief Executive Officer

/s/ J. Kevin Willis
J. Kevin Willis
Senior Vice President and Chief Financial Officer
November 18, 2024

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Ashland Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Ashland Inc. and Consolidated Subsidiaries' internal control over financial reporting as of September 30, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), (the COSO criteria). In our opinion, Ashland Inc. and Consolidated Subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of September 30, 2024, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of September 30, 2024 and 2023, the related consolidated statements of comprehensive income (loss), equity and cash flows for each of the three years in the period ended September 30, 2024, and the related notes and our report dated November 18, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

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

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

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

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

/s/ Ernst & Young LLP

Grandview Heights, Ohio
November 18, 2024

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Ashland Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Ashland Inc. and Consolidated Subsidiaries (the Company) as of September 30, 2024 and 2023, the related statements of consolidated comprehensive income (loss), equity and cash flows for each of the three years in the period ended September 30, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at September 30, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended September 30, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of September 30, 2024, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated November 18, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

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

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

Critical Audit Matters

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

Valuation of Environmental Remediation Reserves

Description of the Matter	At September 30, 2024, the reserves for environmental remediation amounted to $221 million. As discussed within Note M of the consolidated financial statements, the reserves for environmental remediation reflect Ashland's estimates of the most likely costs that will be incurred over an extended period to remediate identified conditions for which the costs are reasonably estimable and probable of being incurred, without regard to any third-party recoveries. The Company uses engineering studies, historical experience and other factors to identify and evaluate remediation alternatives and their related costs in determining the estimated reserves for environmental remediation. Ashland regularly adjusts its reserves as environmental remediation continues. Auditing the environmental remediation reserve was complex due to inherent uncertainties that affect Ashland's ability to estimate probable costs. Such uncertainties include the nature and extent of contamination at each site, and the nature and extent of required cleanup efforts.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of relevant controls over Ashland's environmental remediation reserves process. For example, we tested controls over the Company's annual reserve setting training process, management's monitoring of sites, and management's development of the environmental reserve estimates. We also tested management's controls over the completeness and accuracy of the underlying data used in the reserve estimates. To test the environmental reserves, we performed audit procedures that included, among others: assessing the appropriateness of Ashland's policies and procedures and testing management's development of the environmental reserve estimates. We obtained an understanding of the nature and extent of contamination at each site, the nature and extent of required cleanup efforts, and the corresponding environmental remediation reserves through discussions with Ashland's remediation project managers. We also involved our environmental reserve subject matter specialists to evaluate the reasonableness of management's reserve estimates, including consideration of information available on regulatory databases in the public domain that was assessed for possible contrary evidence. With the support of our environmental reserve subject matter specialists, we evaluated whether the environmental reserve estimates were appropriate based on engineering studies and historical experience.

Valuation of Asbestos Litigation Reserves

Description of the Matter	At September 30, 2024, the reserves for asbestos litigation amounted to $459 million. As discussed within Note M of the consolidated financial statements, Ashland has liabilities from claims alleging personal injury caused by exposure to asbestos. Ashland retained third-party actuarial experts to assist in developing and annually updating independent reserve estimates for future asbestos claims and related costs given various assumptions. The methodology used by the actuarial experts to project future asbestos costs is based largely on recent experience, including claim-filing and settlement rates, disease mix, open claims and litigation defense costs. Further, the claim experience identified is compared to the results of previously conducted third-party epidemiological studies estimating the number of people likely to develop asbestos-related diseases. Using that information, the Company estimates a range of the number of future claims that may be filed, as well as the related costs that may be incurred in resolving those claims. Ashland records the amount it believes to be the best estimate of future payments for litigation defense and claim settlement costs using the results of a non-inflated, non-discounted approximate 40-year model developed with the assistance of the Company's third-party actuarial experts. Auditing the Company's asbestos litigation reserve was complex due to uncertainty associated with the estimate of projected future asbestos costs. The methodology employed by management to develop the estimate of projected future asbestos costs is subject to assumptions such as the number of claims that may be received in the future, the type and severity of disease alleged by claimant, the related costs incurred in resolving those claims, and the dismissal rates. These assumptions have a significant effect on the asbestos litigation reserve.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls over the asbestos litigation reserves process. These include controls over management's assessment of the assumptions utilized within the estimate, management's oversight of asbestos trends including claims movement and costs incurred, and the completeness and accuracy of the underlying claims data utilized to project future costs. To evaluate the reasonableness of the reserve for asbestos litigation, our audit procedures included testing the completeness and accuracy of the underlying claims data provided to management's actuarial experts utilized to project future costs. Additionally, we evaluated the claims and spend activity from legal letters obtained from internal and external legal counsel. Furthermore, we involved our actuarial subject matter specialists to assist in the evaluation of the methodologies and assumptions applied by management's experts as described above to determine the appropriateness of the asbestos litigation reserve, and to independently prepare an estimated range of the liability. We then assessed the reasonableness of the Company's recorded reserve against our independently calculated range.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2014.
Grandview Heights, Ohio
November 18, 2024

Ashland Inc. and Consolidated Subsidiaries

Statements of Consolidated Comprehensive Income (Loss)

Years Ended September 30

(In millions except per share data)	2024	2023	2022
Sales	$ 2,113	$ 2,191	$ 2,391
Cost of sales	1,495	1,523	1,561
Gross profit	618	668	830
Selling, general and administrative expense	404	365	393
Research and development expense	55	51	55
Intangibles amortization expense - Note G	76	93	94
Equity and other income	6	7	3
Income (loss) on acquisitions and divestitures, net - Note B	(115)	6	42
Operating income (loss)	(26)	172	333
Net interest and other expense (income) - Note H	(24)	6	149
Other net periodic benefit loss (income) - Note L	22	6	(22)
Income (loss) from continuing operations before income taxes	(24)	160	206
Income tax expense (benefit) - Note K	(223)	(8)	25
Income from continuing operations	199	168	181
Income (loss) from discontinued operations, net of income taxes - Note C	(30)	10	746
Net income	$ 169	$ 178	$ 927
PER SHARE DATA - NOTE A			
Basic earnings per share			
Income from continuing operations	$ 3.99	$ 3.18	$ 3.26
Income (loss) from discontinued operations	(0.59)	0.18	13.45
Net income	$ 3.40	$ 3.36	$ 16.71
Diluted earnings per share			
Income from continuing operations	$ 3.95	$ 3.13	$ 3.20
Income (loss) from discontinued operations	(0.59)	0.18	13.21
Net income	$ 3.36	$ 3.31	$ 16.41
COMPREHENSIVE INCOME			
Net income	$ 169	$ 178	$ 927
Other comprehensive income (loss), net of tax			
Unrealized translation gain (loss)	54	72	(197)
Unrealized gain (loss) on commodity hedges	1	(6)	(1)
Pension and postretirement obligation adjustment	—	—	1
Other comprehensive income (loss)	55	66	(197)
Comprehensive income	$ 224	$ 244	$ 730

See Notes to Consolidated Financial Statements.

Ashland Inc. and Consolidated Subsidiaries
Consolidated Balance Sheets
At September 30

(In millions)	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	$ 300	$ 417
Accounts receivable[(a)] - Notes A and H	243	338
Inventories - Note A	545	626
Other assets	107	125
Total current assets	1,195	1,506
Noncurrent assets		
Property, plant and equipment - Note F		
Cost	3,316	3,211
Accumulated depreciation	2,013	1,838
Net property, plant and equipment	1,303	1,373
Goodwill - Note G	1,381	1,362
Intangibles - Note G	751	886
Operating lease assets, net - Note J	114	122
Restricted investments - Note E	295	290
Asbestos insurance receivable[(b)] - Notes A and M	132	127
Deferred income taxes - Note K	210	22
Other assets - Note I	264	251
Total noncurrent assets	4,450	4,433
Total assets	$ 5,645	$ 5,939
LIABILITIES AND EQUITY		
Current liabilities		
Short-term debt - Note H	$ —	$ 16
Trade and other payables	214	210
Accrued expenses and other liabilities	256	208
Current operating lease obligations - Note J	20	22
Total current liabilities	490	456
Noncurrent liabilities		
Long-term debt - Note H	1,349	1,314
Asbestos litigation reserve - Note M	414	427
Deferred income taxes - Note K	29	148
Employee benefit obligations - Note L	110	100
Operating lease obligations - Note J	99	106
Other liabilities - Note I	286	291
Total noncurrent liabilities	2,287	2,386
Commitments and contingencies - Notes J and M		
Equity - Notes N and O		
Common stock, par value $.01 per share, 200 million shares authorized	1	1
Issued 47 million and 51 million shares in 2024 and 2023		
Paid-in capital	—	4
Retained earnings	3,315	3,595
Accumulated other comprehensive loss	(448)	(503)
Total equity	2,868	3,097
Total liabilities and equity	$ 5,645	$ 5,939

(a) Accounts receivable includes an allowance for credit losses of $2 million and $3 million at September 30, 2024 and 2023, respectively.
(b) Asbestos insurance receivable includes an allowance for credit losses of $2 million at both September 30, 2024 and 2023.

See Notes to Consolidated Financial Statements.

Ashland Inc. and Consolidated Subsidiaries
Statements of Consolidated Equity

(In millions)	Common stock	Paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)[a]	Total
Balance at September 30, 2021	$ 1	$ 327	$ 2,796	$ (372)	$ 2,752
Total comprehensive income					
Net income			927		927
Other comprehensive income				(197)	(197)
Dividends, $1.27 per common share			(70)		(70)
Compensation expense and common shares issued under stock incentive and other plans[b][c]		8			8
Repurchase of common stock[d]		(200)			(200)
Balance at September 30, 2022	1	135	3,653	(569)	3,220
Total comprehensive income (loss)					
Net income			178		178
Other comprehensive loss				66	66
Dividends, $1.44 per common share			(76)		(76)
Compensation expense and common shares issued under stock incentive and other plans[b][c]		12			12
Repurchase of common stock[d][e]		(143)	(160)		(303)
Balance at September 30, 2023	1	4	3,595	(503)	3,097
Total comprehensive income					
Net income			169		169
Other comprehensive income				55	55
Dividends, $1.58 per common share			(79)		(79)
Compensation expense and common shares issued under stock incentive and other plans[b][c]		9			9
Repurchase of common stock[d][e]		(13)	(370)		(383)
Balance at September 30, 2024	$ 1	$ —	$ 3,315	$ (448)	$ 2,868

(a) At September 30, 2024 and 2023, the net of tax accumulated other comprehensive loss of $448 million and $503 million, respectively, was comprised of net unrealized translation losses of $445 million and $499 million, respectively, unrecognized prior service costs as a result of certain employee benefit plan amendments of $1 million and $1 million, respectively, and net unrealized losses on commodity hedges of $2 million and $3 million, respectively.

(b) Includes a benefit of $5 million, $11 million and $9 million for stock based compensation employee withholding taxes paid in cash for 2024, 2023 and 2022, respectively,

(c) Common shares issued were 137,799, 193,767, and 168,270 for 2024, 2023 and 2022, respectively.

(d) Common shares repurchased were 4,285,194, 3,082,928, and 2,853,312 for 2024, 2023 and 2022, respectively.

(e) Includes $3 million of accrued excise taxes on stock repurchases for 2024 and 2023.

See Notes to Consolidated Financial Statements.

Ashland Inc. and Consolidated Subsidiaries
Statements of Consolidated Cash Flows
Years Ended September 30

(In millions)	2024	2023	2022
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES FROM CONTINUING OPERATIONS			
Net income	$ 169	$ 178	$ 927
Loss (income) from discontinued operations, net of income taxes	30	(10)	(746)
Adjustments to reconcile income from continuing operations to cash flows from operating activities			
Depreciation and amortization	274	243	241
Original issue discount and debt issuance cost amortization	6	6	7
Deferred income taxes	(302)	(32)	(35)
Gain from sales of property and equipment	—	(1)	—
Stock based compensation expense - Note O	15	22	18
Excess tax benefits on stock based compensation	—	2	1
Loss (income) from restricted investments	(74)	(43)	86
Loss (income) on acquisitions and divestitures, net - Notes B	107	(7)	(42)
Asset impairments	11	4	—
Pension contributions	(15)	(8)	(5)
Loss (gain) on pension and other postretirement plan remeasurements	14	(2)	(22)
Change in operating assets and liabilities[a]	227	(58)	(237)
Total cash flows provided by operating activities from continuing operations	462	294	193
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES FROM CONTINUING OPERATIONS			
Additions to property, plant and equipment	(137)	(170)	(113)
Proceeds from disposal of property, plant and equipment	—	11	51
Proceeds from sale or restructuring of operations	26	—	—
Proceeds from settlement of company-owned life insurance contracts	1	6	3
Company-owned life insurance payments	(5)	(5)	(4)
Funds restricted for specific transactions	(5)	(9)	(74)
Reimbursement from restricted investments	79	58	35
Proceeds from sale of securities	53	47	87
Purchase of securities	(53)	(47)	(87)
Other investing cash flows	(10)	—	—
Total cash flows used by investing activities from continuing operations	(51)	(109)	(102)
CASH FLOWS PROVIDED (USED) BY FINANCING ACTIVITIES FROM CONTINUING OPERATIONS			
Repayment of long-term debt	—	—	(250)
Proceeds from (repayment of) short-term debt	(16)	16	(365)
Repurchase of common stock	(380)	(300)	(200)
Debt issuance costs	—	—	(2)
Cash dividends paid	(78)	(76)	(70)
Stock based compensation employee withholding taxes paid in cash	(5)	(11)	(9)
Total cash flows used by financing activities from continuing operations	(479)	(371)	(896)
CASH USED BY CONTINUING OPERATIONS	(68)	(186)	(805)
Cash provided (used) by discontinued operations			
Operating cash flows	(51)	(51)	(406)
Investing cash flows	—	—	1,658
Total cash provided (used) by discontinued operations	(51)	(51)	1,252
Effect of currency exchange rate changes on cash and cash equivalents	2	8	(11)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(117)	(229)	436
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	417	646	210
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 300	$ 417	$ 646
CHANGES IN ASSETS AND LIABILITIES[a]			
Accounts receivable	$ 96	$ 58	$ (23)
Inventories	79	(7)	(141)
Trade and other payables	56	(112)	34
Other assets and liabilities	(4)	3	(107)
CHANGE IN OPERATING ASSETS AND LIABILITIES	$ 227	$ (58)	$ (237)
SUPPLEMENTAL DISCLOSURES			
Interest paid	$ 52	$ 53	$ 56
Income taxes paid (including discontinued operations)	53	63	406

(a) Excludes changes resulting from operations acquired or sold.

See Notes to Consolidated Financial Statements.

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation and basis of presentation

The accompanying Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and U.S. Securities and Exchange Commission ("SEC") regulations. The Consolidated Financial Statements include the accounts of Ashland Inc. ("Ashland") and its majority owned subsidiaries and, when applicable, entities for which Ashland has a controlling financial interest or is the primary beneficiary. Investments in joint ventures and 20% to 50% owned affiliates where Ashland has the ability to exert significant influence are accounted for under the equity method. Ashland had no significant equity method investments for any of the periods presented. All intercompany transactions and balances have been eliminated.

Ashland is comprised of the following reportable segments: Life Sciences, Personal Care, Specialty Additives and Intermediates. Unallocated and Other includes corporate governance activities and certain legacy matters. See Note Q for more information.

Use of estimates, risks and uncertainties

The preparation of Ashland's Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosures of contingent assets and liabilities. Significant items that are subject to such estimates and assumptions include, but are not limited to, environmental remediation, asbestos litigation, the accounting for goodwill and other indefinite-lived intangible assets and income taxes. Although management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results could differ significantly from the estimates under different assumptions or conditions.

Ashland's results are affected by domestic and international economic, political, legislative, regulatory and legal actions. Economic conditions, such as recessionary trends, inflation, interest and monetary exchange rates, government fiscal policies and changes in the prices of certain key raw materials, can have a significant effect on operations. While Ashland maintains reserves for anticipated liabilities and carries various levels of insurance, Ashland could be affected by civil, criminal, regulatory or administrative actions, claims or proceedings relating to asbestos, environmental remediation, income taxes or other matters.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid investments maturing within three months after purchase.

Allowance for credit losses on accounts receivable

Ashland records an allowance for credit losses using the expected credit loss model. Ashland estimates expected credit losses based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. When measuring expected credit losses, Ashland pools assets with similar country risk and credit risk characteristics. Each period, the allowance for credit losses is adjusted through earnings to reflect expected credit losses over the remaining lives of the assets. No significant credit losses were incurred in 2024, 2023 and 2022.

A progression of activity in the allowance for credit losses is presented in the following table.

(In millions)	2024	2023	2022
Allowance for credit losses - beginning of year	$ 3	$ 4	$ 3
Adjustments to allowances for credit losses[(a)]	—	1	2
Reserves utilized	(1)	(2)	(1)
Allowance for credit losses - end of year	$ 2	$ 3	$ 4

(a) Adjustments to allowances for credit loses were less than $1 million for fiscal 2024.

Inventories

Inventories are carried at the lower of cost or net realizable value. Inventories are stated at cost using the weighted-average cost method. This method values inventories using average costs for raw materials and most recent production costs for labor and overhead.

The following summarizes Ashland's inventories as of the Consolidated Balance Sheet dates.

(In millions)	2024	2023
Finished products	$ 372	$ 390
Raw materials, supplies and work in process	173	236
	$ 545	$ 626

A progression of activity in the inventory reserves for obsolete and slow moving inventories, which reduce the amounts of finished products and raw materials, supplies and work in process reported, is presented in the following table.

(In millions)	2024	2023	2022
Inventory reserves - beginning of year	$ 21	$ 13	$ 13
Adjustments to inventory reserves	1	11	3
Reserves utilized	(4)	(3)	(3)
Inventory reserves - end of year	$ 18	$ 21	$ 13

Property, plant and equipment

The cost of property, plant and equipment is depreciated by the straight-line method over the estimated useful lives of the assets. Buildings are depreciated principally over 12 to 35 years and machinery and equipment principally over 2 to 25 years. Such costs are periodically reviewed for recoverability when impairment indicators are present. Such indicators include, among other factors, operating losses, unused capacity, market value declines and technological obsolescence. Recorded values of asset groups of property, plant and equipment that are not expected to be recovered through undiscounted future net cash flows are written down to current fair value, which generally is determined from estimated discounted future net cash flows (assets held for use) or net realizable value (assets held for sale). See Note F for additional information related to property, plant and equipment.

Leasing arrangements

Ashland determines if an arrangement contains a lease at inception based on whether or not it has the right to control the asset during the contract period and other facts and circumstances.

Operating lease right-of-use assets represent Ashland's right to use an underlying asset for the lease term and lease liabilities represent Ashland's obligation to make lease payments arising from the lease, both of which are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. Leases with a lease term of 12 months or less at inception are not recorded within the Consolidated Balance Sheet and are expensed on a straight-line basis over the lease term within the Statements of Consolidated Comprehensive Income (Loss). The lease term is determined by assuming the exercise of renewal options that are reasonably certain. As most leases do not provide an implicit interest rate, Ashland used its incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. When contracts contain lease and non-lease components, Ashland generally accounts for both components as a single lease component. For additional information on leasing arrangements, see Note J.

Goodwill and other intangibles

Ashland tests goodwill and other indefinite-lived intangible assets for impairment annually as of July 1 and when events and circumstances indicate an impairment may have occurred. Ashland reviews goodwill for impairment based on its identified reporting units. Ashland determined that its reporting units are Life Sciences, Personal Care, Specialty Additives and Intermediates. Ashland tests goodwill for impairment by comparing the carrying value to the estimated fair value of its reporting units. If the fair value of the reporting unit is lower than its carrying amount, goodwill is written down for the amount by which the carrying amount exceeds the fair value. However, the loss recognized cannot exceed the carrying amount of goodwill.

Using the quantitative approach, Ashland makes various estimates and assumptions in determining the estimated fair value of each reporting unit using a combination of discounted cash flow models and valuations based on earnings multiples for guideline public companies in each reporting unit's industry peer group, when externally quoted market prices are not readily available. Discounted cash flow models are reliant on various assumptions, including projected business results, long-term growth factors and weighted-average cost of capital. Management judgment is involved in estimating these variables, and they include uncertainties since they are forecasting future events. Ashland performs sensitivity analyses by using a range of inputs to confirm the reasonableness of the long-term growth rate and weighted average cost of capital. Additionally, Ashland compares the indicated equity value to Ashland's market capitalization and evaluates the resulting implied control premium/discount to determine if the estimated enterprise value is reasonable.

Ashland tests at least annually its indefinite-lived intangible assets, principally trademarks and trade names. If the carrying value of an individual indefinite-lived intangible asset exceeds its fair value, such individual indefinite-lived intangible asset is written down by an amount equal to such excess. Ashland performs a quantitative impairment test for the trademarks and trade names during which, trademarks and trade names are valued using a "relief-from-royalty" valuation method compared to the carrying value. Assumptions inherent in the valuation methodologies include, but are not limited to, such estimates as future projected business results, growth rates, the weighted-average cost of capital for a market participant, and royalty rates.

Finite-lived intangible assets principally consist of certain trademarks and trade names, intellectual property, and customer lists. These intangible assets are amortized on a straight-line basis over their estimated useful lives. The cost of trademarks and trade names is amortized principally over 3 to 20 years, intellectual property over 3 to 20 years and customer and supplier relationships over 10 to 24 years. Ashland reviews finite-lived intangible assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Ashland monitors these changes and events on at least a quarterly basis. The intangibles amortization expense caption within the Statement of Consolidated Comprehensive Income (Loss) includes amortization expense related to trademarks and trade names, intellectual property and customer and supplier relationships. Intangible assets classified as finite are amortized on a straight-line basis over their estimated useful lives. For further information on goodwill and other intangible assets, see Note G.

Derivative instruments

Ashland regularly uses derivative instruments to manage its exposure to fluctuations in foreign currencies and certain commodities. All derivative instruments are recognized as either assets or liabilities on the balance sheet and are measured at fair value. Changes in the fair value of all derivatives are recognized immediately in the Statements of Consolidated Comprehensive Income (Loss) unless the derivative qualifies as a hedge of future cash flows or a hedge of a net investment in a foreign operation. Gains and losses related to an instrument that qualifies for hedge accounting are either recognized in the Statements of Consolidated Comprehensive Income (Loss) immediately to offset the gain or loss on the hedged item, or deferred and recorded in the stockholders' equity section of the Consolidated Balance Sheets as a component of accumulated other comprehensive income and subsequently recognized in the Statements of Consolidated Comprehensive Income (Loss) when the hedged item affects net income. For additional information on derivative instruments, see Note E.

Restricted investments

During 2015, Ashland placed $335 million of insurance proceeds into a renewable annual trust for asbestos (Asbestos trust) that Ashland determined is restricted for the purpose of paying ongoing and future litigation defense and claim settlement costs incurred in conjunction with asbestos claims. As of September 30, 2024 and 2023, the funds within the Asbestos trust had a balance of $248 million and $243 million, respectively, and were primarily invested in public equity, U.S. government bonds and investment grade corporate bond investments with a portion maintained in demand deposits. These funds are presented primarily as noncurrent assets within the restricted investments caption of the Consolidated Balance Sheets, with $36 million and $37 million classified within other current assets in the Consolidated Balance Sheets as of September 30, 2024 and 2023, respectively.

During 2021, Ashland established a renewable annual trust for environmental remediation (Environmental trust) that Ashland determined is restricted for ongoing and future environmental remediation and related litigation costs. As of September 30, 2024 and 2023, the funds within the Environmental trust had a balance of $120 million and $124 million, respectively, and were primarily invested in public equity, U.S. government bonds and investment grade corporate bond investments with a portion maintained in demand deposits. These funds are presented primarily as noncurrent assets within the restricted investments caption of the Consolidated Balance Sheets, with $37 million and $40 million classified within other current assets in the Consolidated Balance Sheets as of September 30, 2024 and 2023, respectively.

The funds within these trusts are classified as investment securities reported at fair value. Interest income and gains and losses (realized and unrealized) on the investment securities are reported in the net interest and other expense (income) caption in the Statements of Consolidated Comprehensive Income (Loss). See Note E for additional information regarding the fair value of these investments within the trusts.

Revenue recognition

Ashland's revenue is measured as the amount of consideration it expects to receive in exchange for transferring goods and is recognized when performance obligations are satisfied under the terms of contracts or purchase orders with customers. Ashland generally utilizes standardized language for the terms of contracts or purchase orders.

A performance obligation is deemed to be satisfied by Ashland when control of the product or service is transferred to the customer. The transaction price of a contract or purchase order, or the amount Ashland expects to receive upon satisfaction of all performance obligations, is determined by reference to the applicable terms. Ashland generally collects the cash from its customers within 60 days of the product delivery date. Sales and other similar taxes collected from customers on behalf of third parties are excluded from the contract price.

All of Ashland's revenue is derived from contracts or purchase orders with customers, and nearly all contracts or purchase orders with customers contain a single performance obligation for the transfer of goods where such performance obligation is satisfied at a point in time. Control of a product is deemed to be transferred to the customer generally upon shipment or delivery. Costs for shipping and handling activities, whether performed before or after the customer obtains control of the goods, are accounted for as fulfillment costs when not reimbursed.

Costs incurred to obtain contracts with customers are not significant and are expensed immediately as the period of performance is generally one year or less. Ashland records credit losses in specific situations when it is determined that the customer is unable to meet its financial obligation.

Expense recognition

Cost of sales include material and production costs, as well as the costs of inbound freight, purchasing and receiving, inspection, warehousing, internal transfers and all other distribution network costs. Selling, general and administrative expense includes sales and marketing costs, advertising, customer support, environmental remediation, corporate and divisional administrative and other costs. Advertising costs ($1 million in 2024, $2 million in 2023 and $2 million in 2022) and research and development costs ($55 million in 2024, $51 million in 2023 and $55 million in 2022) are expensed as incurred.

Income taxes

Ashland is subject to income taxes in the United States and numerous foreign jurisdictions. The provision for income taxes includes income taxes paid, currently payable or receivable, and deferred taxes. Ashland recognizes the income tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Ashland evaluates and adjusts these accruals based on changing facts and circumstances. Deferred tax assets and liabilities are determined based on differences between financial reporting and tax basis of assets and liabilities, and are measured using enacted tax rates and laws that are expected to be in effect when the differences reverse. Deferred tax assets are also recognized for the estimated future effects of tax loss and credit carryforwards. The effect on deferred taxes of changes in tax rates is recognized in the period in which the enactment date occurs. Taxes due on Global Intangible Low-Taxed Income ("GILTI") inclusions in U.S. are recognized as a current period expense when incurred. Valuation allowances are established when necessary on a jurisdictional basis to reduce deferred tax assets to the amounts expected to be realized. In the event that the actual outcome of tax consequences differs from Ashland's estimates and assumptions due to changes or future events such as tax legislation, geographic mix of earnings, completion of tax audits or earnings repatriation plans, the resulting change to the provision for income taxes could have a material effect on the Statements of Consolidated Comprehensive Income (Loss) and Consolidated Balance Sheets. For additional information on income taxes, see Note K.

The Organization for Economic Co-operation and Development ("OECD") introduced Global Anti-Base Erosion and Profit Shifting ("BEPS") Pillar 2 rules under which multi-national entities would pay a minimum level of tax. Numerous countries, including European Union member states, have enacted or are expected to enact legislation to effectuate the new rules. In addition, several non-EU countries have proposed and/or adopted legislation consistent with the global minimum tax framework. Important details of these minimum tax developments are still to be determined and, in some cases, enactment and timing remain uncertain. Based on current legislation and available guidance, these rules will be effective for Ashland in its fiscal year beginning October 1, 2024. Ashland plans to treat the Pillar Two global minimum tax as a period cost. Currently, Ashland expects these Pillar Two minimum tax rules will result in an increase in Ashland's effective tax rate, but the overall impact will not have a material impact on Ashland's financial condition, results of operations, or cash flows in the fiscal year ending September 30, 2025.

A progression of activity in the tax valuation allowances is presented in the following table.

(In millions)	2024	2023	2022
Tax valuation allowances - beginning of year	$ 56	$ 56	$ 74
Adjustments to valuation allowances	5	(1)	(19)
Reserves utilized	3	1	1
Tax valuation allowances - end of year	$ 64	$ 56	$ 56

Asbestos-related litigation

Ashland is subject to liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims result from indemnification obligations undertaken in 1990 in connection with the sale of Riley Stoker Corporation ("Riley") and the acquisition of Hercules in November 2008. Although Riley, a former subsidiary, was neither a producer nor a manufacturer of asbestos, its industrial boilers contained some asbestos-containing components provided by other companies. Hercules, an indirect wholly-owned subsidiary of Ashland, has liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims typically arise from alleged exposure to asbestos fibers from resin encapsulated pipe and tank products sold by one of Hercules' former subsidiaries to a limited industrial market.

Ashland retained Gnarus Advisors LLC ("Gnarus") to assist in developing and annually updating independent reserve estimates for future asbestos claims and related costs given various assumptions. The methodology used to project future asbestos costs is based largely on Ashland's recent experience, including claim-filing and settlement rates, disease mix, open claims, and litigation defense. Ashland's claim experience is compared to the results of previously conducted epidemiological studies estimating the number of people likely to develop asbestos-related diseases. Those studies were undertaken in connection with national analyses of the population expected to have been exposed to asbestos. Using that information, Gnarus estimates a range of the number of future claims that may be filed, as well as the related costs that may be incurred in resolving those claims. Ashland records the amount it believes to be the best estimate of future payments for litigation defense and claim settlement costs using the results of a non-inflated, non-discounted approximate 40-year model. For additional information on asbestos-related litigation, see Note M.

Environmental remediation

Accruals for environmental remediation are recognized when it is probable a liability has been incurred and the amount of that liability can be reasonably estimated. Such costs are charged to expense if they relate to the remediation of conditions caused by past operations or are not expected to mitigate or prevent contamination from future operations. Accruals for environmental remediation reflect Ashland's estimates of the most likely costs that will be incurred over an extended period of time to remediate identified conditions for which costs are reasonably estimatible and probable of being incurred, without regard to any third-party recoveries, and are regularly adjusted as environmental assessments and remediation efforts continue. For additional information on environmental remediation, see Note M.

Pension and other postretirement benefits

The funded status of Ashland's pension and other postretirement benefit plans is recognized in the Consolidated Balance Sheets. The funded status is measured as the difference between the fair value of plan assets and the benefit obligation at September 30, the measurement date. For defined benefit pension plans, the benefit obligation is the projected benefit obligation ("PBO") and for the other postretirement benefit plans, the benefit obligation is the accumulated postretirement benefit obligation ("APBO"). The PBO represents the actuarial present value of benefits expected to be paid upon retirement based on estimated future compensation levels. The APBO represents the actuarial present value of postretirement benefits attributed to employee services already rendered. The measurement of the benefit obligation is based on Ashland's estimates and actuarial valuations. These valuations reflect the terms of the plans and use participant-specific information such as compensation, age and years of service, as well as certain assumptions that require judgment, including, but not limited to, estimates of discount rates, rate of compensation increases, interest rates and mortality rates. The fair value of plan assets represents the current market value of assets held by an irrevocable trust fund for the sole benefit of participants. For additional information regarding plan assumptions and the current financial position of the pension and other postretirement plans, see Note L.

Ashland recognizes the change in the fair value of plan assets and net actuarial gains and losses annually in the fourth quarter of each fiscal year and whenever a plan is determined to qualify for a remeasurement. The remaining components of pension and other postretirement benefits expense are recorded ratably on a quarterly basis. Pension and other postretirement benefits adjustments charged directly to cost of sales that are applicable to inactive participants are excluded from inventoriable costs. The service cost component of pension and other postretirement benefits costs is allocated to each reportable segment; while the remaining components of pension and other postretirement benefits costs are recorded within the other net periodic benefit loss (income) caption on the Statements of Consolidated Comprehensive Income (Loss).

Foreign currency translation

Subsidiaries outside the United States primarily use the local currency as the functional currency. Upon consolidation, the results of operations of the subsidiaries and affiliates whose functional currency is other than the U.S. dollar are translated into U.S. dollars at the average exchange rates for the year while assets and liabilities are translated at year-end exchange rates. Adjustments to translate assets and liabilities into U.S. dollars are recorded in the stockholders' equity section of the Consolidated Balance Sheets as a component of accumulated other comprehensive income (loss) and are included in net earnings only upon sale or substantial liquidation of the underlying foreign subsidiary or affiliated company.

During 2024, following the enactment by the Argentina government of a 50% peso devaluation against the dollar, Ashland recorded a $5 million currency devaluation charge within the selling, general and administrative expense caption of the Statements of Consolidated Comprehensive Income (Loss).

Stock incentive plans

Ashland recognizes compensation expense for stock incentive plans awarded to key employees and directors over the requisite service period based upon the grant-date fair value. Stock incentive awards are primarily in the form of restricted stock and restricted stock units, performance shares and other non-vested stock awards. Ashland utilizes several industry accepted valuation models to determine grant-date fair value. For further information concerning stock incentive plans, see Note O.

Earnings per share

The following is the computation of basic and diluted earnings per share ("EPS") from continuing operations attributable to Ashland. Earnings per share are reported under the treasury stock method. Stock Appreciation Rights ("SARs") and warrants for each reported year whose grant price was greater than the market price of Ashland Common Stock at the end of each fiscal year were not included in the computation of earnings per share from continuing operations per diluted share because the effect of these instruments would be antidilutive. The total number of these shares outstanding was 1.2 million for 2024, 2023 and 2022. The majority of these shares are for warrants with a strike price of $128.66.

(In millions except per share data)	2024	2023	2022
Numerator			
Numerator for basic and diluted EPS - Income from continuing operations, net of tax	$ 199	$ 168	$ 181
Denominator			
Denominator for basic EPS - Weighted-average common shares outstanding	49	53	55
Share based awards convertible to common shares	1	1	1
Denominator for diluted EPS - Adjusted weighted - average shares and assumed conversions	50	54	56
EPS from continuing operations			
Basic	$ 3.99	$ 3.18	$ 3.26
Diluted	$ 3.95	$ 3.13	$ 3.20

Other accounting pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued ASU No. 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." The ASU was issued to improve transparency and disclosure requirements for the rate reconciliation, income taxes paid and other tax disclosures. The amendments in ASU 2023-09 are effective for fiscal years beginning after December 15, 2024, with early adoption permitted, and may be applied either prospectively or retrospectively. The Company is currently evaluating the impact of adopting this guidance.

In November 2023, the FASB issued ASU No. 2023-07 "Segment Reporting (Topic 280): Improvements to Reporting Segment Disclosures." The ASU was issued to improve reportable segment disclosure requirements, primarily through enhanced disclosures of significant segment expenses that are regularly provided to the chief operating decision maker and included within segment profit and loss. This guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted, and applied retrospectively to all prior periods presented in the financial statements. The Company is currently evaluating the impact of adopting this guidance.

In October 2023, the FASB issued ASU No. 2023-06 "Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative." The amendments in this ASU represent changes to clarify or improve disclosures and presentation requirements of a variety of topics by aligning them with the SEC's regulations. The amendments to the various topics should be applied prospectively, and the effective date will be determined for each individual disclosure based on the effective date of the SEC's removal of the related disclosure. If the SEC has not removed the applicable requirements from Regulation S-X or Regulation S-K by June 30, 2027, then this ASU will not become effective. Early adoption is prohibited. The Company does not expect the amendments in this ASU to have a material impact on the Ashland's Consolidated Financial Statements.

In December 2022, the Financial Accounting Standards Board ("FASB") issued ASU No. 2022-06 "Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848." The ASU was issued to provide an update on ASU 2020-04 and ASU 2021-01 that were issued in March 2020 and January 2021, respectively, which provided practical expedients simplifying the U.S. GAAP treatment of certain reference rate related contract modifications including hedging relationships and other agreements. Specifically, the guidance eased the accounting burden of the modification of the reference rate of contracts where the underlying reference rate was the London Interbank Offered Rate ("LIBOR"). With the issuance of ASU 2022-06, the sunset date of Topic 848 has been deferred from December 31, 2022 to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. This amendment did not have a material impact on Ashland's Consolidated Financial Statements.

NOTE B – DIVESTITURES

Nutraceuticals business sale

On August 30, 2024, Ashland completed the sale of its Nutraceuticals business to Turnspire Capital Partners LLC ("Turnspire"). Proceeds from the sale were approximately $26 million, net of transaction costs. Ashland recorded a $99 million impairment charge primarily related to allocated goodwill, intangibles and property, plant and equipment within the income (loss) on acquisitions and divestitures, net caption of the Statements of Consolidated Comprehensive Income (Loss) for the twelve months ended September 30, 2024. The impairment charge includes the impact of the related inside tax basis differences associated with the impaired assets. The tax benefit associated with the expected disposition is included within the income tax expense (benefit) caption of the Statements of Consolidated Comprehensive Income (Loss). See Note K for additional details. Ashland also recorded a pre-tax loss on sale of $8 million following the completion of this divestiture, mainly related to working capital movements, within the income (loss) on acquisitions and divestitures, net caption of Statements of Consolidated Comprehensive Income (Loss) for the twelve months ended September 30, 2024. The income (loss) on acquisitions and divestitures, net caption also includes a reserve of $7 million for foreign VAT taxes associated with the entities transferred within the Statements of Consolidated Comprehensive Income (Loss) for the twelve months ended September 30, 2024.

The Nutraceuticals business was included within Ashland's Life Sciences segment and served the broader nutrition market.

Ashland determined this transaction did not qualify for discontinued operations treatment since it neither represented a strategic shift nor did it have a major effect on Ashland's operations and financial results.

Performance Adhesives

On February 28, 2022, Ashland completed the sale of its Performance Adhesives business to Arkema, a French société anonyme. Proceeds from the sale were approximately $1.7 billion, net of transaction costs. Ashland recognized a $726 million after-tax gain on sale within the income (loss) from discontinued operations caption of the Statements of Consolidated Comprehensive Income (Loss) for the twelve months ended September 30, 2022.

The transaction represented a strategic shift in Ashland’s business and had a major effect on Ashland’s operations and financial results. Accordingly, the operating results and cash flows related to Performance Adhesives have been reflected as discontinued operations in the

Statements of Consolidated Comprehensive Income (Loss) and Statements of Consolidated Cash Flows, while the assets and liabilities that were sold have been classified within the Consolidated Balance Sheets as held for sale in periods preceding the sale. See Note C for the results of operations for Performance Adhesives for all periods presented.

Certain indirect corporate costs included within the selling, general and administrative expense caption of the Statements of Consolidated Comprehensive Income (Loss) that were previously allocated to the Performance Adhesives segment do not qualify for classification within discontinued operations and are now reported as selling, general and administrative expense within continuing operations on a consolidated basis and within the Unallocated and other segment. These costs were $9 million during the twelve months ended September 30, 2022.

Other manufacturing facility sales

During 2023, Ashland entered into and completed a definitive sale agreement to sell a Specialty Additives manufacturing facility for less than $1 million. The net asset value related to this site was $4 million at September 30, 2022. Ashland recorded a $4 million impairment charge within the selling, general and administrative expense caption of the Statements of Consolidated Comprehensive Income (Loss) during the twelve months ended September 30, 2023 related to this site.

Ashland determined this transaction did not qualify for discontinued operations treatment since it neither represented a strategic shift nor did it have a major effect on Ashland's operations and financial results.

Other corporate assets

During 2023, Ashland completed the sale of two excess land properties with a net book value of $2 million. Ashland received net proceeds of approximately $9 million and recorded a pre-tax gain of $7 million within the income (loss) on acquisitions and divestitures caption within the Statement of Consolidated Comprehensive Income (Loss) for 2023.

During 2022, Ashland completed the sale of two excess land properties with a net book value of $8 million as of September 30, 2021. Ashland received net proceeds of approximately $50 million and recorded pre-tax gain of $42 million within the income (loss) on acquisitions and divestitures caption within the Statement of Consolidated Comprehensive Income (Loss) for 2022.

NOTE C – DISCONTINUED OPERATIONS

Ashland has divested certain businesses that have qualified as discontinued operations. The operating results from these divested businesses and subsequent adjustments related to ongoing assessments and activities of certain retained liabilities and tax items have been recorded within the discontinued operations caption in the Statements of Consolidated Comprehensive Income (Loss) for all periods presented and are discussed further within this note.

Due to the ongoing assessment of certain matters associated with previous divestitures, subsequent adjustments to these divestitures may continue in future periods in the discontinued operations caption in the Statements of Consolidated Comprehensive Income (Loss).

The following divested businesses represent disposal groups that qualified as discontinued operations in previous periods and impacted discontinued operations:

- The Performance Adhesives business divested in 2022;
- The Composites business and Marl facility (Composites/Marl facility) divested in 2019;
- The separation of Valvoline Inc. (Valvoline) business divested in 2017;
- The sale of Ashland Water Technologies (Water Technologies) business divested in 2014; and
- The sale of the Ashland Distribution (Distribution) business divested in 2011.

Additionally, Ashland is subject to liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims result primarily from indemnification obligations undertaken in 1990 in connection with the sale of Riley Stoker Corporation (Riley), a former subsidiary, which qualified as a discontinued operation and from the acquisition during 2009 of Hercules LLC (formerly Hercules Incorporated), an indirect wholly-owned subsidiary of Ashland. Adjustments to the recorded litigation reserves and related insurance receivables are recorded within the discontinued operations caption. See Note M for more information related to the adjustments on asbestos liabilities and receivables.

Components of amounts reflected in the Statements of Consolidated Comprehensive Income (Loss) related to discontinued operations are presented in the following table for each of the years ended September 30.

(In millions)		2024		2023		2022
Income (loss) from discontinued operations						
Performance Adhesives	$	—	$	(1)	$	33
Composites/Marl facility		(3)		(1)		—
Valvoline		2		15		(7)
Water Technologies		(5)		—		5
Distribution		(7)		(5)		(9)
Asbestos-related litigation		(21)		(6)		(17)
Gain on disposal of discontinued operations						
Performance Adhesives		—		—		1,063
Income (loss) before taxes		(34)		2		1,068
Income tax benefit (expense)						
Benefit (expense) related to income (loss) from discontinued operations						
Performance Adhesives		(2)		6		8
Composites/Marl facility		1		—		2
Valvoline		—		—		1
Water Technologies		1		—		(1)
Distribution		1		1		2
Asbestos-related litigation		3		1		3
Expense related to gain on disposal of discontinued operations						
Performance Adhesives		—		—		(337)
Income (loss) from discontinued operations, net of income taxes	$	(30)	$	10	$	746

Performance Adhesives divestiture

The following table presents a reconciliation of the captions within Ashland's Statements of Consolidated Income (Loss) for the income from discontinued operations attributable to the Performance Adhesives segment for the year ended September 30.

(In millions)		2022
Income (loss) from discontinued operations attributable to Performance Adhesives		
Sales	$	171
Cost of sales		(122)
Selling, general and administrative expense		(12)
Research and development expense		(4)
Intangible amortization expense		—
Pretax operating income of discontinued operations		33
Other net periodic benefit loss (income)		—
Pretax income of discontinued operations		33
Income tax expense		8
Income from discontinued operations	$	41

NOTE D – RESTRUCTURING ACTIVITIES

Restructuring activities

Ashland periodically implements company-wide and targeted restructuring programs related to acquisitions, divestitures and other cost reduction programs in order to enhance profitability through streamlined operations and an improved overall cost structure.

Fiscal 2024 and 2023 restructuring costs

During fiscal 2023, Ashland implemented targeted organizational restructuring actions to reduce costs. This program continued into fiscal 2024. Ashland recorded severance expense of $25 million and $5 million during 2024 and 2023, respectively, within the selling, general and administrative expense caption of the Statements of Consolidated Comprehensive Income (Loss). As of September 30, 2024, the severance reserve associated with this program was $18 million and is recorded within accrued expenses and other liabilities in the Consolidated Balance Sheets.

The following table details at September 30, 2024, the amount of restructuring severance reserves related to this program. The severance reserves were primarily recorded within accrued expenses and other liabilities in the Consolidated Balance Sheet as of September 30, 2024.

(In millions)	Severance costs
Balance as of September 30, 2023	$ 3
Restructuring reserve	25
Utilization (cash paid)	(10)
Balance as of September 30, 2024	$ 18

Fiscal 2023 Life Sciences restructuring program

During 2023, Ashland implemented a restructuring program within the Nutraceuticals business of the Life Sciences segment. Ashland recorded severance expense of $1 million during 2023 within the selling, general and administrative expense caption of the Statements of Consolidated Comprehensive Income (Loss). As of September 30, 2024, the severance reserve associated with this program was zero.

Fiscal 2020 restructuring costs

During 2022, Ashland realized severance income of $2 million attributable to executive management changes and business management changes within the organization initiated in fiscal 2020 within the selling, general and administrative expense caption of the Statements of Consolidated Comprehensive Income (Loss). As of September 30, 2024, the severance reserve associated with this transition was zero.

Plant optimization actions

During 2024, Ashland incurred $55 million of accelerated depreciation for product line optimization activities associated with two Specialty Additives manufacturing facilities, which was recorded within the cost of sales caption of the Statements of Consolidated Comprehensive Income (Loss). Ashland's portfolio optimization actions include the consolidation of Ashland's carboxymethylcellulose (CMC) and industrial methylcellulose (MC) capacity and rebalancing of the hydroxyethylcellulose (HEC) network.

During 2024, Ashland incurred $2 million of accelerated depreciation for product line optimization activities associated with a Personal Care manufacturing facility in Summerville, South Carolina, which was recorded within the cost of sales caption of the Statements of Consolidated Comprehensive Income (Loss).

NOTE E – FAIR VALUE MEASUREMENTS

As required by U.S. GAAP, Ashland uses applicable guidance for defining fair value, the initial recording and periodic remeasurement of certain assets and liabilities measured at fair value and related disclosures for instruments measured at fair value. Fair value accounting guidance establishes a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). An instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the instrument's fair value measurement. The three levels within the fair value hierarchy are described as follows.

Level 1 – Observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3 – Unobservable inputs for the asset or liability for which there is little, if any, market activity at the measurement date. Unobservable inputs reflect Ashland's own assumptions about what market participants would use to price the asset or liability. The inputs are developed based on the best information available in the circumstances, which might include Ashland's own financial data such as internally developed pricing models, discounted cash flow methodologies, as well as instruments for which the fair value determination requires significant management judgment.

For assets that are measured using quoted prices in active markets (Level 1), the total fair value is the published market price per unit multiplied by the number of units held without consideration of transaction costs. Assets and liabilities that are measured using significant other observable inputs (Level 2) are primarily valued by reference to quoted prices of similar assets or liabilities in active markets, adjusted for any terms specific to that asset or liability. For all other assets and liabilities for which unobservable inputs are used (Level 3), fair value is derived through the use of fair value models, such as a discounted cash flow model or other standard pricing models that Ashland deems reasonable.

The following table summarizes financial instruments subject to recurring fair value measurements as of September 30, 2024. For additional information on fair value hierarchy measurements of pension plan asset holdings, see Note L.

(In millions)	Carrying value	Total fair value	Quoted prices in active markets for identical assets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Assets					
Cash and cash equivalents	$ 300	$ 300	$ 300	$ —	$ —
Restricted investments[a][b]	368	368	368	—	—
Investments of captive insurance company[c]	7	7	7	—	—
Foreign currency derivatives[d]	1	1	—	1	—
Total assets at fair value	$ 676	$ 676	$ 675	$ 1	$ —
Liabilities					
Foreign currency derivatives[e]	$ 1	$ 1	$ —	$ 1	$ —
Commodity derivatives[e]	2	2	—	2	—
Total liabilities at fair value	$ 3	$ 3	$ —	$ 3	$ —

(a) Includes $295 million within restricted investments and $73 million within other current assets in the Consolidated Balance Sheets.

(b) Includes $248 million related to the Asbestos trust and $120 million related to the Environmental trust. See Note A for additional details.

(c) Included in other noncurrent assets in the Consolidated Balance Sheets.

(d) Included in accounts receivable in the Consolidated Balance Sheets.

(e) Included in accrued expenses and other liabilities in the Consolidated Balance Sheets.

The following table summarizes financial instruments subject to recurring fair value measurements as of September 30, 2023.

(In millions)	Carrying value	Total fair value	Quoted prices in active markets for identical assets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Assets					
Cash and cash equivalents	$ 417	$ 417	$ 417	$ —	$ —
Restricted investments[a][b]	367	367	367	—	—
Investments of captive insurance company[c]	6	6	6	—	—
Foreign currency derivatives[d]	1	1	—	1	—
Total assets at fair value	$ 791	$ 791	$ 790	$ 1	$ —
Liabilities					
Foreign currency derivatives[e]	$ 1	$ 1	$ —	$ 1	$ —
Commodity derivatives[e]	4	4	—	4	—
Total liabilities at fair value	$ 5	$ 5	$ —	$ 5	$ —

(a) Includes $290 million within restricted investments and $77 million within other current assets in the Consolidated Balance Sheets.
(b) Includes $243 million related to the Asbestos trust and $124 million related to the Environmental trust. See Note A for additional details.
(c) Included in other noncurrent assets in the Consolidated Balance Sheets.
(d) Included in accounts receivable in the Consolidated Balance Sheets.
(e) Included in accrued expenses and other liabilities in the Consolidated Balance Sheets.

Restricted investments

As discussed in Note A, Ashland maintains certain investments in a company restricted renewable annual trusts for the purpose of paying future asbestos indemnity and defense costs and future environmental remediation and related litigation costs. The financial instruments are designated as investment securities, classified as Level 1 measurements within the fair value hierarchy. These securities were classified primarily as noncurrent restricted investment assets, with $73 million and $77 million classified within other current assets, in the Consolidated Balance Sheets for the periods ended in September 30, 2024, and 2023, respectively.

The following table presents gross unrealized gains and losses for the restricted securities as of September 30, 2024 and 2023:

(In millions)	Adjusted Cost	Gross Unrealized Gain	Gross Unrealized Loss	Fair Value
As of September 30, 2024				
Demand deposit	$ 5	$ —	$ —	$ 5
Equity mutual fund	124	56	—	180
Fixed income mutual fund	211	—	(28)	183
Fair value	$ 340	$ 56	$ (28)	$ 368
As of September 30, 2023				
Demand deposit	$ 12	$ —	$ —	$ 12
Equity mutual fund	155	24	(2)	177
Fixed income mutual fund	226	—	(48)	178
Fair value	$ 393	$ 24	$ (50)	$ 367

The following table presents the investment income, net gains and losses realized, funds restricted for specific transactions, and disbursements related to the investments within the restricted investments portfolio during 2024, 2023 and 2022.

(In millions)	2024	2023	2022
Investment income[(a)]	$ 15	$ 13	$ 16
Net gains (losses)[(a)]	60	29	(102)
Funds restricted for specific transactions	5	9	74
Disbursements	(79)	(58)	(35)

(a) Included in the net interest and other expense (income) caption within the Statements of Consolidated Comprehensive Income (Loss).

Foreign currency derivatives

Ashland conducts business in a variety of foreign currencies. Accordingly, Ashland regularly uses foreign currency derivative instruments to manage exposure on certain transactions denominated in foreign currencies to curtail potential earnings volatility effects of certain assets and liabilities, including short-term intercompany loans denominated in currencies other than Ashland’s functional currency of an entity. These derivative contracts generally require exchange of one foreign currency for another at a fixed rate at a future date and generally have maturities of less than twelve months. All contracts are valued at fair value with net changes in fair value recorded within the selling, general and administrative expense caption. The impacts of these contracts were largely offset by gains and losses resulting from the impact of changes in exchange rates on transactions denominated in non-functional currencies.

The following table summarizes the gains and losses recognized during 2024, 2023 and 2022 within the Statements of Consolidated Comprehensive Income (Loss).

(In millions)	2024	2023	2022
Foreign currency derivative gains (losses)	$ 7	$ 10	$ (40)

The following table summarizes the fair values of the outstanding foreign currency derivatives as of September 30, 2024, and 2023 included in accounts receivable and accrued expenses and other liabilities of the Consolidated Balance Sheets.

(In millions)	2024	2023
Foreign currency derivative assets	$ 1	$ 1
Notional contract values	125	147
Foreign currency derivative liabilities	$ 1	$ 1
Notional contract values	184	103

Commodity derivatives

To manage its exposure to the market price volatility of natural gas consumed by its U.S. plants during the manufacturing process, Ashland regularly enters into forward contracts that are designated as cash flow hedges. See Note A for more information.

The following table summarizes the gains and losses recognized during 2024, 2023, 2022 within the cost of sales caption of the Statements of Consolidated Comprehensive Income (Loss).

(In millions)	2024	2023	2022
Commodity derivative gains (losses)	$ (6)	$ (3)	$ 10

The following table summarizes the fair values of the outstanding commodity derivatives as of September 30, 2024 and 2023 included in accounts receivable and accrued expenses and other liabilities of the Consolidated Balance Sheets.

(In millions)	2024	2023
Commodity derivative assets	$ —	$ —
Notional contract values	3	2
Commodity derivative liabilities	$ 2	$ 4
Notional contract values	13	16

Other financial instruments

At September 30, 2024 and 2023, Ashland's long-term debt (including the current portion and excluding debt issuance cost discounts) had carrying values of $1,361 million and $1,327 million, respectively, compared to a fair value of $1,327 million and $1,160 million, respectively. The fair values of long-term debt are based on quoted market prices.

NOTE F – PROPERTY, PLANT AND EQUIPMENT

The following table describes the various components of property, plant and equipment within the Consolidated Balance Sheets as of September 30, 2024 and 2023.

(In millions)	2024	2023
Land[a]	$ 149	$ 146
Buildings	473	467
Machinery and equipment	2,513	2,371
Construction in progress	181	227
Total property, plant and equipment (gross)	3,316	3,211
Accumulated depreciation	(2,013)	(1,838)
Total property, plant and equipment (net)	$ 1,303	$ 1,373

(a) Includes $10 million of finance lease asset as of September 30, 2024.

The following table summarizes various property, plant and equipment charges recognized during 2024, 2023, 2022 within the Statements of Consolidated Comprehensive Income.

(In millions)	2024	2023	2022
Depreciation[a]	$ 198	$ 150	$ 147
Capitalized interest	6	4	1

(a) Includes $57 million of accelerated depreciation during 2024 related to plant optimization actions. See Note D for additional details.

NOTE G – GOODWILL AND OTHER INTANGIBLES

Goodwill

Ashland performed its annual goodwill impairment test using the quantitative approach as of July 1, 2024, and concluded that the reporting unit fair values for all reporting units exceeded their carrying values. No impairment existed as of that date and no subsequent impairment indicators have been identified.

The following is a progression of goodwill by reportable segment for the years ended September 30, 2024 and 2023.

(In millions)	Life Sciences	Personal Care[a]	Specialty Additives[a]	Intermediates[a]	Total
Balance at September 30, 2022	$ 787	$ 118	$ 407	$ —	$ 1,312
Currency translation and other	32	4	14	—	50
Balance at September 30, 2023	819	122	421	—	1,362
Currency translation and other	20	3	13	—	36
Nutraceuticals divestiture[b]	(17)	—	—	—	(17)
Balance at September 30, 2024	$ 822	$ 125	$ 434	$ —	$ 1,381

(a) As of September 30, 2024 and 2023, there were accumulated impairments of $356 million, $174 million, and $90 million related to the Personal Care, Specialty Additives and Intermediates reportable segments, respectively.

(b) Ashland allocated $17 million to the Nutraceuticals disposal group during 2024. See Note B for additional details.

Other intangible assets

Intangible assets principally consist of trademarks and trade names, intellectual property and customer and supplier relationships. Intangible assets classified as finite are amortized on a straight-line basis over their estimated useful lives. The cost of trademarks and trade names is amortized principally over 3 to 20 years, intellectual property over 3 to 20 years, and customer and supplier relationships over 10 to 24 years.

Ashland performed its annual impairment test for other indefinite lived intangible assets using the quantitative approach as of July 1, 2024 and concluded that the assets fair values exceeded their carrying values. No impairment existed as of that date.

Other intangible assets were comprised of the following as of September 30, 2024 and 2023.

	2024			2023		
(In millions)	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Definite-lived intangible assets						
Trademarks and trade names[a]	$ 87	$ (42)	$ 45	$ 97	$ (43)	$ 54
Intellectual property[b]	715	(613)	102	731	(581)	150
Customer and supplier relationships[c]	759	(433)	326	821	(417)	404
Total definite-lived intangible assets	1,561	(1,088)	473	1,649	(1,041)	608
Indefinite-lived intangible assets						
Trademarks and trade names	278	—	278	278	—	278
Total intangible assets	$ 1,839	$ (1,088)	$ 751	$ 1,927	$ (1,041)	$ 886

(a) Ashland allocated $7 million to the Nutraceuticals disposal group during 2024. See Note B for additional details.
(b) Ashland allocated $17 million to the Nutraceuticals disposal group during 2024. See Note B for additional details.
(c) Ashland allocated $45 million to the Nutraceuticals disposal group during 2024. See Note B for additional details.

Amortization expense recognized on intangible assets was $76 million for 2024, $93 million for 2023 and $94 million for 2022, and is included in the intangibles amortization expense caption of the Statements of Consolidated Comprehensive Income (Loss). As of September 30, 2024, all of Ashland's intangible assets that had a carrying value were being amortized except for certain trademarks and trade names that have been determined to have indefinite lives. Estimated amortization expense for future periods is $70 million in 2025, $68 million in 2026, $47 million in 2027, $44 million in 2028 and $39 million in 2029. The amortization expense for future periods is an estimate. Actual amounts may change from such estimated amounts due to fluctuations in foreign currency exchange rates, additional intangible asset acquisitions and divestitures, potential impairment, accelerated amortization, or other events.

Goodwill and Other Intangible assets

Ashland's assessment of an impairment on any of these assets classified currently as having indefinite lives, including goodwill, could change in future periods if significant events happen and/or circumstances change that effect the previously mentioned assumptions such as: a significant change in projected business results, a divestiture decision, increase in Ashland's weighted-average cost of capital rates, decrease in growth rates or assumptions, economic deterioration that is more severe or of a longer duration than anticipated, or another significant economic event.

NOTE H – DEBT

The following table summarizes Ashland's current and long-term debt at September 30, 2024 and 2023.

(In millions)	2024	2023
3.375% Senior Notes, due 2031	$ 450	$ 450
2.00% Senior Notes, due 2028 (Euro 500 million principal)	558	528
6.875% notes, due 2043	282	282
6.50% junior subordinated notes, due 2029	67	64
Other[a]	(8)	6
Total debt	1,349	1,330
Short-term debt	—	16
Long-term debt (less debt issuance costs)	$ 1,349	$ 1,314

(a) Other includes $12 million and $13 million of debt issuance costs as of September 30, 2024 and 2023, respectively. The current portion of the long-term debt was zero for both September 30, 2024 and 2023.

At September 30, 2024, Ashland's total debt had an outstanding principal balance of $1,390 million, discounts of $29 million and debt issuance costs of $12 million. As of September 30, 2024, Ashland had no long-term debt (excluding debt issuance costs) maturing within the next 2 years, $4 million due in fiscal 2027 and $558 million in 2028.

Credit Agreements and Refinancing

2022 Credit Agreement

During July 2022, Ashland, through two of its subsidiaries, enacted an amendment to the 2020 credit agreement. The amended credit agreement (the 2022 Credit Agreement) provides for a $600 million five-year revolving credit facility (the 2022 Revolving Credit Facility). The 2022 Credit Agreement and the obligations of Ashland Services B.V. under the 2022 Revolving Credit Facility are guaranteed by Ashland. The borrowing capacity remaining under the 2022 Credit Agreement was $596 million, which reflects the full $600 million Revolving Credit Facility less a reduction of $4 million for letters of credit outstanding at September 30, 2024.

At Ashland's option, loans issued under the 2022 Credit Agreement will bear interest at (a) in the case of loans denominated in U.S. dollars, either Term SOFR or an alternate base rate and (b) in the case of loans denominated in Euros, EURIBOR, in each case plus the applicable interest rate margin. Loans will initially bear interest at Term SOFR or EURIBOR plus 1.250% per annum, in the case of Term SOFR borrowings or EURIBOR borrowings, respectively, or at the alternate base rate plus 0.250% per annum, in the case of alternate base rate borrowings, through and including the date of delivery of a quarterly compliance certificate and thereafter the interest rate will fluctuate between Term SOFR or EURIBOR plus 1.250% per annum and Term SOFR or EURIBOR plus 1.750% per annum (or between the alternate base rate plus 0.250% per annum and the alternate base rate plus 0.750% per annum), based upon the Consolidated Net Leverage Ratio (as defined in the 2022 Credit Agreement) at such time. Term SOFR borrowings are subject to a credit spread adjustment of 0.10% per annum. In addition, the Company will initially be required to pay fees of 0.125% per annum on the daily unused amount of the 2022 Revolving Credit Facility through and including the date of delivery of a quarterly compliance certificate, and thereafter the fee rate will fluctuate between 0.125% and 0.275% per annum, based upon the Consolidated Net Leverage Ratio. Borrowings under the 2022 Credit Agreement may be prepaid at any time without premiums.

As a result of the amendment of the 2020 Credit Agreement, Ashland recognized a $1 million charge for accelerated amortization of previously capitalized debt issuance costs during 2022, which is included in the net interest and other expense (income) caption of the Statements of Consolidated Comprehensive Income (Loss). Ashland also incurred $2 million of new debt issuance costs in connection with the 2022 Credit Agreement, of which $1 million was expensed immediately during 2022 within the net interest and other expense (income) caption of the Statements of Consolidated Comprehensive Income (Loss). The remaining balance is amortized using the straight-line method.

The 2022 Credit Agreement contains financial covenants for leverage and interest coverage ratios akin to those in effect under the 2020 Credit Agreement. The 2022 Credit Agreement contains usual and customary representations, warranties and affirmative and negative covenants, including financial covenants for leverage and interest coverage ratios, limitations on liens, additional indebtedness, further negative pledges, investments, mergers, sale of assets and restricted payments, and other customary limitations.

Debt repayments and repurchases

Cash repatriation

During 2024 and 2023, Ashland repatriated approximately $305 million and $92 million, respectively, in cash.

2022 Debt repayments and repurchases

2020 Credit Agreement

During 2022, Ashland prepaid its Term loan A principal balance of $250 million.

Other Debt

During 2022, Ashland repaid the outstanding balance on its European short-term loan facility for $23 million.

Accounts receivable facilities and off-balance sheet arrangements

U.S. Accounts Receivable Sales Program

On March 17, 2021, a wholly-owned, bankruptcy-remote special purpose entity and consolidated Ashland subsidiary (SPE) entered into an agreement with a group of entities (buyers) to sell certain trade receivables, without recourse beyond the pledged receivables, of two other U.S. based Ashland subsidiaries. Under the agreement, Ashland can transfer whole receivables up to a limit established by the buyer, which was set at $125 million between February and October of each year and up to $100 million all other times. Ashland's continuing involvement is limited to servicing the receivables, including billing, collections and remittance of payments to the buyers as well as a limited guarantee on over-collateralization. The arrangement was set to terminate on May 31, 2023.

On April 14, 2023, Ashland entered into a Second and Third Amendments associated with this current program. As part of this amendment the buyer's limit was reduced to $115 million between April and October of each year, and up to $100 million at all other times. Additionally, the scheduled termination date was extended from May 31, 2023 to April 14, 2025.

On September 13, 2024, Ashland entered into a Fourth Amendment associated with this current program. As part of this amendment the buyer's limits were reduced to $80 million between September 13, 2024 to (and including) December 31, 2024 and up to $70 million from January 1, 2025 through the termination date of the agreement. Additionally, the scheduled termination date was extended from April 14, 2025 to September 11, 2026.

Ashland determined that any receivables transferred under this agreement are put presumptively beyond the reach of Ashland and its creditors, even in bankruptcy or other receivership. Ashland received a true sale at law and non-consolidation opinions to support the legal isolation of these receivables. Ashland accounts for the receivables transferred to buyers as sales. Ashland recognizes any gains or losses based on the excess of proceeds received net of buyer’s discounts and fees compared to the carrying value of the assets. Proceeds received, net of buyer’s discounts and fees, are recorded within the operating activities of the Statements of Consolidated Cash Flows. Losses on sale of assets, including related transaction expenses are recorded within the net interest and other expense (income) caption of the Statements of Consolidated Comprehensive Income (Loss). Ashland regularly assesses its servicing obligations and records them as assets or liabilities when appropriate. Ashland also monitors its obligation with regards to the limited guarantee and records the resulting guarantee liability when warranted. When applicable, Ashland discloses the amount of the receivable that serves as over-collateralization as a restricted asset.

Ashland recognized a $3 million loss within the Statements of Consolidated Comprehensive Income (Loss) for 2024 and 2023, respectively, within the net interest and other expense (income) caption associated with sales under the program. Ashland has recorded $71 million of sales against the buyer’s limit, which was $71 million at September 30, 2024, compared to $86 million of sales against the buyer's limit, which was $86 million at September 30, 2023. Ashland transferred $85 million and $106 million in receivables to the SPE as of September 30, 2024 and 2023, respectively. Ashland recorded liabilities related to its service obligations and limited guarantee as of September 30, 2024 and 2023 of less than $1 million.

As of September 30, 2024 and 2023, the year-to-date gross cash proceeds received for receivables transferred and derecognized were $323 million and $217 million, respectively, of which $322 million and $241 million were collected by Ashland in our capacity as a servicer of the receivables and remitted to the buyer. The difference between receivables transferred and derecognized versus collected of $1 million and $24 million for the periods ended September 30, 2024 and 2023, respectively, represents the impact of a net increase and a net reduction in account receivable sales volume during each year, respectively.

2018 foreign accounts receivable securitization

In October 2023, Ashland terminated its 2018 Foreign Accounts Receivable Securitization Facility. The program had no outstanding borrowings at its termination. This program did not meet criteria for sale accounting and was reported as secured borrowing under ASC 860. At September 30, 2023, the outstanding amount of accounts receivable transferred by Ashland to the purchaser was $124 million. The weighted-average interest rate for this instrument was 0.5% for 2023.

Foreign Accounts Receivable Sales Program

On October 19, 2023, Ashland entered, through an Ireland based, wholly-owned, bankruptcy-remote consolidated special purpose entity (the "SPE"), into a three-year agreement with a group of entities (buyers) to sell certain trade receivables, without recourse beyond the pledged receivables, of certain wholly-owned Ashland subsidiaries (Foreign Accounts Receivable Sales Program) primarily in Europe. Under the agreement, Ashland can transfer whole receivables up to a limit established by the buyer, which is currently set at €125 million. Ashland’s continuing involvement is limited to servicing the receivables, including billing, collections and remittance of payments to the buyers as well as a limited guarantee on over-collateralization.

Ashland determined that any receivables transferred under this agreement are put presumptively beyond the reach of Ashland and its creditors, even in bankruptcy or other receivership. Ashland received true sale at law and non-consolidation opinions from independent qualified legal advisors in the jurisdiction of each originating subsidiary to support the legal isolation of these receivables. Consequently, Ashland accounts for receivables transferred to buyers as part of this agreement as sales.

Through September 30, 2024, Ashland has sold $104 million in receivables under this agreement. Accordingly, Ashland recognized a loss of $3 million within the net interest and other expense (income) caption of the Statements of Consolidated Income (Loss) for the twelve months ended September 30, 2024. Ashland recorded $104 million in sales and gross proceeds received against the buyer's limit, which was $104 million at September 30, 2024. Ashland transferred $155 million in receivables to the SPE as of September 30, 2024. Ashland recorded less than $1 million in liabilities related to its service obligations and limited guarantee as of September 30, 2024.

Supply Chain Finance Program

During April 2024, Ashland authorized a financing program offered through JP Morgan and Taulia Alliance. Under this program, JP Morgan and its affiliates may purchase certain confirmed receivables directly from suppliers pursuant to the terms of a separate arrangement entered into between JPMorgan and such Suppliers. There were no changes to Ashland's standard payment terms with its suppliers in connection with this program. Ashland provides no guarantees to JP Morgan under this program. As of September 30, 2024, the program has not yet been offered to suppliers for utilization.

Other debt

At September 30, 2024 and 2023, Ashland held other debt totaling $71 million and $83 million, respectively, comprised primarily of the 6.50% notes due 2029 and other notes.

Covenants related to current Ashland debt agreements

Ashland’s debt contains usual and customary representations, warranties and affirmative and negative covenants, including financial covenants for leverage and interest coverage ratios, limitations on liens, additional subsidiary indebtedness, restrictions on subsidiary distributions, investments, mergers, sale of assets and restricted payments and other customary limitations. As of September 30, 2024, Ashland was in compliance with all debt agreement covenant restrictions.

The maximum consolidated net leverage ratio permitted under Ashland’s most recent credit agreement (the 2022 Credit Agreement) is 4.0. The 2022 Credit Agreement defines the consolidated net leverage ratio as the ratio of consolidated indebtedness minus unrestricted cash and cash equivalents to consolidated EBITDA (Covenant Adjusted EBITDA) for any measurement period. In general, the 2022 Credit Agreement defines Covenant Adjusted EBITDA as net income plus consolidated interest charges, taxes, depreciation and amortization expense, fees and expenses related to capital market transactions and proposed or actual acquisitions and divestitures, restructuring and integration charges, certain environmental charges, non-cash stock and equity compensation expense, and any other nonrecurring expenses or losses that do not represent a cash item in such period or any future period; less any non-cash gains or other items increasing net income. In general, consolidated indebtedness includes debt plus all purchase money indebtedness, banker’s acceptances and bank guaranties, deferred purchase price of property or services, attributable indebtedness and guarantees. At September 30, 2024, Ashland’s calculation of the consolidated net leverage ratio was 2.3.

The minimum required consolidated interest coverage ratio under the 2022 Credit Agreement is 3.0. The 2022 Credit Agreement defines the consolidated interest coverage ratio as the ratio of Covenant Adjusted EBITDA to consolidated interest charges for any measurement period. At September 30, 2024, Ashland’s calculation of the consolidated interest coverage ratio was 7.8.

Net interest and other expense (income)

(In millions)	2024	2023	2022
Interest expense[a]	$ 53	$ 54	$ 62
Interest income	(10)	(12)	(4)
Loss on the accounts receivables sale programs	6	3	1
Investment securities loss (income)[b]	(75)	(42)	86
Other financing costs	2	3	4
	$ (24)	$ 6	$ 149

(a) Includes $1 million of accelerated accretion and/or amortization for original issue discounts and debt issuance costs during 2022.

(b) Represents investment loss (income) related to the restricted investments discussed in Note E.

The following table details the debt issuance cost and original issue discount amortization included in interest expense during 2024, 2023 and 2022.

(In millions)	2024	2023	2022
Normal amortization	$ 6	$ 6	$ 6
Accelerated amortization[(a)]	—	—	1
Total	$ 6	$ 6	$ 7

(a) Fiscal year 2022 includes $1 million of accelerated debt issuance costs for the 2020 credit agreement.

NOTE I – OTHER NONCURRENT ASSETS AND LIABILITIES

The following table provides the components of other noncurrent assets in the Consolidated Balance Sheets as of September 30.

(In millions)	2024	2023
Deferred compensation investments	$ 95	$ 87
Tax and tax indemnity receivables	4	6
Life insurance policies	80	76
Manufacturing catalyst supplies	25	24
Defined benefit plan assets	18	17
Equity and other unconsolidated investments	3	3
Land use rights	6	6
Environmental insurance receivables	11	15
Debt issuance costs	2	2
Other	20	15
	$ 264	$ 251

Deferred compensation investments

Deferred compensation investments consist of insurance policies valued at cash surrender value. Gains and losses related to deferred compensation investments are immediately recognized within the selling, general and administrative expense caption on the Statements of Consolidated Comprehensive Income (Loss). These investments had gains of $8 million and $5 million during 2024 and 2023, respectively, and losses of $2 million during 2022. These cash inflows exclude company-owned life insurance death benefits of $1 million, $6 million and $3 million for 2024, 2023 and 2022, respectively.

The following table provides the components of other noncurrent liabilities in the Consolidated Balance Sheets as of September 30.

(In millions)	2024	2023
Tax liabilities	$ 69	$ 79
Environmental remediation reserves	164	165
Deferred compensation	28	25
Other	25	22
	$ 286	$ 291

NOTE J – LEASING ARRANGEMENTS

Ashland leases certain office buildings, transportation equipment, warehouses and storage facilities, and equipment. Substantially all of Ashland's leases are operating leases or short-term leases. Real estate leases represented over 85% of the total lease liability at September 30, 2024 and 2023, respectively. See Note A for additional information related to Ashland's leasing policies.

The components of lease cost recognized within the Statements of Consolidated Comprehensive Income (Loss) were as follows:

(In millions)	Location	2024	2023	2022
Lease cost:				
Operating lease cost	Selling, General & Administrative	$ 13	$ 13	$ 13
Operating lease cost	Cost of Sales	15	15	16
Variable lease cost	Selling, General & Administrative	5	4	5
Variable lease cost	Cost of Sales	6	6	4
Short-term leases	Cost of Sales	2	2	3
Total lease cost[(a)]		$ 41	$ 40	$ 41

(a) Includes $2 million lease termination fee in fiscal 2022.

The following table summarizes Ashland's lease assets and liabilities as presented in the Consolidated Balance Sheet at September 30:

(In millions)	2024	2023
Assets		
Operating lease assets, net	$ 114	$ 122
Total lease assets	$ 114	$ 122
Liabilities		
Current operating lease obligations	$ 20	$ 22
Non-current operating lease obligations	99	106
Total lease liabilities	$ 119	$ 128

Ashland often has options to renew lease terms for buildings and other assets. The exercise of lease renewal options are generally at Ashland's sole discretion. In addition, certain lease arrangements may be terminated prior to their original expiration date at Ashland's discretion. Ashland evaluates renewal and termination options at the lease commencement date to determine if it is reasonably certain to exercise the option on the basis of economic factors. The weighted average remaining lease term for operating leases as of September 30, 2024 and 2023 was approximately 19 years and 17 years, respectively.

Residual value guarantees are not common within Ashland's lease agreements nor are restrictions or covenants imposed by leases. Ashland has elected the practical expedient to combine lease and non-lease components. The discount rate implicit within the leases is generally not determinable. Therefore, Ashland determines the discount rate based on its incremental borrowing rate. The incremental borrowing rate is determined using a buildup method resulting in an estimated range of secured borrowing rates matching the lease term and the currency of the jurisdiction in which lease payments are made, adjusted for impacts of collateral. Consideration was given to Ashland's own relevant debt issuances as well as debt instruments of comparable companies with similar credit characteristics. The weighted average discount rate used to measure operating lease liabilities as of September 30, 2024 and 2023 was 3.8% and 3.5%, respectively. There are no leases that have not yet commenced but that create significant rights and obligations for Ashland.

Right-of-use assets exchanged for new operating lease obligations was $6 million and $32 million for the twelve months ended September 30, 2024 and 2023, respectively. During the second quarter of fiscal 2024, Ashland acquired a favorable lease asset for $10 million, which was recorded in the property, plant and equipment caption of the Consolidated Balance Sheet at September 30, 2024.

The following table provides cash paid for amounts included in the measurement of operating lease liabilities for during 2024, 2023 and 2022:

(In millions)	2024	2023	2022
Operating cash flows from operating leases	$ 27	$ 27	$ 29
Investing cash flows from finance lease	10	-	-

The following table summarizes Ashland's maturities of lease liabilities as of September 30, 2024:

(In millions)	2024
2025	$ 23
2026	18
2027	14
2028	10
2029	8
Thereafter	86
Total lease payments	159
Less amount of lease payment representing interest	(40)
Total present value of lease payments	$ 119

NOTE K – INCOME TAXES

Income Tax Provision

A summary of the provision for income taxes related to continuing operations follows.

(In millions)	2024	2023	2022
Current			
Federal	$ 21	$ (17)	$ 3
State	3	(5)	7
Foreign	55	46	50
	79	24	60
Deferred	(302)	(32)	(35)
Income tax expense (benefit)	$ (223)	$ (8)	$ 25

Temporary differences that give rise to significant deferred tax assets and liabilities as of September 30 are presented in the following table.

(In millions)	2024	2023
Deferred tax assets		
Foreign net operating loss carryforwards[a]	$ 24	$ 24
Employee benefit obligations	19	17
Environmental, self-insurance and litigation reserves (net of receivables)	95	110
State net operating loss carryforwards (net of unrecognized tax benefits)[b]	23	18
Capital loss carryback/carryforward	106	—
Compensation accruals	25	25
Credit carryforwards (net of unrecognized tax benefits)[c]	17	18
Other items	37	25
Other lease liability	14	13
Goodwill and other intangibles[e]	20	—
Valuation allowances[d]	(64)	(56)
Total deferred tax assets	316	194
Deferred tax liabilities		
Goodwill and other intangibles[e]	—	150
Property, plant and equipment	123	158
Right of use assets	12	12
Total deferred tax liabilities	135	320
Net deferred tax asset (liability)	$ 181	$ (126)

(a) Gross net operating loss carryforwards of $97 million will expire in future years beyond 2025 or have no expiration, and primarily relate to European and Asian subsidiaries.
(b) Apportioned net operating loss carryforwards generated of $473 million will expire in future years as follows: $53 million in 2025, $42 million in 2026 and the remaining balance in other future years.
(c) Credit carryforwards consist primarily of foreign tax credits of $15 million expiring in future years, and state tax credits of $2 million that will expire in 2026 and other future years.
(d) Valuation allowances primarily relate to certain state and foreign net operating loss carryforwards and certain federal credit carryforwards.
(e) The total gross amount of goodwill as of September 30, 2024 expected to be deductible for tax purposes is $36 million.

The U.S. and foreign components of income (loss) from continuing operations before income taxes and a reconciliation of the statutory federal income tax with the provision for income taxes follow. The foreign components of income from continuing operations disclosed in the following table exclude any allocations of certain corporate expenses incurred in the U.S.

(In millions)	2024	2023	2022
Income (loss) from continuing operations before income taxes			
United States	$ (228)	$ (112)	$ (133)
Foreign	204	272	339
Income (loss) from continuing operations before income taxes	$ (24)	$ 160	$ 206
Income taxes computed at U.S. statutory rate	$ (5)	$ 34	$ 43
Increase (decrease) in amount computed resulting from			
Tax law changes	(49)	—	—
Non U.S. restructuring	(83)	—	—
Uncertain tax positions	13	(26)	(6)
Deemed inclusions, foreign dividends and other restructuring[a]	28	32	40
Foreign tax credits	(22)	(22)	(32)
Valuation allowance changes[b]	10	(7)	(4)
Research and development credits	(4)	(3)	(2)
State taxes	(3)	(1)	(4)
International rate differential	(14)	(16)	(27)
Basis difference on stock sale	(100)	—	—
Other items[c]	6	1	17
Income tax expense (benefit)	$ (223)	$ (8)	$ 25

(a) 2024 includes $17 million related to GILTI permanent adjustments and $11 million related to Subpart F. 2023 includes $19 million related to GILTI permanent adjustment and $12 million related to Subpart F. 2022 includes $31 million primarily related to GILTI permanent adjustments.

(b) 2024 includes net $10 million related to state NOL's, deferred taxes and foreign tax credits. 2023 includes net $2 million related to deferred taxes and foreign tax credits. 2022 includes $4 million related to state NOL's.

(c) 2024 includes miscellaneous items of $6 million. 2023 includes miscellaneous items of $1 million. 2022 includes $8 million related to withholding tax.

Unrecognized tax benefits

U.S. GAAP prescribes a recognition threshold and measurement attribute for the accounting and financial statement disclosure of tax positions taken or expected to be taken in a tax return. The evaluation of a tax position is a two-step process. The first step requires Ashland to determine whether it is more likely than not that a tax position will be sustained upon examination based on the technical merits of the position. The second step requires Ashland to recognize in the financial statements each tax position that meets the more likely than not criteria, measured at the amount of benefit that has a greater than 50% likelihood of being realized. Ashland had $65 million and $59 million of unrecognized tax benefits at September 30, 2024 and 2023, respectively, recorded within other noncurrent liabilities. As of September 30, 2024, the total amount of unrecognized tax benefits that, if recognized, would affect the tax rate for continuing and discontinued operations was $57 million. The remaining unrecognized tax benefits relate to tax positions for which ultimate deductibility is highly certain but for which there is uncertainty as to the timing of such deductibility. Recognition of these tax benefits would not have an impact on the effective tax rate.

Ashland recognizes interest and penalties related to uncertain tax positions as a component of income tax expense (benefit) in the Statements of Consolidated Comprehensive Income (Loss). Such interest and penalties totaled $3 million expense in 2024, $1 million benefit in 2023 and $3 million expense in 2022. Ashland had $14 million in interest and penalties related to unrecognized tax benefits accrued as of September 30, 2024 and $10 million as of 2023.

Changes in unrecognized tax benefits were as follows:

(In millions)		
Balance at September 30, 2022	$	84
Decreases related to positions taken on items from prior years		(30)
Increases related to positions taken in the current year		8
Increases related to positions taken in the prior year		1
Lapse of statute of limitations		(4)
Balance at September 30, 2023	$	59
Decreases related to positions taken on items from prior years		(3)
Increases related to positions taken in the current year		13
Increases related to positions taken in the prior year		3
Settlements		(1)
Lapse of statute of limitations		(6)
Balance at September 30, 2024	$	65

From a combination of statute expirations and audit settlements in the next twelve months, Ashland expects a decrease in the amount of accrual for uncertain tax positions of between $2 million and $5 million for continuing operations. For the remaining balance as of September 30, 2024, it is reasonably possible that there could be material changes to the amount of uncertain tax positions due to activities of the taxing authorities, settlement of audit issues, reassessment of existing uncertain tax positions or the expiration of applicable statute of limitations; however, Ashland is not able to estimate the impact of these items at this time.

Ashland or one of its subsidiaries files income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. Foreign taxing jurisdictions significant to Ashland include Belgium, Brazil, China, Germany, India, Italy, Mexico, Netherlands, Spain, Switzerland and the United Kingdom. Ashland is subject to U.S. federal income tax examinations by tax authorities for periods after September 30, 2021 and U.S. state income tax examinations by tax authorities for periods after September 30, 2017. With respect to countries outside of the United States, with certain exceptions, Ashland's foreign subsidiaries are subject to income tax audits for years after 2018.

NOTE L – EMPLOYEE BENEFIT PLANS

Pension plans

Ashland and its subsidiaries have several contributory and noncontributory qualified defined benefit pension plans that generally cover international employees and a small portion of certain U.S. manufacturing union employees. Pension obligations for applicable employees of non-U.S. consolidated subsidiaries are provided for in accordance with local practices and regulations of the respective countries. The majority of these foreign pension plans are closed to new participants while those that remain open relate to areas where jurisdictions require plans to operate within the applicable country.

Benefits for those eligible for Ashland's U.S. pension plans generally are based on employees' years of service and compensation during the years immediately preceding their retirement. The remaining U.S. plans are still open for enrollment for qualifying union employees within certain manufacturing sites.

Other postretirement benefit plans

Ashland and its subsidiaries maintain limited health care for certain eligible employees in the U.S. who are retired or disabled. Ashland shares the costs of providing health care coverage with certain eligible retired employees through premiums, deductibles and coinsurance provisions. Ashland funds its share of the costs of the postretirement benefit plans as the benefits are paid.

Postretirement health care plans include a limit on Ashland's share of costs for recent and future retirees. The assumed pre-65 health care cost increase trend rate as of September 30, 2024 was 7.2% and continues to be reduced to 4.0% in 2048 and thereafter. The assumptions used to project the liability anticipate future cost-sharing changes to the written plans that are consistent with the increase in health care costs.

Plan Amendments and Remeasurements

Following the completion of the sale of its Performance Adhesives business segment on February 28, 2022, the post-retirement benefits for approximately 40 employees transferred to Arkema, all of whom participated in a non-contributory defined benefit plan in the U.S., were frozen. This resulted in a decrease in total expected future years of service within the plan and required Ashland to remeasure the plan as February 28, 2022. As a result, Ashland recorded a $1 million actuarial gain within the other net periodic benefit loss (income) caption of the Statements of Consolidated Comprehensive Income (Loss) for fiscal 2022.

Net periodic benefit loss (income) allocation

Consistent with Ashland's historical accounting policies, service cost for continuing operations is allocated to each reportable segment, excluding the Unallocated and other segment, while all other costs for continuing operations are recorded within the Unallocated and other segment.

The following table summarizes the components of pension and other postretirement benefit costs for continuing operations and the assumptions used to determine net periodic benefit loss (income) for the plans.

	Pension benefits			Other postretirement benefits		
(In millions)	2024	2023	2022	2024	2023	2022
Net periodic benefit loss (income)						
Service cost[a]	$ 3	$ 3	$ 4	$ 1	$ 1	$ 1
Interest cost[b]	14	13	8	2	2	2
Curtailment, settlement and other[b]	—	—	(1)	—	—	—
Expected return on plan assets[b]	(8)	(7)	(7)	—	—	—
Actuarial (gain) loss[b]	11	—	(16)	3	(2)	(8)
	$ 20	$ 9	$ (12)	$ 6	$ 1	$ (5)
Weighted-average plan assumptions[c]						
Discount rate for service cost	4.64 %	4.56 %	2.99 %	6.04 %	5.80 %	3.19 %
Discount rate for interest cost	5.49 %	5.44 %	3.33 %	5.92 %	5.54 %	2.10 %
Rate of compensation increase	3.07 %	3.07 %	2.50 %			
Expected long-term rate of return on plan assets	4.99 %	4.25 %	2.89 %			

(a) Service cost is classified within the selling, general and administrative expense and cost of sales captions on the Statements of Consolidated Comprehensive Income (Loss).

(b) These components are classified within the other net periodic benefit loss (income) caption on the Statements of Consolidated Comprehensive Income (Loss).

(c) The plan assumptions discussed are a blended weighted-average rate for Ashland's U.S. and non-U.S. plans.

The changes in prior service credit recognized in accumulated other comprehensive income during both 2024 and 2023 were less than $1 million each. At September 30, 2024, Ashland expects to recognize less than $1 million of the prior service credit in accumulated other comprehensive income as net periodic benefit loss (income) during the next fiscal year.

At September 30, 2024 and 2023, the amounts included in accumulated other comprehensive income are shown in the following table.

	Pension		Postretirement	
(In millions)	2024	2023	2024	2023
Prior service cost	$ 2	$ 2	$ —	$ —

Obligations and funded status

Actuarial valuations are performed for the pension and other postretirement benefit plans to determine Ashland's obligation for each plan. In accordance with U.S. GAAP, Ashland recognizes the unfunded status of the plans as a liability in the Consolidated Balance Sheets. Ashland maintains a defined benefits plan in the UK that is overfunded by $18 million, all of which is recorded in the other noncurrent assets caption of the Consolidated Balance Sheets.

Summaries of the change in benefit obligations, plan assets, funded status of the plans, amounts recognized in the balance sheet, and assumptions used to determine the benefit obligations for 2024 and 2023 are as follows:

	Pension plans		Other postretirement benefit plans	
(In millions)	2024	2023	2024	2023
Change in benefit obligations				
Benefit obligations at October 1	$ 255	$ 250	$ 34	$ 36
Service cost	3	3	1	1
Interest cost	14	13	2	2
Participant contributions	—	—	—	—
Benefits paid	(17)	(16)	(2)	(4)
Actuarial (gain) loss	22	(10)	3	(1)
Curtailments	—	—	—	—
Foreign currency exchange rate changes	14	15	—	—
Other (including acquisitions)	—	—	—	—
Settlements	(1)	—	—	—
Benefit obligations at September 30	$ 290	$ 255	$ 38	$ 34
Change in plan assets				
Value of plan assets at October 1	$ 203	$ 201	$ —	$ —
Actual return on plan assets	20	(2)	—	—
Employer contributions	15	8	—	—
Participant contributions	—	—	—	—
Benefits paid	(16)	(16)	—	—
Foreign currency exchange rate changes	13	14	—	—
Settlements	(1)	—	—	—
Other	—	(2)	—	—
Value of plan assets at September 30	$ 234	$ 203	$ —	$ —
Unfunded status of the plans	$ (56)	$ (52)	$ (38)	$ (34)
Amounts recognized in the balance sheet				
Other assets (noncurrent)	$ 18	$ 17	$ —	$ —
Accrued expenses and other liabilities	(3)	(4)	(3)	(3)
Employee benefit obligations	(71)	(65)	(35)	(31)
Net amount recognized	$ (56)	$ (52)	$ (38)	$ (34)
Weighted-average plan assumptions				
Discount rate	4.50 %	5.43 %	4.91 %	5.72 %
Rate of compensation increase	3.07 %	3.07 %		

The accumulated benefit obligation for all pension plans was $284 million at September 30, 2024 and $250 million at September 30, 2023. All Ashland pension plans are either qualified U.S. or non-US plans. Information for pension plans with an accumulated benefit obligation in excess of plan assets follows:

(In millions)	2024	2023
Projected benefit obligation	$ 168	$ 149
Accumulated benefit obligation	162	144
Fair value of plan assets	93	80

Plan assets

The expected long-term rate of return on pension plan assets was 4.99% and 4.25% for September 30, 2024 and 2023, respectively. The basis for determining the expected long-term rate of return is a combination of future return assumptions for various asset classes in Ashland's investment portfolio, historical analysis of previous returns, market indices and a projection of inflation.

The following table summarizes the various investment categories that the pension plan assets are invested in and the applicable fair value hierarchy that the financial instruments are classified within these investment categories as of September 30, 2024. For additional information and a detailed description of each level within the fair value hierarchy, see Note E.

(In millions)	Total fair value	Quoted prices in active markets for identical assets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Cash and cash equivalents	$ 2	$ 2	$ —	$ —
U.S. Government securities	9	—	9	—
Non-U.S. Government securities	—	—	—	—
Corporate debt instruments	26	—	26	—
Listed real assets	10	—	10	—
Asset-backed securities	—	—	—	—
Corporate stocks	30	—	30	—
Insurance contracts	157	—	157	—
Total assets at fair value	$ 234	$ 2	$ 232	$ —

The following table summarizes the various investment categories that the pension plan assets are invested in and the applicable fair value hierarchy that the financial instruments are classified within these investment categories as of September 30, 2023.

(In millions)	Total fair value	Quoted prices in active markets for identical assets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Cash and cash equivalents	$ 11	$ 11	$ —	$ —
U.S. Government securities	6	—	6	—
Non-U.S. Government securities	39	—	39	—
Corporate debt instruments	80	—	80	—
Listed real assets	9	—	9	—
Asset-backed securities	7	—	7	—
Corporate stocks	25	—	25	—
Insurance contracts	26	—	26	—
Total assets at fair value	$ 203	$ 11	$ 192	$ —

Ashland's pension plan holds a variety of investments designed to diversify risk. Investments classified as a Level 1 fair value measure principally represent marketable securities priced in active markets. Cash and cash equivalents and public equity and debt securities are well diversified and invested in U.S. and international small-to-large companies across various asset managers and styles. Investments classified as a Level 2 fair value measure principally represents fixed-income securities and other investment grade corporate bonds and debt obligations.

Investments and Strategy

In developing an investment strategy for its defined benefit plans, Ashland has considered the following factors: the nature of the plans' liabilities, the allocation of liabilities between active, deferred and retired members, the funded status of the plans, the applicable investment horizon, the respective size of the plans and historical and expected capital market returns. Ashland's U.S. pension plan assets are managed by outside investment managers, which are monitored against investment return benchmarks and Ashland's established investment strategy. Investment managers are selected based on an analysis of, among other things, their investment process, historical investment results, frequency of management turnover, cost structure and assets under management. Assets are periodically reallocated between investment managers to maintain an appropriate asset mix and diversification of investments and to optimize returns.

The current asset allocation for the U.S. plans is 47.6% fixed income securities, 38.8% equity securities and 13.6% other securities. Fixed income securities primarily include cash and cash equivalents, long duration corporate debt obligations and U.S. government debt obligations. In addition, Ashland's non-U.S. plan fixed income securities include insurance contracts. Equity securities are comprised solely of traditional public equity investments. Investment managers may employ a limited use of derivatives to gain efficient exposure to markets.

Ashland's investment strategy and management practices relative to plan assets of non-U.S. plans generally are consistent with those for U.S. plans, except in those countries where investment of plan assets is dictated by applicable regulations. Although the investment allocation may vary based on funding percentages and whether plans are still accruing additional liabilities, the weighted-average asset allocations for Ashland's U.S. and non-U.S. plans at September 30, 2024 and 2023 by asset category follow.

		Actual at September 30	
(In millions)	Target	2024	2023
Plan assets allocation			
Equity securities	5 - 45%	14 %	18 %
Fixed income securities	55 - 95%	82 %	78 %
Other	0 - 5%	4 %	4 %
		100 %	100 %

Cash flows

During 2024 and 2023, Ashland contributed $7 million and $3 million to its U.S. pension plans, respectively, and $8 million and $5 million to its non-U.S. pension plans, respectively. Ashland expects to contribute approximately $6 million to its U.S. pension plans and expects to contribute approximately $5 million to its non-U.S. pension plans during 2025.

The following benefit payments, which reflect future service expectations, are projected to be paid from plan assets in each of the next five years and in aggregate for five years thereafter.

(In millions)	Pension benefits	Other postretirement benefits
2025	$ 17	$ 3
2026	18	3
2027	18	3
2028	18	3
2029	19	3
2030 - 2034	96	16

Other plans

Ashland sponsors savings plans to assist eligible employees in providing for retirement or other future needs. Under such plans, company contributions amounted to $21 million in 2024, and $23 million in 2023 and 2022, respectively. Ashland also sponsors various other employee benefit plans, some of which are required by different countries. The total noncurrent liabilities associated with these plans was $4 million for September 30, 2024 and 2023, respectively.

NOTE M – LITIGATION, CLAIMS AND CONTINGENCIES

Asbestos litigation

Ashland and Hercules have liabilities from claims alleging personal injury caused by exposure to asbestos. To assist in developing and annually updating independent reserve estimates for future asbestos claims and related costs, Ashland has retained third party actuarial experts Gnarus. The methodology used by Gnarus to project future asbestos costs is based largely on recent experience, including claim-filing and settlement rates, disease mix, open claims and litigation defense. The claim experience of Ashland and Hercules are separately compared to the results of previously conducted third party epidemiological studies estimating the number of people likely to develop asbestos-related diseases. Those studies were undertaken in connection with national analyses of the population expected to have been exposed to asbestos. Using that information, Gnarus estimates a range of the number of future claims that may be filed, as well as the related costs that may be incurred in resolving those claims. Changes in asbestos-related liabilities and receivables are recorded on an after-tax basis within the discontinued operations caption in the Statements of Consolidated Comprehensive Income (Loss).

Ashland asbestos-related litigation

The claims alleging personal injury caused by exposure to asbestos asserted against Ashland result primarily from indemnification obligations undertaken in 1990 in connection with the sale of Riley, a former subsidiary. The amount and timing of settlements and number of open claims can fluctuate from period to period. A summary of Ashland asbestos claims activity, excluding Hercules claims, follows.

(In thousands)	2024	2023	2022
Open claims - beginning of year	42	44	46
New claims filed	2	2	2
Claims settled	(1)	(1)	(1)
Claims dismissed	(2)	(3)	(3)
Open claims - end of year	41	42	44

Ashland asbestos-related liability

From the range of estimates, Ashland records the amount it believes to be the best estimate of future payments for litigation defense and claim settlement costs. Ashland reviews this estimate and related assumptions quarterly and annually updates the results of a non-inflated, non-discounted approximate 40-year model developed with the assistance of Gnarus.

During the most recent update completed during 2024, it was determined that the liability for Ashland asbestos-related claims should be increased by $24 million. Total reserves for asbestos claims were $274 million at September 30, 2024 compared to $281 million at September 30, 2023.

A progression of activity in the asbestos reserve is presented in the following table.

(In millions)	2024	2023	2022
Asbestos reserve - beginning of year	$ 281	$ 305	$ 320
Reserve adjustment	24	9	16
Amounts paid	(31)	(33)	(31)
Asbestos reserve - end of year[a]	$ 274	$ 281	$ 305

(a) Included $28 million classified in accrued expenses and other liabilities on the Consolidated Balance Sheets as of September 30, 2024 and 2023.

Ashland asbestos-related receivables

Ashland has insurance coverage for certain litigation defense and claim settlement costs incurred in connection with its asbestos claims, and coverage-in-place agreements exist with the insurance companies that provide substantially all of the coverage that will be accessed.

For the Ashland asbestos-related obligations, Ashland has estimated the value of probable insurance recoveries associated with its asbestos reserve based on management's interpretations and estimates surrounding the available or applicable insurance coverage, including an assumption that all solvent insurance carriers remain solvent. Substantially all of the estimated receivables from insurance companies are expected to be due from domestic insurers, all of which are solvent.

At September 30, 2024, Ashland's receivable for recoveries of litigation defense and claim settlement costs from insurers amounted to $97 million (excluding the Hercules receivable for asbestos claims discussed below). Receivables from insurers amounted to $95 million at

September 30, 2023. During 2024, the annual update of the model used for purposes of valuing the asbestos reserve and its impact on valuation of future recoveries from insurers was completed. This model update resulted in a $11 million increase in the receivable for probable insurance recoveries.

A progression of activity in the Ashland insurance receivable is presented in the following table.

(In millions)	2024	2023	2022
Insurance receivable - beginning of year	$ 95	$ 101	$ 100
Receivable adjustment[(a)]	11	3	7
Amounts collected	(9)	(9)	(6)
Insurance receivable - end of year[(b)]	$ 97	$ 95	$ 101

(a) The total allowance for credit losses was $1 million as of September 30, 2024 and 2023.
(b) Includes $9 million and $11 million classified in accounts receivable on the Consolidated Balance Sheets as of September 30, 2024 and 2023, respectively.

Hercules asbestos-related litigation

Hercules has liabilities from claims alleging personal injury caused by exposure to asbestos. Such claims typically arise from alleged exposure to asbestos fibers from resin encapsulated pipe and tank products which were sold by one of Hercules' former subsidiaries to a limited industrial market. The amount and timing of settlements and number of open claims can fluctuate from period to period. A summary of Hercules' asbestos claims activity follows.

(In thousands)	2024	2023	2022
Open claims - beginning of year	12	11	12
New claims filed	1	1	1
Claims dismissed	(1)	—	(2)
Open claims - end of year	12	12	11

Hercules asbestos-related liability

From the range of estimates, Ashland records the amount it believes to be the best estimate of future payments for litigation defense and claim settlement costs. Ashland reviews this estimate and related assumptions quarterly and annually updates the results of a non-inflated, non-discounted approximate 40-year model developed with the assistance of Gnarus. As a result of the most recent annual update of this estimate completed during 2024, it was determined that the liability for Hercules asbestos-related claims should be increased by $14 million. Total reserves for asbestos claims were $185 million at September 30, 2024 compared to $191 million at September 30, 2023.

A progression of activity in the asbestos reserve is presented in the following table.

(In millions)	2024	2023	2022
Asbestos reserve - beginning of year	$ 191	$ 213	$ 217
Reserve adjustments	14	(2)	15
Amounts paid	(20)	(20)	(19)
Asbestos reserve - end of year[(a)]	$ 185	$ 191	$ 213

(a) Included $17 million classified in accrued expenses and other liabilities on the Consolidated Balance Sheets as of September 30, 2024 and 2023.

Hercules asbestos-related receivables

For the Hercules asbestos-related obligations, certain reimbursement obligations pursuant to coverage-in-place agreements with insurance carriers exist. As a result, any increases in the asbestos reserve have been partially offset by probable insurance recoveries. Ashland has estimated the value of probable insurance recoveries associated with its asbestos reserve based on management's interpretations and estimates surrounding the available or applicable insurance coverage, including an assumption that all solvent insurance carriers remain solvent. The estimated receivable consists exclusively of solvent domestic insurers.

As of September 30, 2024 and 2023, the receivables from insurers amounted to $50 million and $47 million, respectively. During 2024, the annual update of the model used for purposes of valuing the asbestos reserve and its impact on valuation of future recoveries from insurers was completed. This model update resulted in a $6 million increase in the receivable for probable insurance recoveries.

A progression of activity in the Hercules insurance receivable is presented in the following table.

(In millions)	2024	2023	2022
Insurance receivable - beginning of year	$ 47	$ 52	$ 47
Receivable adjustment[(a)]	6	(3)	7
Amounts collected	(3)	(2)	(2)
Insurance receivable - end of year[(b)]	$ 50	$ 47	$ 52

(a) The total allowance for credit losses was $1 million as of September 30, 2024 and 2023.
(b) Includes $6 million and $4 million classified in accounts receivable on the Consolidated Balance Sheets as of September 30, 2024 and 2023, respectively.

Asbestos litigation cost projection

Projecting future asbestos costs is subject to numerous variables that are difficult to predict. In addition to the uncertainties surrounding the number of claims that might be received, other variables include the type and severity of the disease alleged by each claimant and the related costs incurred in resolving those claims, mortality rates, dismissal rates, uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case. Furthermore, any predictions with respect to these variables are subject to even greater uncertainty as the projection period lengthens. In light of these inherent uncertainties, Ashland believes that the asbestos reserves for Ashland and Hercules represent the best estimate within a range of possible outcomes. As a part of the process to develop these estimates of future asbestos costs, a range of long-term cost models was developed. These models are based on national studies that predict the number of people likely to develop asbestos-related diseases and are heavily influenced by assumptions regarding long-term inflation rates for indemnity payments and legal defense costs, as well as other variables mentioned previously. Ashland has currently estimated in various models ranging from approximately 40 year periods that it is reasonably possible that total future litigation defense and claim settlement costs on an inflated and undiscounted basis could range as high as approximately $410 million for the Ashland asbestos-related litigation (current reserve of $274 million) and approximately $276 million for the Hercules asbestos-related litigation (current reserve of $185 million), depending on the combination of assumptions selected in the various models. While the timeframe used in Ashland's models for projecting asbestos liabilities generally decreases over time based on the expected lifetime of the liabilities, these models have been consistently applied within all periods presented. If actual experience is worse than projected, relative to the number of claims filed, the severity of alleged disease associated with those claims or costs incurred to resolve those claims, or actuarial refinement or improvements to the assumptions used within these models are initiated, Ashland may need to further increase the estimates of the costs associated with asbestos claims and these increases could be material over time.

Environmental remediation and asset retirement obligations

Ashland is subject to various federal, state and local environmental laws and regulations that require environmental assessment or remediation efforts (collectively environmental remediation) at multiple locations. At September 30, 2024, such locations included 53 sites where Ashland has been identified as a potentially responsible party under Superfund or similar state laws, 108 current and former operating facilities and about 1,225 service station properties, of which 14 are being actively remediated.

Ashland’s reserves for environmental remediation and related environmental litigation amounted to $221 million at September 30, 2024 compared to $214 million at September 30, 2023, of which $164 million at September 30, 2024 and $165 million at September 30, 2023 were classified in other noncurrent liabilities on the Consolidated Balance Sheets. The remaining reserves were classified in accrued expenses and other liabilities on the Consolidated Balance Sheets.

The following table provides a reconciliation of the changes in the environmental remediation reserves during 2024 and 2023.

(In millions)	2024	2023
Environmental remediation reserve - beginning of year	$ 214	$ 211
Disbursements	(49)	(54)
Revised obligation estimates and accretion	56	57
Environmental remediation reserve - end of year	$ 221	$ 214

The total reserves for environmental remediation reflect Ashland’s estimates of the most likely costs that will be incurred over an extended period to remediate identified conditions for which the costs are reasonably estimable, without regard to any third-party recoveries. Engineering studies, historical experience and other factors are used to identify and evaluate remediation alternatives and their related costs in determining the estimated reserves for environmental remediation. Ashland regularly adjusts its reserves as environmental remediation continues. Ashland has estimated the value of its probable insurance recoveries associated with its environmental reserve based on management’s interpretations and estimates surrounding the available or applicable insurance coverage. At September 30, 2024 and 2023, Ashland's recorded receivable for these probable insurance recoveries was $13 million and $17 million, respectively, of which $11 million and $15 million was classified in other noncurrent assets in the respective Consolidated Balance Sheets.

During 2024, 2023 and 2022, Ashland recognized $54 million, $56 million and $66 million of expense, respectively, for certain environmental liabilities related to normal ongoing remediation cost estimate updates for sites, which is consistent with Ashland's historical environmental accounting policy.

Components of environmental remediation expense included within the selling, general and administrative expense caption of the Statements of Consolidated Comprehensive Income (Loss) are presented in the following table for the years ended September 30, 2024, 2023 and 2022.

(In millions)	2024	2023	2022
Environmental expense	$ 54	$ 56	$ 66
Accretion	1	1	1
Legal expense	3	3	4
Total expense	58	60	71
Insurance receivable	(2)	(1)	(5)
Total expense, net of receivable activity[(a)]	$ 56	$ 59	$ 66

(a) Net expense of $11 million, $5 million and $13 million for the fiscal years ended September 30, 2024, 2023 and 2022, respectively, related to divested businesses which qualified for treatment as discontinued operations and for which certain environmental liabilities were retained by Ashland. These amounts are classified within the income (loss) from discontinued operations caption of the Statements of Consolidated Comprehensive Income (Loss).

Environmental remediation reserves are subject to uncertainties that affect Ashland's ability to estimate its share of the costs. Such uncertainties involve the nature and extent of contamination at each site and the extent of required cleanup efforts under existing environmental regulations. Although it is not possible to predict with certainty the ultimate costs of environmental remediation, Ashland currently estimates that the upper end of the reasonably possible range of future costs for identified sites could be as high as approximately $485 million. The largest reserve for any site is 21% of the remediation reserve as of September 30, 2024.

Brazil tax credits

In March 2017, the Federal Supreme Court of Brazil (Brazil Supreme Court) ruled in a leading case that a Brazilian value-added tax (ICMS) should not be included in the base used to calculate a taxpayer's federal contribution on total revenue known as PIS/COFINS (2017 Decision). As a result, two of Ashland's Brazilian subsidiaries filed lawsuits challenging the inclusion of ICMS in Ashland's calculation of PIS/COFINs, seeking recovery of excess taxes paid plus interest.

In response to the 2017 Decision, the Brazilian tax authority filed an appeal of the 2017 Decision seeking clarification of the amount of ICMS tax to exclude from the calculation of PIS/COFINS. In May 2021, the Brazil Supreme Court ruled that the ICMS tax be excluded from the calculation of PIS/COFINS. In May 2023, Law 14592/23 was passed in Brazil, converting the 2017 Decision provisional measure effective for PIS/COFINS legislation excluding ICMS from the calculation basis.

As of September 30, 2024, Ashland had received all favorable court rulings for previously filed suits, completed its analysis of certain prior year overpayments related to ICMS and received acknowledgment from the Brazilian tax authority that allows Ashland to begin the process to recover the taxes. As a result, Ashland recorded a pre-tax gain of $12 million for period ended September 30, 2023 for certain excess PIS/COFINS paid from 2012 to February 2023 plus interest. The gain was recognized within the selling, general and administrative expense caption of the Statement of Consolidated Comprehensive Income (Loss). Ashland started utilizing these credits in December 2023. As of September 30, 2024, Ashland had remaining credits for a total of $8 million available for future use ($5 million within other current assets and $3 million within other noncurrent assets in the Consolidated Balance Sheets, respectively).

Other legal proceedings and claims

In addition to the matters described above, there are other various claims, lawsuits and administrative proceedings pending or threatened against Ashland and its current and former subsidiaries. Such actions are with respect to commercial matters, product liability, toxic tort liability, and other environmental matters, which seek remedies or damages, some of which are for substantial amounts. While Ashland cannot predict with certainty the outcome of such actions, it believes that adequate reserves have been recorded and losses already recognized with respect to such actions were immaterial as of September 30, 2024 and 2023. There is a reasonable possibility that a loss exceeding amounts already recognized may be incurred related to these actions; however, Ashland believes that such potential losses were immaterial as of September 30, 2024.

NOTE N – EQUITY ITEMS

Stock repurchase program

On June 28, 2023, Ashland's board of directors authorized a new evergreen $1 billion common share repurchase program ("2023 Stock Repurchase Program"). The new authorization terminated and replaced the 2022 Stock Repurchase Program, which had $200 million outstanding at the date of termination. In 2022, the 2022 Stock Repurchase Program replaced and terminated the 2018 $1 billion share repurchase program, which had $150 million outstanding at its date of termination on May 22, 2022. As of September 30, 2024, $620 million remained available for repurchase under the 2023 Stock Repurchase Program.

The following table provides the stock repurchase activity for fiscal years 2024, 2023, and 2022:

(In millions, except per share amounts)	2024	2023	2022
Number of shares repurchased	4.30	3.10	2.85
Weighted-average price per share[(a)]	$ 88.70	$ 97.33	$ 70.09
Aggregate purchase price[(a)]	$ 380	$ 300	$ 200
Program	2023 Stock Repurchase Program	2022 Stock Repurchase Program	2018 Stock Repurchase Program

(a) Includes transactions costs.

Stockholder dividends

Ashland paid dividends per common share of $1.58, $1.44 and $1.27 during 2024, 2023 and 2022, respectively.

In May 2024, the Board of Directors of Ashland announced a quarterly cash dividend of 40.5 cents per share to eligible stockholders at record, which represented an increase from the previous quarterly cash dividend of 38.5 cents per share. The dividend was paid in the third and fourth quarter of fiscal 2024.

In May 2023, the Board of Directors of Ashland announced a quarterly cash dividend of 38.5 cents per share to eligible stockholders at record, which represented an increase from the previous quarterly cash dividend of 33.5 cents per share. The dividend was paid in the third and fourth quarter of fiscal 2023.

In May 2022, the Board of Directors of Ashland announced a quarterly cash dividend of 33.5 cents per share to eligible stockholders at record, which represented an increase from the previous quarterly cash dividend of 30.0 cents per share. This dividend was paid in the third and fourth quarters of fiscal 2022 and the first and second quarters of fiscal 2023.

In May 2021, the Board of Directors of Ashland announced a quarterly cash dividend of 30.0 cents per share to eligible stockholders at record, which represented an increase from the previous quarterly cash dividend of 27.5 cents per share. This dividend was paid in the third and fourth quarters of fiscal 2021 and the first and second quarters of fiscal 2022.

Shares reserved for issuance

At September 30, 2024, 17.1 million common shares were reserved for issuance under stock incentive and deferred compensation plans.

Other comprehensive income (loss)

Components of other comprehensive income (loss) recorded in the Statements of Consolidated Comprehensive Income (Loss) are presented in the following table, before tax and net of tax effects.

(In millions)	Before tax	Tax (expense) benefit	Net of tax
Year ended September 30, 2024			
Other comprehensive income (loss)			
Unrealized translation gain	$ 53	$ 1	$ 54
Unrealized gain on commodity hedges	2	(1)	1
Total other comprehensive income (loss)	$ 55	$ —	$ 55
Year ended September 30, 2023			
Other comprehensive income (loss)			
Unrealized translation gain	$ 72	$ —	$ 72
Unrealized loss on commodity hedges	(8)	2	(6)
Total other comprehensive income (loss)	$ 64	$ 2	$ 66
Year ended September 30, 2022			
Other comprehensive income (loss)			
Unrealized translation loss	$ (199)	$ 2	$ (197)
Unrealized loss on commodity hedges	(2)	1	(1)
Pension and postretirement obligation adjustment	1	—	1
Total other comprehensive income (loss)	$ (200)	$ 3	$ (197)

Summary of Stockholders' Equity

A reconciliation of changes in stockholders' equity are as follows:

(In millions)	2024	2023	2022
Common stock and paid in capital			
Balance, beginning of period	$ 5	$ 136	$ 328
Common shares issued under stock incentive and other plans[a]	9	12	8
Common shares purchased under repurchase program[b][c]	(13)	(143)	(200)
Balance, end of period	1	5	136
Retained earnings			
Balance, beginning of period	3,595	3,653	2,796
Adoption of new accounting pronouncements	—	—	—
Common shares purchased under repurchase program[b]	(370)	(160)	—
Net income	169	178	927
Regular dividends	(79)	(76)	(70)
Balance, end of period	3,315	3,595	3,653
Accumulated other comprehensive income (loss)			
Balance, beginning of period	(503)	(569)	(372)
Unrealized translation gain (loss)	54	72	(197)
Unrealized gain (loss) on commodity hedges	1	(6)	(1)
Pension and postretirement obligation adjustment	—	—	1
Balance, end of period	(448)	(503)	(569)
Total stockholders' equity	$ 2,868	$ 3,097	$ 3,220
Cash dividends declared per common share	$ 1.58	$ 1.44	$ 1.27

(a) Common shares issued were 137,799, 193,767 and 168,270 for 2024, 2023 and 2022, respectively.

(b) Common shares repurchased were 4,285,194, 3,082,928 and 2,853,312 for 2024, 2023 and 2022, respectively.

(c) Includes $3 million in excise tax on stock repurchases for 2024 and 2023.

NOTE O – STOCK INCENTIVE PLANS

Ashland has stock incentive plans under which key employees or directors are granted performance share awards or nonvested stock awards. Each program is typically a long-term incentive plan designed to link employee compensation with increased shareholder value or reward superior performance and encourage continued employment with Ashland. Ashland recognizes compensation expense for the grant date fair value of stock-based awards over the requisite service period and accounts for forfeitures when they occur across all stock-based awards.

The components of Ashland's pretax compensation expense for stock-based awards (net of forfeitures) and associated income tax benefits are as follows.

(In millions)	2024[a]	2023[b]	2022[c]
SARs	$ —	$ —	$ 1
Nonvested stock awards	13	11	12
Performance share awards	4	11	11
	$ 17	$ 22	$ 24
Income tax benefit	$ 3	$ 5	$ 6

(a) The year ended September 30, 2024 included $2 million and less than $1 million of expense related to cash-settled nonvested restricted stock awards and cash-settled performance units, respectively.

(b) The year ended September 30, 2023 included $1 million of expense and $1 million of income related to cash-settled nonvested restricted stock awards and cash-settled performance units, respectively.

(c) The year ended September 30, 2022 included $4 million and $2 million of expense related to cash-settled nonvested restricted stock awards and cash-settled performance units, respectively.

Stock Appreciation Rights

SARs were granted to employees or directors at a price equal to the fair market value of the stock on the date of grant and typically become exercisable over periods of one to three years. Unexercised SARs lapse ten years after the date of grant. Ashland estimated the fair value of SARs granted using the Black-Scholes option-pricing model. Ashland has not granted any SARs since August 2020.

A progression of activity and various other information relative to SARs and previously issued and vested stock options is presented in the following table.

	2024		2023		2022	
(In thousands except per share data)	Number of common shares	Weighted-average exercise price per share	Number of common shares	Weighted-average exercise price per share	Number of common shares	Weighted-average exercise price per share
Outstanding - beginning of year	1,023	$ 65.22	1,142	$ 63.85	1,543	$ 62.14
Exercised	(199)	61.15	(114)	52.31	(392)	57.32
Forfeitures and expirations	(5)	71.33	(5)	46.67	(9)	54.70
Outstanding - end of year[(a)]	819	66.16	1,023	65.22	1,142	63.85
Exercisable - end of year	819	66.16	1,023	65.22	1,094	63.24

(a) Exercise prices per share for SARs outstanding at September 30, 2024 ranged from $57.96 to $59.95 for 368 thousand shares and from $67.16 to $82.34 for 451 thousand shares. The weighted-average remaining contractual life of outstanding and exercisable SARs and stock options was 3.0 years.

The total intrinsic value of SARs exercised was $6 million in 2024, $6 million in 2023 and $19 million in 2022. The actual tax benefit realized from the exercised SARs was $1 million in 2024, $1 million in 2023 and $4 million in 2022. The total grant date fair value of SARs that vested during 2024, 2023 and 2022 was zero, $1 million and $1 million, respectively. As of September 30, 2024, there was zero unrecognized compensation costs related to SARs. As of September 30, 2024, the aggregate intrinsic value of outstanding and exercisable SARs was $17 million.

Nonvested stock awards

Nonvested stock awards are granted to employees or directors at a price equal to the fair market value of the stock on the date of grant and generally vest over a one-to-three-year period. However, such shares or units are subject to forfeiture upon termination of service before the vesting period ends. Beginning in 2016, these awards were primarily granted as stock units that will convert to shares upon vesting, while the grants in prior years were generally made in nonvested shares. Only nonvested stock awards granted in the form of shares entitle employees or directors to vote the shares. Dividends on nonvested stock awards granted are in the form of additional units or shares of nonvested stock awards, which are subject to vesting and forfeiture provisions.

A progression of activity and various other information relative to nonvested stock awards is presented in the following table.

	2024		2023		2022	
(In thousands except per share data)	Number of common shares	Weighted-average grant date fair value	Number of common shares	Weighted-average grant date fair value	Number of common shares	Weighted-average grant date fair value
Nonvested - beginning of year	188	$ 97.66	209	$ 82.55	211	$ 76.10
Granted	167	78.93	92	105.72	80	92.34
Vested	(107)	97.33	(106)	82.04	(72)	78.81
Forfeitures	(32)	84.96	(7)	106.25	(10)	80.06
Nonvested - end of year	216	85.21	188	97.66	209	82.55

The total grant date fair value of nonvested stock awards that vested during 2024, 2023 and 2022 was $9 million, $8 million and $6 million, respectively. As of September 30, 2024, there was $6 million of total unrecognized compensation costs related to nonvested stock awards. That cost is expected to be recognized over a weighted-average period of 1.9 years.

Cash-settled nonvested stock awards

Certain nonvested stock awards are granted to employees and are settled in cash upon vesting. As of September 30, 2024, 31 thousand cash-settled nonvested stock awards were outstanding. The value of these cash-settled nonvested stock awards changes in connection with changes in the fair market value of the Ashland Common Stock. These awards generally vest over a period of three years. The expense recognized related to cash-settled nonvested stock awards was $2 million, zero, and $6 million during 2024, 2023 and 2022, respectively.

Performance awards

Ashland sponsors a long-term incentive plan that awards performance shares/units to certain key employees that are tied to Ashland's overall financial performance relative to the financial performance of selected industry peer groups and/or internal targets. Awards are granted annually, with each award covering a three-year measurement period and vesting over a one to three year period. Nonvested performance shares/units do not entitle employees to vote the shares or to receive any dividends thereon.

Each awarded performance share is convertible to one share of Ashland Common Stock and recorded as a component of stockholders' equity. Performance measures used to determine the actual number of performance shares issuable upon vesting includes 60:40 weighting of Ashland's total shareholder return (TSR) performance and Ashland's return on net assets (RONA) performance as compared to internal targets. TSR relative to peers is considered a market condition while RONA is considered a performance condition in accordance with U.S. GAAP.

The following table shows the performance shares/units granted for all plans that award Ashland Common Stock.

(In thousands except per share data)	Vesting period	Target shares/units granted[(a)]		Weighted-average fair value per share/unit[(a)]
Fiscal Year 2024	October 1, 2023 - September 30, 2026	140	$	81.29
Fiscal Year 2023	October 1, 2022 - September 30, 2025	98	$	135.93
Fiscal Year 2022	October 1, 2021 - September 30, 2024	110	$	131.33

(a) At the end of the performance period, the actual number of shares/units awarded can range from zero to 200% of the target shares/units granted, which is assumed to be 100%. Both the shares granted and weighted-average fair value per share/unit are as of the grant date.

For these awards, the fair value of the performance unit awards is equal to the fair market value of Ashland's Common Stock as of the end of each reporting period. Compensation cost is recognized over the requisite service period if it is probable that the performance condition will be satisfied.

The fair values of the TSR portion of the performance share awards and TSR modifier of the performance unit awards are calculated using a Monte Carlo simulation valuation model using key assumptions included in the following table. Compensation cost is recognized over the requisite service period regardless of whether the market condition is satisfied.

	2024	2023	2022
Risk-free interest rate	4.59 %	4.22 %	1.2 %
Expected dividend yield	1.9 %	1.3 %	1.3
Expected life (in years)	3	3	3
Expected volatility	26.0 %	35.1 %	33.4%

The following table shows changes in nonvested performance shares/units for all plans that award Ashland Common Stock.

(In thousands except per share data)	2024 Shares/ Units	2024 Weighted-average grant date fair value	2023 Shares/ Units	2023 Weighted-average grant date fair value	2022 Shares/ Units	2022 Weighted-average grant date fair value
Nonvested - beginning of year	287	$ 118.43	310	$ 105.78	253	$ 88.66
Granted	141	81.29	98	135.93	110	131.33
Vested	(104)	91.77	(88)	84.33	(1)	96.32
Forfeitures	(35)	108.50	(33)	94.53	(52)	85.78
Nonvested - end of year	289	111.16	287	118.43	310	105.78

As of September 30, 2024, there was $5 million of total unrecognized compensation costs related to nonvested performance share/unit awards. That cost is expected to be recognized over a weighted-average period of approximately 1.9 years.

NOTE P – REVENUE

Trade receivables

Trade receivables are defined as receivables arising from contracts with customers and are recorded within the accounts receivable caption within the Consolidated Balance Sheets. Ashland’s trade receivables were $206 million and $288 million as of September 30, 2024 and September 30, 2023, respectively. See Note H for additional information on Ashland's program to sell certain receivables on a revolving basis to third party banks up to an aggregate purchase limit.

Disaggregation of revenue

Ashland disaggregates its revenue from contracts with customers by segment and geographical region, as Ashland believes these categories best depict how management reviews the financial performance of its operations for the twelve months ended September 30, 2024, 2023 and 2022. Ashland includes only U.S. and Canada in its North America designation and includes Europe, the Middle East and Africa in its Europe designation. See the following tables for details (Intersegment sales eliminations have been excluded. See Note Q for additional information.):

Sales by geography			
(In millions)	2024	2023	2022
Life Sciences			
North America	$ 241	$ 228	$ 244
Europe	269	305	267
Asia Pacific	225	233	218
Latin America & other	75	103	86
	$ 810	$ 869	$ 815

(In millions)	2024	2023	2022
Personal Care			
North America	$ 183	$ 176	$ 198
Europe	238	233	270
Asia Pacific	128	105	126
Latin America & other	85	84	84
	$ 634	$ 598	$ 678

(In millions)	2024	2023	2022
Specialty Additives			
North America	$ 183	$ 203	$ 247
Europe	208	214	258
Asia Pacific	153	153	182
Latin America & other	28	30	32
	$ 572	$ 600	$ 719

(In millions)	2024	2023	2022
Intermediates			
North America	$ 103	$ 128	$ 163
Europe	21	27	39
Asia Pacific	16	22	43
Latin America & other	4	8	11
	$ 144	$ 185	$ 256

For fiscal 2024, Ashland had two product categories that represented 10% or greater of Ashland's total consolidated sales which were cellulosics representing 37% of total consolidated sales and polyvinylprrolidones (PVP) representing 23% of total consolidated sales.

NOTE Q – REPORTABLE SEGMENT INFORMATION

Ashland determines its reportable segments based on how operations are managed internally for the products and services sold to customers, including how the results are reviewed by the chief operating decision maker, which includes determining resource allocation methodologies used for reportable segments. Operating income (loss) and EBITDA are the primary measures of performance that are reviewed by the chief operating decision maker in assessing each reportable segment's financial performance. Ashland does not aggregate operating segments to arrive at these reportable segments.

Change in reportable segments

On February 28, 2022, Ashland completed the sale of its Performance Adhesives segment. The operating results and cash flows for the Performance Adhesives segment have been classified as discontinued operations within the Consolidated Financial Statements for all periods presented. As a result, Ashland’s reportable segments include Life Sciences, Personal Care, Specialty Additives, and Intermediates.

Unallocated and Other includes corporate governance activities and certain legacy matters. The historical segment information has been recast to conform to the current segment structure.

Reportable segment business descriptions

Life Sciences is comprised of pharmaceuticals, nutrition, agricultural chemicals, diagnostic films (formerly known as advanced materials) and fine chemicals. Pharmaceutical solutions include controlled release polymers, disintegrants, tablet coatings, thickeners, solubilizers and tablet binders. Nutrition solutions include thickeners, stabilizers, emulsifiers and additives for enhancing mouthfeel, controlling moisture migration, reducing oil uptake and binding structured foods. Customers include pharmaceutical, food, beverage, hospitals and radiologists and industrial manufacturers. The nutraceutical business was sold in August 2024. See Note B for additional details.

Personal Care is comprised of biofunctionals, microbial protectants (preservatives), skin care, sun care, oral care, hair care and household. These businesses have a broad range of natural, nature-derived, biodegradable, and high-performance ingredients for customer-driven solutions to help protect, renew, moisturize and revitalize skin and hair, and provide solutions for toothpastes, mouth washes and rinses, denture cleaning and care for teeth. Personal Care supplies nature-derived rheology ingredients, biodegradable surface wetting agents, performance encapsulates, and specialty polymers for household, industrial and institutional cleaning products. Customers include formulators at large multinational branded consumer products companies and smaller, independent boutique companies.

Specialty Additives is comprised of rheology and performance-enhancing additives serving the architectural coatings, construction, energy, automotive and various industrial markets. Solutions include coatings additives for architectural paints, finishes and lacquers, cement and gypsum based dry mortars, ready-mixed joint compounds, synthetic plasters for commercial and residential construction, and specialty materials for industrial applications. Products include rheology modifiers (cellulosic and associative thickeners), foam control agents, surfactants and wetting agents, pH neutralizers, advanced ceramics used in catalytic converters, and environmental filters, ingredients that aid the manufacturing process of ceramic capacitors, plasma display panels and solar cells, ingredients for textile printing, thermoplastic metals and alloys for welding. Products help improve desired functional outcomes through rheology modification and control, water retention, workability, adhesive strength, binding power, film formation, deposition and suspension and emulsification. Customers include global paint manufacturers, electronics and automotive manufacturers, textile mills, the construction industry, and welders.

Intermediates is comprised of the production of 1,4 butanediol (BDO) and related derivatives, including n-methylpyrrolidone. These products are used as chemical intermediates in the production of engineering polymers and polyurethanes, and as specialty process solvents in a wide array of applications including electronics, pharmaceuticals, water filtration membranes and more. Butanediol is also supplied to Life Sciences, Personal Care, and Specialty Additives for use as a raw material.

Unallocated and Other generally includes items such as certain significant company-wide restructuring activities, corporate governance costs and legacy costs or activities that relate to divested businesses that are no longer operated by Ashland.

International data

Information about Ashland's domestic and international operations follows. Ashland has no operations in any individual international country or single customer that represented more than 10% of sales in 2024, 2023 and 2022.

	Sales to external customers			Net assets (liabilities)		Property, plant and equipment - net	
(In millions)	2024	2023	2022	2024	2023	2024	2023
United States	$ 624	$ 634	$ 731	$ 1,352	$ 1,532	$ 961	$ 1,032
International	1,489	1,557	1,660	1,516	1,565	342	341
	$ 2,113	$ 2,191	$ 2,391	$ 2,868	$ 3,097	$ 1,303	$ 1,373

Reportable segment results

Results of Ashland's reportable segments are presented based on its management and internal accounting structure. The structure is specific to Ashland; therefore, the financial results of Ashland's reportable segments are not necessarily comparable with similar information for other comparable companies. Ashland allocates all costs to its reportable segments except for certain significant company-wide restructuring activities, certain corporate governance costs and other costs or activities that relate to former businesses that Ashland no longer operates. The service cost component of pension and other postretirement benefits costs is allocated to each reportable segment on a ratable basis; while the remaining components of pension and other postretirement benefits costs are recorded within the other net periodic benefit loss (income) caption of the Statement of Consolidated Comprehensive Income (loss). Ashland refines its expense allocation methodologies to the reportable segments from time to time as internal accounting practices are improved, more refined information becomes available and the industry or market changes. Significant revisions to Ashland's methodologies are adjusted for all segments on a retrospective basis. This includes changes in prior years for indirect corporate costs previously allocated to Performance Adhesives. These costs are now reflected in Unallocated and Other for all periods presented.

Ashland determined that disclosing sales by specific product was impracticable due to the highly customized and extensive portfolio of products offered to customers and since no one product or a small group of products could be aggregated together to represent a majority of revenue within a reportable segment.

The following table presents various financial information for each reportable segment for the years ended September 30, 2024, 2023 and 2022.

(In millions)	2024	2023	2022
Sales			
Life Sciences	$ 810	$ 869	$ 815
Personal Care	634	598	678
Specialty Additives	572	600	719
Intermediates	144	185	256
Intersegment sales[(a)]	(47)	(61)	(77)
	$ 2,113	$ 2,191	$ 2,391
Equity income			
Life Sciences	$ —	$ —	$ —
Personal Care	—	1	1
Specialty Additives	—	—	—
Intermediates	—	—	—
	$ —	$ 1	$ 1
Other income			
Life Sciences	$ —	$ —	$ —
Personal Care	—	—	—
Specialty Additives	—	—	—
Intermediates	—	—	—
Unallocated and Other	6	6	2
	$ 6	$ 6	$ 2
Equity and other income	$ 6	$ 7	$ 3
Operating income (loss)			
Life Sciences	$ 168	$ 172	$ 155
Personal Care[(b)]	73	52	102
Specialty Additives[(b)]	(32)	10	103
Intermediates	29	50	87
Unallocated and Other[(b)]	(264)	(112)	(114)
	$ (26)	$ 172	$ 333

(In millions)	2024	2023	2022
Depreciation expense			
Life Sciences	$ 38	$ 41	$ 35
Personal Care[(c)]	36	38	37
Specialty Additives[(d)]	111	58	63
Intermediates	13	13	12
Unallocated and Other	—	—	—
	$ 198	$ 150	$ 147
Amortization expense			
Life Sciences	$ 23	$ 28	$ 28
Personal Care	43	47	47
Specialty Additives	10	18	18
Intermediates	—	—	1
Unallocated and Other	—	—	—
	$ 76	$ 93	$ 94
EBITDA[(e)]			
Life Sciences	$ 229	$ 241	$ 218
Personal Care	152	137	186
Specialty Additives	89	86	184
Intermediates	42	63	100
Unallocated and Other	(264)	(112)	(114)
	$ 248	$ 415	$ 574
Additions to property, plant and equipment			
Life Sciences	$ 61	$ 46	$ 28
Personal Care	11	20	14
Specialty Additives	61	99	61
Intermediates	2	3	7
Unallocated and Other	2	2	3
	$ 137	$ 170	$ 113

(In millions)	2024	2023
Assets		
Life Sciences	$ 1,778	$ 1,904
Personal Care	950	1,004
Specialty Additives	1,516	1,580
Intermediates	127	136
Unallocated and Other	1,274	1,315
	$ 5,645	$ 5,939
Property, plant and equipment - net		
Life Sciences	$ 415	$ 419
Personal Care	146	160
Specialty Additives	603	642
Intermediates	38	47
Unallocated and Other	101	105
	$ 1,303	$ 1,373

(a) Intersegment sales from Intermediates are accounted for at prices that approximate fair value. All other intersegment sales are accounted for at cost.

(b) Includes a $99 million impairment charge and a $8 million loss on sale, both related to the divestiture of the Nutraceuticals business within the income (loss) on acquisitions and divestitures, net in 2024. Includes a capital project impairment charge of $11 million within Personal Care in 2024 and a $4 million impairment charge related to a Specialty Additives facility in 2023.

(c) Depreciation includes accelerated depreciation of $2 million for Personal Care in 2024.

(d) Depreciation includes accelerated depreciation of $55 million for Specialty Additives in 2024.

(e) Excludes income (loss) from discontinued operations and other net periodic benefit loss (income). See the Statement of Consolidated Comprehensive Income (Loss) for applicable amounts excluded.

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EXHIBIT 4.8(c)

DESCRIPTION OF THE 2031 NOTES

The following summary of our 3.375% Senior Notes due 2031 is based on and qualified by the Indenture, dated as of August 18, 2021, between Ashland LLC and U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by a first supplemental Indenture, dated as of August 1, 2022, by and between Ashland Global Holdings Inc. (the "Issuer") and the Trustee (such Indenture, as so supplemented, the "Indenture"). For a complete description of the terms and provisions of the notes, refer to the Indenture, which is filed as an exhibit to this Annual Report on Form 10-K and to the Form of 2031 Note, which is filed as an exhibit to the Form 8-K filed with the Securities and Exchange Commission on August 18, 2021. Throughout this exhibit, references to "we," "our," and "us" refer to the Issuer.

Background

Ashland LLC, a Kentucky limited liability company (the "LLC"), issued $450 million aggregate principal amount of the 3.375% Senior Notes due 2031 (the "notes") under an Indenture, dated as of August 18, 2021, between the Issuer and U.S. Bank National Association, as trustee (the "Trustee"). On August 1, 2022, following a series of mergers pursuant to its corporate restructuring plan, the Issuer assumed all of the obligations of the LLC as issuer under the Indenture and the notes, including the payment of principle of, and any premium and interest on, the notes, and agreed to perform and observe all covenants and conditions of the Indenture to have been performed or observed by the LLC, all pursuant to the first supplemental Indenture between the Issuer and the Trustee.

General

The Issuer may issue additional notes in an unlimited aggregate principal amount at any time and from time to time under the Indenture. These additional notes will have substantially the same terms as the notes originally offered in all respects so that the additional notes may be consolidated and form a single series with the other outstanding notes and will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase; *provided* that any additional notes that have the same CUSIP, ISIN or other identifying number as the outstanding notes must be fungible with the outstanding notes for U.S. federal income tax purposes.

The Issuer will issue the notes only in fully registered form without coupons, in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The notes were initially issued in the form of Global Notes as described under "Book-Entry, Delivery and Form."

The notes are not subject to a sinking fund provision.

You can find the definitions of certain terms used in this description under the caption "—Certain Definitions." Defined terms used in this description but not defined below under the caption "—Certain Definitions" or elsewhere in this description have the meanings assigned to them in the Indenture.

Principal, Maturity and Interest

The notes will mature on September 1, 2031 (the "Maturity Date").

Interest on the notes will accrue at a rate of 3.375% per annum and will be payable semi-annually in arrears on March 1 and September 1 of each year, commencing on March 1, 2022 to the Holders of record on the February 15 and August 15 (each, a "record date") immediately preceding the applicable interest payment date. Interest on the notes will be computed on the basis of a 360-day year comprised of twelve 30-day months. Interest on the notes will accrue from August 18, 2021.

If any interest payment date for the notes falls on a day that is not a Business Day, then payment of interest may be made on the next succeeding Business Day and no interest will accrue because of such delayed payment. If a redemption date, repurchase date or the maturity date for any note falls on a date that is not a Business Day, the related payments of principal, premium, if any, and interest may be made on the next succeeding Business Day, and no additional interest will accumulate on the amount payable for the period from and after such redemption date, repurchase date or maturity date.

The rights of holders of beneficial interests in notes represented by Global Notes to receive the payments of interest on the notes are subject to applicable procedures of the Depository Trust Company ("DTC").

Methods of Receiving Payments on the Notes; Trustee; Registrar; Transfer Agent and Paying Agent

U.S. Bank National Association will initially act as trustee for the notes under the Indenture.

Except during the continuance of an Event of Default, the Trustee will perform only such duties as are specifically set forth in the Indenture. During the continuance of an Event of Default actually known to a responsible officer of the Trustee, the Trustee will exercise such of the rights and powers vested in it under the Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

The Trustee will act as registrar and transfer agent for the notes. The notes may be presented for registration of transfer and exchange at the offices of the registrar. Under the terms of the Indenture, owners of Book-Entry Interests will receive definitive notes in registered form (the "Definitive Registered Notes"). See "Book-Entry, Delivery and Form—Issuance of Definitive Registered Notes." The registrar and transfer agent will maintain a register reflecting ownership of Definitive Registered Notes outstanding from time to time and will effect payments on and facilitate transfer of Definitive Registered Notes on its behalf.

The Issuer will maintain one or more paying agents (each, a "Paying Agent") for the notes. The Trustee will initially act as Paying Agent.

Payments on the notes will be made at the office or agency of the paying agent and registrar unless the Issuer elects to make interest payments by check mailed to the holders at their respective addresses set forth in the register of holders. The Issuer may change any Paying Agent, registrar or transfer agent without prior notice to the holders of the notes. The Issuer may act as a Paying Agent or registrar.

Ranking

The notes are senior unsecured obligations of the Issuer and:

- rank *pari passu* in right of payment with all existing and future senior Indebtedness of the Issuer that is not expressly subordinated to the notes;
- rank senior in right of payment to any future Indebtedness of the Issuer that is expressly subordinated to the notes;
- are structurally subordinated to all Indebtedness and other liabilities, including trade payables, of the Issuer's subsidiaries that do not guarantee the notes; and
- are effectively subordinated to all existing and future secured Indebtedness of the Issuer to the extent of the value of the collateral securing such Indebtedness.

Future Guarantors

The indenture will provide that the Issuer will cause each Wholly Owned Domestic Subsidiary of the Issuer other than, at the election of the Issuer, an Excluded Subsidiary, that incurs, as an issuer, co-issuer or guarantor of, any Capital Markets Debt after the Issue Date, in an amount that, together with any other such Indebtedness (excluding any Indebtedness incurred as permitted pursuant to the definition of Credit Agreement) issued, co-issued or guaranteed by such Wholly Owned Domestic Subsidiary and then outstanding, exceeds at the time of such incurrence, 15% of Consolidated Net Tangible Assets of the Issuer, to execute and deliver to the Trustee a supplemental indenture joining such Subsidiary to the indenture, pursuant to which such Subsidiary will guarantee payment of the notes (each such guarantee of the notes, a "Subsidiary Guarantee") for so long as such Indebtedness giving rise to such guarantee obligation remains an obligation of such Subsidiary. In addition, the Issuer may cause other Subsidiaries to guarantee the notes at its option. The Subsidiary Guarantee of any such Subsidiary will be released upon:

(A) the sale or disposition (whether by merger, stock purchase, asset sale or otherwise) of a Subsidiary guarantor (or all or substantially all its assets or its Capital Stock) to a person which is not (after giving effect to such transaction) a Subsidiary or the Issuer;

(B) any Subsidiary becoming an Excluded Subsidiary;

(C) discharge of the indenture or legal defeasance or covenant defeasance; or

(D) any Subsidiary guarantor ceasing to guarantee or be the issuer of all Capital Markets Debt in excess of the threshold specified above;

and in each such case such Subsidiary shall be deemed automatically and unconditionally released and discharged from all the Subsidiary's obligations under the guarantee with respect to the notes without any further action required on the part of the Subsidiary, the Issuer, Parent, the Trustee or any holder of the notes. In the event of the sale or disposition (whether by merger, stock purchase, asset sale or otherwise) of a Subsidiary (or all or substantially all its assets or its Capital Stock) to a person which is not (after giving effect to such transaction) a Subsidiary or the Issuer, such person shall not be subject to the Subsidiary's obligations under the guarantee.

In addition, notwithstanding anything to the contrary herein:

(i) no guarantee shall be required if such guarantee could reasonably be expected to give rise to or result in (A) personal liability for the officers, directors or shareholders of such Subsidiary, (B) any violation of applicable law that cannot be avoided or otherwise prevented through measures reasonably available to the Issuer or such Subsidiary or (C) any significant cost, expense, liability or obligation (including with respect of any taxes) other than reasonable out of pocket expenses and other than reasonable expenses incurred in connection with any governmental or regulatory filings required as a result of, or any measures pursuant to clause (B) undertaken in connection with, such guarantee, which cannot be avoided through measures reasonably available to the Issuer or the Subsidiary; and

(ii) each such guarantee will be limited as necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law.

Optional Redemption

At any time and from time to time prior to June 1, 2031, the Issuer may redeem some or all of the notes, upon not less than 10 nor more than 60 days' prior notice, at a price equal to the greater of:

- 100% of the aggregate principal amount of any notes being redeemed, and
- the sum of the present values, as calculated by the Issuer, of the remaining scheduled payments of principal and interest on the notes being redeemed that would be due to their maturity date (assuming for these purposes that the notes matured on June 1, 2031), not including unpaid interest accrued to, but excluding, the redemption date, discounted to the redemption date, at a rate equal to the Adjusted Treasury Rate plus 50 basis points plus, in each case, accrued and unpaid interest, if any, on the notes being redeemed to, but excluding, the redemption date.

On or after June 1, 2031, the notes will be redeemable in whole at any time or in part, from time to time, at the Issuer's option, upon at least 10 days but no more than 60 days prior written notice sent to the registered holders of the notes, at a redemption price equal to 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest thereon, if any, to, but excluding, the date of redemption.

The Issuer will, however, pay the interest installment due on any interest payment date that occurs on or before a redemption date to the holders of the affected notes as of the close of business on the applicable record date.

In addition, the Issuer may acquire the notes by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with the applicable securities laws, so long as such acquisition does not otherwise violate the terms of the Indenture.

Notwithstanding the foregoing, in connection with any tender for the notes, if holders of not less than 90% in the aggregate principal amount of the outstanding notes validly tender and do not withdraw such notes in such tender offer and the Issuer, or any other Person making such tender offer, purchases all of the notes validly tendered and not withdrawn by such holders, the Issuer or any third party in lieu of the Issuer, will have the right, upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to such tender offer, to redeem all of the notes that remain outstanding following such purchase at a price in cash equal to the price offered to each holder of the notes in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, to, but excluding, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date falling prior to or on the redemption date).

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the notes called for redemption on the applicable redemption date.

Selection and Notice of Redemption

If the Issuer redeems less than all of the notes at any time, in the case of notes represented by Definitive Registered Notes, the Trustee will select notes by lot on a *pro rata basis* and, in the case of notes represented by Global Notes, the notes will be selected in accordance with the applicable procedures of the relevant depositary unless an alternative method of selection is in either case otherwise required by law or applicable stock exchange or depositary requirements.

The Issuer will redeem notes of $2,000 or less in whole and not in part. The Issuer will cause notices of redemption to be sent at least 10 but not more than 60 days before the redemption date to each holder of notes to be redeemed at its registered address. The Issuer may provide in the notice that payment of the redemption price and performance of the Issuer's obligations with respect to the redemption or purchase may be performed by another Person. Any notice of redemption may be given prior to the completion of any event or transaction related to such redemption, and any such redemption or notice may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent. In addition, if such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice shall state that, in the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed.

If notes are to be redeemed in part only, the notice of redemption will state the portion of the principal amount thereof that is to be redeemed. The Issuer will issue a new note in a principal amount equal to the unredeemed portion of the original note in the name of the holder upon cancellation of the original note. Subject to the satisfaction or waiver of any condition to such redemption, notes called for redemption become due on the date fixed for redemption. On and after such date, unless the Issuer defaults in payment of the redemption price on such date, interest ceases to accrue on the notes or portions thereof called for such redemption.

Change of Control

Upon the occurrence of a Change of Control Repurchase Event with respect to the notes, each holder of notes will have the right to require the Issuer to repurchase all or any part (in denominations of $2,000 and integral multiples of $1,000 in excess thereof) of such holder's notes at a purchase price (the "Change of Control Purchase Price") in cash in an amount equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), except to the extent the Issuer has previously or concurrently elected to redeem the notes as described under "—Optional Redemption."

Within 30 days following any Change of Control Repurchase Event, except to the extent that the Issuer has exercised its right to redeem the notes by delivery of a notice of redemption as described under "— Optional Redemption," the Issuer shall mail a notice (a "Change of Control Offer") to each holder of notes with a copy to the Trustee stating:

(1) that a Change of Control Repurchase Event has occurred with respect to the notes and that such holder has the right to require the Issuer to repurchase such holder's notes at a repurchase price in cash in an amount equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of repurchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date);

(2) the repurchase date (which shall be no earlier than 10 days nor later than 60 days from the date such notice is mailed); and

(3) the instructions determined by the Issuer, consistent with this covenant, that a holder must follow in order to have its notes purchased.

A Change of Control Offer may be made in advance of a Change of Control Repurchase Event, and conditioned upon such Change of Control Repurchase Event, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer.

In addition, the Issuer will not be required to make a Change of Control Offer with respect to the notes upon the consummation of a Change of Control Repurchase Event if (i) a third party makes the Change of Control Offer in the manner, at the time and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all notes properly tendered and not withdrawn under such Change of Control Offer, or (ii) a notice of redemption has been given pursuant to the Indenture as described above under the caption "—Optional Redemption," unless and until there is a default in payment of the applicable redemption price, or (iii) after the public announcement that a definitive agreement for a Change of Control has been entered into, the Issuer has made an offer to purchase (an "Alternate Offer") any and all notes validly tendered at a cash price (the "Alternate Offer Price") equal to or higher than the Change of Control Purchase Price, the relevant offer to purchase documentation discloses the circumstances and relevant facts regarding such Change of Control and that a Change of Control Offer will not be required to be made if all notes validly tendered and not withdrawn in the Alternate Offer are purchased and the Issuer has purchased all notes properly tendered in accordance with the terms of the Alternate Offer. The Change of Control provisions described above will be applicable whether or not any other provisions of the Indenture are applicable.

Notwithstanding anything to the contrary contained herein, a Change of Control Offer or an Alternate Offer may be made in advance of a Change of Control Repurchase Event, conditioned upon the occurrence of such Change of Control Repurchase Event, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer or Alternate Offer is made.

Notes repurchased by the Issuer pursuant to a Change of Control Offer or Alternative Offer will have the status of notes issued but not outstanding or will be retired and canceled at the option of the Issuer and Parent. Notes purchased by a third party pursuant to clause (i) of the preceding paragraph will have the status of notes issued and outstanding.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached the Issuer's obligations under this covenant by virtue thereof.

This Change of Control repurchase provision is a result of negotiations between the Issuer and the initial purchasers. Neither Parent nor any of its Subsidiaries has any present intention to engage in a transaction involving a Change of Control Repurchase Event, although it is possible that Parent and its Subsidiaries could decide to do so in the future. Subject to the limitations discussed below, Parent or any such Subsidiary could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control Repurchase Event under the Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect Parent's or the Issuer's capital structure or credit rating.

The occurrence of events that would constitute a Change of Control Repurchase Event may also constitute an event of default under or require repurchase of existing Indebtedness of Parent or its Subsidiaries. Future Indebtedness of Parent or its Subsidiaries may contain prohibitions on certain events that would constitute a Change of Control or require such Indebtedness to be repurchased upon a Change of Control. Moreover, the exercise by the holders of notes of their right to require the Issuer to repurchase the notes could cause a default under other indebtedness of Parent or its Subsidiaries, even if the Change of Control itself does not, due to the financial effect of such repurchase on Parent. Finally, the Issuer's ability to pay cash to the holders upon a repurchase may be limited by the Issuer's then-existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases. See "Risk Factors—Risks Related to the Notes—We may not be able to repurchase the notes upon a change of control repurchase event."

The provisions under the Indenture relating to the Issuer's obligation to make an offer to repurchase the notes as a result of a Change of Control Repurchase Event may be waived or modified with the written consent of the holders of a majority in aggregate principal amount of the notes.

If holders of not less than 90% in aggregate principal amount of the outstanding notes validly tender and do not withdraw such notes in a Change of Control Offer or Alternate Offer and the Issuer, or any third party making a Change of Control Offer or Alternate Offer in lieu of the Issuer as described above, purchases all of the notes validly tendered and not withdrawn by such Holders, the Issuer or such third party will have the right, upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to such Change of Control Offer or Alternate Offer, to redeem all notes that remain outstanding following such purchase at a price in cash equal to the Change of Control Purchase Price or Alternate Offer Price, as applicable.

Certain Covenants

Restrictions on Secured Debt

The Indenture provides that, after the Issue Date, neither the Issuer nor any Subsidiary (other than an Excluded Subsidiary) will create, incur, issue, assume or guarantee any Indebtedness secured by a mortgage, security interest, pledge or lien (which we refer to herein, collectively, as a "Mortgage") on or upon any of their property or assets (which we refer to herein, collectively, as "Property"), whether owned at the date of the Indenture or acquired after the date of the Indenture, without ensuring that the notes (together with, if the Issuer chooses, any other Indebtedness created, issued, assumed or guaranteed by the Issuer or any Subsidiary then existing or thereafter created) will be secured by such Mortgage equally and ratably with (or, at the Issuer's option, prior to) such Indebtedness. This restriction will not apply to Indebtedness secured by any of the following:

(1) Mortgages on any Property acquired, leased, constructed or improved by, or on any shares of Capital Stock or Indebtedness acquired by, the Issuer or any Subsidiary after the date of the Indenture to secure Indebtedness incurred for the purpose of financing or refinancing all or any part of the purchase price of such Property, shares of Capital Stock or Indebtedness or of the cost of any construction or improvements on such Property, including Mortgages created as a result of an acquisition by way of Capital Lease, in each case, to the extent that the Indebtedness is incurred prior to or within one year after the applicable acquisition, lease, completion of construction or improvement or beginning of commercial operation of such Property, as the case may be; *provided*, *however*, for the avoidance of doubt, that any improvements that become subject to any pre-existing Mortgage on the Property to which such improvements are made need not be completed within one year after the incurrence of the Indebtedness giving rise to such Mortgage;

(2) Mortgages on any Property, shares of Capital Stock or Indebtedness existing at the time the Issuer or any Subsidiary acquire any of the same and on any subsequent improvements to such Property; *provided*, *however*, that any such Mortgage in respect of Indebtedness existing at the time of acquisition of any such Property may apply to any subsequent improvements to such Property;

(3) Mortgages on Property of a Person existing at the time the Issuer or any Subsidiary merge or consolidate with such Person or at the time the Issuer or any Subsidiary acquire all or substantially all of the Properties or Capital Stock of such Person;

(4) Mortgages on (a) any Property of, or shares of Capital Stock or Indebtedness of, a Person existing at the time such Person becomes a Subsidiary or (b) any shares of Capital Stock or Indebtedness of a Joint Venture;

(5) Mortgages in favor of Parent, the Issuer or any Subsidiary;

(6) Mortgages in favor of the United States or any state thereof, or political subdivision of the United States or any state thereof, or any department, agency or instrumentality of the United States or any state thereof or any such political subdivision, to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure Indebtedness incurred or guaranteed to finance or refinance all or any part of the purchase price of the Property, shares of Capital Stock or Indebtedness subject to any such Mortgage, or the cost of constructing or improving the Property subject to such Mortgage;

(7) Mortgages to secure the Credit Agreement;

(8) Mortgages on accounts receivables and related assets of the Issuer and its Subsidiaries pursuant to Qualified Receivables Financing;

(9) Mortgages securing industrial revenue, pollution control or similar bonds issued or guaranteed by the United States or any state thereof, or political subdivision of the United States or any state thereof, or any department, agency or instrumentality of the United States or any state thereof or any such political subdivision;

(10) Mortgages securing obligations owed in respect of any overdraft and related liabilities arising from treasury, depository and cash management services or any automated clearinghouse transfers of funds; and

(11) extensions, renewals or replacements of any Mortgage existing on the date of the Indenture (excluding Indebtedness under the Credit Agreement) or any Mortgage referred to above; *provided*, *however*, that the principal amount of Indebtedness secured thereby may not exceed the principal amount of Indebtedness so secured at the time of such extension, renewal or replacement (other than any increases attributable to (a) any premium required to be paid in connection with such refinancing pursuant to the terms of the Indebtedness so refinanced, (b) the amount of any premium reasonably determined by the Issuer as necessary to accomplish such refinancing by means of a tender offer or privately negotiated repurchase and (c) any expenses incurred in connection with such refinancing), and such extension, renewal or replacement will be limited to all or a part of the Property (plus improvements and construction on such Property), shares of Capital Stock or Indebtedness which was subject to the Mortgage so extended, renewed or replaced.

Notwithstanding the restrictions described above, the Issuer or any of its Subsidiaries may, without having to equally and ratably secure the notes, issue, assume or guarantee Indebtedness secured by a Mortgage not excepted from the foregoing restriction, if at the time of such issuance, assumption or guarantee, after giving effect thereto and to the retirement of any Indebtedness which is concurrently being retired, the aggregate principal amount of all such Indebtedness secured by Mortgages which would otherwise be subject to such restriction (other than any Indebtedness secured by Mortgages permitted as described in clauses (1) through (11) of the immediately preceding paragraph) plus the aggregate amount (without duplication) of all Attributable Debt of the Issuer and any of its Subsidiaries (other than Excluded Subsidiaries) in respect of Sale and Lease-Back Transactions (with the exception of such transactions which are permitted under clauses (1) and (2) of the first sentence of the first paragraph under "—Restrictions on Sale and Lease-Back Transactions" below) does not exceed 15% of Consolidated Net Tangible Assets of the Issuer.

Restrictions on Sale and Lease-Back Transactions

The Indenture provides that neither the Issuer nor any of its Subsidiaries (other than Excluded Subsidiaries) will enter into any Sale and Lease-Back Transaction with respect to any of their Property unless:

(1) the Issuer or such Subsidiary is entitled under the provisions described in clause (1) or clause (6) in the first paragraph under "—Restrictions on Secured Debt" to create, issue, assume or guarantee Indebtedness secured by a Mortgage on the Property to be leased without having to equally and ratably secure the notes;

(2) the Issuer or such Subsidiary applies an amount (equaling at least the greater of the net proceeds of the sale of Property or the Attributable Debt in respect of such Sale and Lease-Back Transaction) within a period commencing one year prior to the consummation of such Sale and Lease-Back Transaction and ending one year after the consummation thereof, to make non-mandatory prepayments on Long-Term Indebtedness, retire Long-Term Indebtedness or acquire, construct or improve long-term assets; or

(3) the Attributable Debt of the Issuer or such Subsidiary in respect of such Sale and Lease-Back Transaction and all other Sale and Lease-Back Transactions entered into after the Issue Date (other than any such Sale and Lease-Back Transaction as would be permitted as described in clauses (1) and (2) of this sentence), plus the aggregate principal amount (without duplication) of Indebtedness secured by Mortgages then outstanding (not including any such Indebtedness secured by Mortgages described in clauses (1) through (11) of the first paragraph under the heading "—Restrictions on Secured Debt") which do not equally and ratably secure the notes or the Guarantee (or secure the notes on a basis that is prior to other Indebtedness secured thereby), would not exceed 15% of Consolidated Net Tangible Assets of the Issuer.

Consolidation, Merger and Sale of Assets

The Indenture provides that the Issuer may consolidate or merge with or into any other corporation, limited liability company, partnership or other entity, or lease, sell or transfer all or substantially all of its property and assets if:

(1) the corporation, limited liability company, partnership or other entity formed by such consolidation, or into which Parent or the Issuer is merged, or the party which acquires by lease, sale or transfer all or substantially all of its property and assets, is organized and existing under the laws of the United States, any state in the United States or the District of Columbia;

(2) the corporation, limited liability company, partnership or other entity formed by such consolidation, or into which Parent or the Issuer is merged, or the party which acquires by lease, sale or transfer all or substantially all of its property and assets, agrees to, in the case of Parent, Guarantee the notes or, in the case of the Issuer, pay the principal of, and any premium and interest on, the notes, perform and observe all covenants and conditions of the Indenture, in each case, by executing and delivering to the Trustee a supplemental Indenture; and

(3) immediately after giving effect to such transaction and treating Indebtedness which becomes the Issuer's obligation or an obligation of a Subsidiary (other than an Excluded Subsidiary) as a result of such transaction as having been incurred by the Issuer or such Subsidiary at the time of such transaction, no Default or Event of Default has happened and is continuing.

In the event that Parent or the Issuer consolidates with or merges with or into another corporation, limited liability company, partnership or other entity or sells substantially all of its assets to any other corporation, limited liability company, partnership or other entity in compliance with the foregoing limitations, the surviving entity (if other than Parent or the Issuer) will be substituted for Parent or the Issuer, as applicable, under the Indenture, and Parent or the Issuer, as applicable, will be discharged from all of its obligations under the Indenture.

In addition, notwithstanding the foregoing, this covenant will not prevent any consolidation, merger, lease, sale, transfer or other disposition with respect to all or substantially all of such entity's property and assets solely between or among Parent, the Issuer and their respective Subsidiaries (other than an Excluded Subsidiary).

For all purposes under the Indenture and the notes, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

Events of Default

An "Event of Default" is defined in the Indenture as being:

(1) a failure to pay interest upon the notes that continues for a period of 30 days after payment is due;

(2) a failure to pay the principal or premium, if any, on the notes when due upon maturity, redemption, acceleration or otherwise;

(3) a failure by the Issuer or any Subsidiary to comply with any agreements contained in the Indenture for a period of 90 days after written notice to the Issuer of such failure from the Trustee (or to the Issuer and the Trustee from the holders of at least 30% of the principal amount of the notes);

(4) the failure by the Issuer or any Subsidiary to pay any Indebtedness (other than Indebtedness owing to Parent or a Subsidiary) within any applicable grace period after final maturity or the acceleration of any such Indebtedness by the holders thereof because of a default, in each case, if the total amount of such Indebtedness unpaid or accelerated exceeds $100.0 million or its foreign currency equivalent; or

(5) certain events of bankruptcy, insolvency or reorganization relating to the Issuer.

The Indenture provides that if there is a continuing Event of Default with respect to the notes, either the Trustee or the holders of at least 30% of the outstanding principal amount of the notes may declare the principal amount of all of the notes to be due and payable immediately. However, at any time after the Trustee or the holders, as the case may be, declare an acceleration with respect to the notes, but before the applicable person has obtained a judgment or decree based on such acceleration, the holders of a majority in principal amount of the outstanding notes may, under certain conditions, cancel such acceleration if the Issuer has cured all Events of Default (other than the nonpayment of accelerated principal) with respect to such notes or all such Events of Default have been waived as provided in the Indenture. For information as to waiver of defaults, see "—Modification and Waiver."

The Indenture provides that, subject to the duties of the Trustee to act with the required standard of care, if there is a continuing Event of Default with respect to the notes, the Trustee need not exercise any of its rights or powers under the Indenture at the request or direction of any of the holders of notes unless such holders have offered to the Trustee security or indemnity reasonably satisfactory to it. Subject to such provisions for security or indemnification of the Trustee and certain other conditions, the holders of a majority in principal amount of the notes will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power the Trustee holds with respect to the notes.

No holder of any note will have any right to institute any proceeding with respect to the Indenture or for any remedy under the Indenture unless:

(1) the Trustee has failed to institute such proceeding for 60 days after the holder has previously given to the Trustee written notice of a continuing Event of Default with respect to the notes;

(2) the holders of at least 30% in principal amount of the outstanding notes have made a written request and offered security or indemnity reasonably satisfactory to the Trustee to institute such proceeding as Trustee; and

(3) the Trustee has not received from the holders of a majority in principal amount of the outstanding notes a direction inconsistent with such request.

However, the holder of any note will have an absolute and unconditional contractual right to receive payment of the principal of, and any premium or interest on, such note on or after the date or dates they are to be paid as expressed in such note and to institute suit for the enforcement of any such payment.

The Issuer is required to furnish to the Trustee annually a statement as to the absence of certain defaults under the Indenture. The Indenture provides that the Trustee need not provide notice to holders of the notes of any default (other than the nonpayment of principal or any premium or interest) if it considers it in the interest of the holders of the notes not to provide such notice.

Any notice of Default, notice of acceleration or instruction to the Trustee to provide a notice of Default, notice of acceleration or take any other action (a "Noteholder Direction") provided by any one or more holders of the then outstanding securities of a series (other than a Regulated Bank) (each, a "Directing Holder") must be accompanied by a written representation with a medallion guaranteed signature from each such holder to the Issuer and the Trustee that such holder is not (or, if such holder is DTC or its nominee, that such holder is being instructed solely by beneficial owners that are not) Net Short (a "Position Representation"), which representation, in the case of a Noteholder Direction relating to a notice of Default (a "Default Direction") shall be deemed repeated at all times until the resulting Event of Default is cured or otherwise ceases to exist or the securities of such series are accelerated. In addition, each Directing Holder must, at the time of providing a Noteholder Direction, covenant to provide the Issuer with such other information as the Issuer may reasonably request from time to time in order to verify the accuracy of such Directing Holder's Position Representation within five Business Days of request therefor (a "Verification Covenant"). In any case in which the holder is DTC or its nominee, any Position Representation or Verification Covenant required hereunder shall be provided by the beneficial owner of the securities of such series in lieu of DTC or its nominee, and DTC shall be entitled to rely on such Position Representation and Verification Covenant in delivering its direction to the Trustee.

If, following the delivery of a Noteholder Direction, but prior to acceleration of the securities of the applicable series, the Issuer determines in good faith that there is a reasonable basis to believe a Directing Holder was, at any relevant time, in breach of its Position Representation and provides to the Trustee an Officer's Certificate stating that the Issuer has initiated litigation in a court of competent jurisdiction seeking a determination that such Directing Holder was, at such time, in breach of its Position Representation, and seeking to invalidate any Event of Default that resulted from the applicable Noteholder Direction, the cure period with respect to such Event of Default shall be automatically stayed and the cure period with respect to such Event of Default shall be automatically reinstituted and any remedy stayed pending a final and non-appealable determination of a court of competent jurisdiction on such matter. If, following the delivery of a Noteholder Direction, but prior to acceleration of the securities of such series, the Issuer provides to the Trustee an Officer's Certificate stating that a Directing Holder failed to satisfy its Verification Covenant, the cure period with respect to such Event of Default shall be automatically stayed and the cure period with respect to any Event of Default that resulted from the applicable Noteholder Direction shall be automatically reinstituted and any remedy stayed until such time as the Issuer provides the Trustee with an Officer's Certificate that the Verification Covenant has been satisfied; provided that the Issuer shall promptly deliver such Officer's Certificate to the Trustee upon becoming aware that the Verification Covenant has been satisfied. Any breach of the Position Representation (as evidenced by the delivery to the Trustee of the Officer's Certificate stating that a Directing Holder failed to satisfy its Verification Covenant) shall result in such holder's participation in such Noteholder Direction being disregarded. If, without the participation of such holder, the percentage of securities of such series held by the remaining holders that provided such Noteholder Direction would have been insufficient to validly provide such Noteholder Direction, such Noteholder Direction shall be void ab initio, with the effect that such Event of Default shall be deemed never to have occurred, acceleration voided and the Trustee shall be deemed not to have received such Noteholder Direction or any notice of such Default or Event of Default. In addition, for the avoidance of doubt, the foregoing paragraphs shall not apply to any holder that is a Regulated Bank.

Notwithstanding anything in the preceding two paragraphs to the contrary, (i) any Noteholder Direction delivered to the Trustee during the pendency of an Event of Default as the result of a bankruptcy or similar proceeding shall not require compliance with the foregoing paragraphs, and (ii) a notice of Default may not be given with respect to any action taken and reported publicly or to holders more than two years prior to such notice of Default. The Trustee shall have no obligation to monitor or determine whether a holder is Net Short and can rely conclusively on a Directing Holder's Position Representation, the Officer's Certificates delivered by the Issuer and determinations made by a court of competent jurisdiction.

Modification and Waiver

Without the Consent of the Holders

The Issuer and the Trustee may modify or amend the Indenture or the notes without notice to or consent of any holder:

(1) to cure any ambiguity, omission, defect or inconsistency to correct or supplement any provision herein which may be inconsistent with any other provision in the Indenture, or to make any other provisions with respect to matters or questions arising under the Indenture which are not be inconsistent with the provisions of this Indenture, or to make any other provisions as may be necessary or desirable, including the making of any modifications in the applicable form of the note; provided that such actions do not adversely affect the interests of the holders of the notes in any material respect;

(2) to provide for the assumption by a successor of the obligations of the Issuer under the Indenture and the notes in accordance with the terms of the Indenture;

(3) to evidence or release any Subsidiary Guarantee in accordance with the terms of the Indenture;

(4) to provide for uncertificated notes in addition to or in place of certificated notes; provided, however, that the uncertificated notes are issued in registered form for purposes of Section 163(f) of the Internal Revenue Code of 1986, as amended (the "Code") or in a manner such that the uncertificated notes are described in Section 163(f)(2)(B) of the Code;

(5) to conform the text of the Indenture or the notes to any provision of this "Description of Notes" to the extent that such provision in the "Description of Notes" was intended to be a verbatim recitation of a provision of the Indenture or the notes;

(6) to evidence and provide acceptance of the appointment of a successor Trustee, registrar or paying agent under the Indenture;

(7) to comply with the rules of any applicable securities depository;

(8) to add collateral or security to secure the notes;

(9) to add to the covenants of the Issuer or Parent for the benefit of the holders or to surrender any right or power conferred in the Indenture upon the Issuer or Parent;

(10) to make any change that would provide any additional benefits or rights to the holders or that does not adversely affect in any material respect the legal rights under the Indenture of any such holder; or

(11) to provide for the issuance of additional notes under the Indenture in accordance with the limitations set forth in the Indenture.

With the Consent of the Holders

The Issuer and the Trustee may modify or amend the Indenture, including to release Subsidiary Guarantees, with the consent (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, notes) of the holders of a majority of the principal amount of the notes then outstanding affected by the modification or amendment. However, no such modification or amendment may, without the consent of the holders of all then outstanding notes:

(1) change the due date of the principal of, or any installment of principal of or interest on, the notes;

(2) reduce the principal amount of, or any premium or interest rate on, the notes;

(3) change the currency of payment of principal of, or any premium or interest on, the notes;

(4) impair the right to institute suit for the enforcement of any payment on or with respect to the notes after the due date thereof; or

(5) reduce the percentage in principal amount of the notes then outstanding, the consent of whose holders is required for modification or amendment of the Indenture, for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults.

Any amendment, supplement or waiver consented to by at least 90% of the aggregate principal amount of the then outstanding notes will be binding against any non-consenting holders.

The holders of a majority of the principal amount of the notes then outstanding may waive future compliance by Parent, the Issuer and their respective subsidiaries with certain restrictive covenants of the Indenture. The holders of at least a majority in principal amount of the notes then outstanding may waive any past default under the Indenture, except a failure by the Issuer to pay the principal of, or any premium or interest on, any notes or a provision that cannot be modified or amended without the consent of the holders of all notes then outstanding. Any such waiver may be obtained in connection with a purchase of, or tender offer or exchange offer for, notes.

No Personal Liability of Directors, Officers, Employees and Shareholders

No director, officer, employee or shareholder of Parent or any of its Subsidiaries will have any liability for any of the Issuer's or Parent's obligations under the notes or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of notes, by accepting a note, waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes.

Satisfaction and Discharge

The Indenture provides that the Issuer may be discharged from any and all obligations in respect of the notes (except for certain obligations to register the transfer or exchange of notes, to replace stolen, destroyed, lost or mutilated notes, to maintain paying agencies, to compensate and indemnify the Trustee or to furnish the Trustee (if the Trustee is not the registrar) with the names and addresses of holders of notes). The Issuer will be so discharged when (1) all of the notes have been delivered to the Trustee for cancellation or (2) all of the notes not previously delivered for cancellation (a) have become due and payable or (b) have been called for redemption or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense of the Issuer, and the Issuer has irrevocably deposited or caused to be deposited with the Trustee funds in an amount sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay and discharge the entire Indebtedness on the notes not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the notes to the date of deposit together with irrevocable instructions from the Issuer directing the Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be.

Defeasance

The Indenture provides that, upon compliance with certain conditions with respect to the notes, at the Issuer's election:

- the Issuer may terminate all its obligations under the notes and the Indenture (except as to (i) rights of registration of transfer, substitution and exchange of the notes and the Issuer's right of optional redemption, (ii) rights of holders to receive payment of principal of, premium, if any, and interest on such notes (but not the purchase price referred to under "—Change of Control" and any rights of the holders with respect to such amount), (iii) the rights, obligations and immunities of the Trustee under the Indenture and (iv) certain other specified provisions in the Indenture) ("legal defeasance"); or

- the Issuer may omit to comply with the covenants described under "—Certain Covenants—Restrictions on Secured Debt," "—Certain Covenants—Restrictions on Sale and Lease-Back Transactions," "—Certain Covenants—Future Guarantors" and "—Change of Control" and the Events of Default specified in clauses (3) and (4) under "—Events of Default" will no longer apply (all other obligations and Events of Default under the notes will remain in full force and effect), and any omission to comply with those covenants will not constitute an Event of Default with respect to the notes ("covenant defeasance").

The conditions include:

- depositing with the Trustee cash in U.S. dollars, Government Securities, or a combination thereof, in an amount sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay each installment of principal of, and any premium and interest on, the notes on the due dates for those payments in accordance with the terms of the notes; and

- delivering to the Trustee an Opinion of Counsel to the effect that the beneficial owners of the notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the deposit and related legal defeasance or covenant defeasance and will be subject to U.S. federal income tax on the same amounts and in the same manner and at the same times as would have been the case if the deposit and related covenant defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel must be based on a ruling of the Internal Revenue Service or other change in applicable U.S. federal income tax law).

The Issuer may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Issuer exercises its rights of discharge, legal defeasance or covenant defeasance, any Subsidiary Guarantee then in effect automatically shall be released without any further action on the part of such Subsidiary, the Issuer, the Trustee or any holder of notes.

Covenant Defeasance and Certain Events of Default

If the Issuer exercises its option to effect a covenant defeasance with respect to the notes as described above and the notes are thereafter declared due and payable because of an Event of Default (other than an Event of Default caused by failing to comply with the covenants that are defeased), the amount of money and securities the Issuer has deposited with the Trustee would be sufficient to pay amounts due on the notes on their respective due dates but may not be sufficient to pay amounts due on the notes at the time of acceleration resulting from such Event of Default. However, the Issuer would remain liable for such payments.

Notices

The Indenture provides that any notices or communications must be given in writing, and any such notice will be deemed given when received if delivered in person, when receipt is acknowledged if sent electronically, the next Business Day if timely delivered by a nationally recognized courier service that guarantees overnight delivery or two Business Days after deposit if mailed by first-class mail, postage prepaid.

Governing Law

The Indenture, the notes and the Guarantee are governed by the laws of the State of New York.

Certain Definitions

Set forth below is a summary of certain of the defined terms used in the Indenture. Reference is made to the Indenture for the full definition of all such terms as well as any other capitalized terms used herein for which no definition is provided. Unless the context otherwise requires, an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP.

"*Adjusted Treasury Rate*" means, with respect to any redemption date:

- the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "Selected Interest Rates (Daily)—H.15" or any successor publication that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue; *provided* that if no maturity is within three months before or after the remaining term of the notes to be redeemed, yields for the two published maturities most closely corresponding to the applicable Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from these yields on a straight-line basis, rounding to the nearest month; or

- if the release (or any successor release) is not published during the week preceding the calculation date or does not contain these yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the applicable Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the redemption date.

The Adjusted Treasury Rate will be calculated on the third business day preceding the redemption date.

"*Attributable Debt*" means, in the context of a Sale and Lease-Back Transaction, what the Issuer believes in good faith to be the present value, discounted at the interest rate implicit in the lease involved in such Sale and Lease-Back Transaction, of the lessee's obligation under the lease for rental payments during the remaining term of such lease, as it has been extended. In the case of any lease that is terminable by the lessee upon the payment of a penalty, the net amount of rent will be the lesser of (x) the net amount determined assuming termination upon the first date the lease may be terminated (in which case the net amount will also include the amount of the penalty, but will not include any rent that would be required to be paid under the lease subsequent to the first date upon which it may be so terminated) or (y) the net amount determined assuming no such termination. For purposes of this definition, any amounts lessee must pay, whether or not designated as rent or additional rent, on account of maintenance and repairs, insurance, taxes, assessments, water rates or similar charges or any amounts lessee must pay under the lease contingent upon the amount of sales, maintenance and repairs, insurance, taxes, assessments, water rates or similar charges are not included in the determination of lessee's obligations under the lease. For the avoidance of doubt, any amounts in respect of a Sale and Lease-Back Transaction that are treated as Indebtedness for purposes of the covenant described under "—Certain Covenants—Restrictions on Secured Debt" shall not be treated as Attributable Debt.

"*Board of Directors*" means, as to any Person, the board of directors or supervisory board of such Person, or equivalent governing body (or, if such Person is a partnership or limited liability company, the board of directors or other governing body of the general partner or manager of such Person) or any duly authorized committee thereof.

"*Business Day*" means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in the place of payment for the notes are authorized or obligated by law or executive order to close.

"*Capital Lease*" means a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP in effect in the United States as of the date of Indenture; *provided* that any lease that would be required to be treated as a capital lease as a result of the adoption of Financial Accounting Standards Board Accounting Standards Update No. 2016-02 , Leases (Topic 842) shall not be considered a capital lease if such lease would not have been required to be so treated under GAAP as in effect on December 31, 2015.

"*Capital Markets Debt*" means any debt securities evidenced by notes, bonds or debentures (excluding, for the avoidance of doubt, any term loan, revolving loan or Qualified Receivables Financing) issued in the capital markets by the Issuer or any Subsidiary, whether issued in a public offering or private placement, including pursuant to Section 4(2) of the Securities Act or Rule 144A, Regulation S or Regulation D under the Securities Act.

"*Capital Stock*" of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any preferred stock, but excluding any debt securities convertible into such equity.

"*Cash Equivalents*" means (a) readily marketable obligations issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof having maturities of not more than 24 months from the date of acquisition thereof; *provided* that the full faith and credit of the United States is pledged in support thereof; (b) time deposits with, or insured certificates of deposit or bankers' acceptances of, any commercial bank (i) that is organized under the laws of the United States, any state thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any state thereof or the District of Columbia, and is a member of the Federal Reserve System and (ii) that has combined capital and surplus of at least $1.0 billion, in each case with maturities of not more than 12 months from the date of acquisition thereof; (c) commercial paper issued by any Person organized under the laws of any state of the United States and rated at least "Prime-1" (or the then equivalent grade) by any of the Rating Agencies, in each case with maturities of not more than

12 months from the date of acquisition thereof; (d) investments, classified in accordance with GAAP as current assets of the Issuer or any of its Subsidiaries, in money market investment programs registered under the Investment Company Act of 1940 the portfolios of which are limited solely to investments of the character, quality and maturity described in clauses (a), (b) and (c) of this definition; (e) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (b) above; and (f) in the case of any Foreign Subsidiary, investments which are similar to the items specified in subsections (a) through (e) of this definition made in the ordinary course of business.

"*Change of Control*" means the occurrence of any of the following events:

(1) the sale, lease or transfer, in one or a series of related transactions, of all or substantially all of the property and assets of Parent and its Subsidiaries, taken as a whole, to any Person other than Parent or any of its Subsidiaries (other than an Excluded Subsidiary);

(2)Parent becomes aware of (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) the acquisition by any Person or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act), in a single transaction or in a related series of transactions, by way of acquisition, merger, amalgamation, consolidation, transfer, conveyance or other business combination or purchase of ultimate beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of Parent, other than by virtue of (a) the imposition of one or more holding companies or (b) the reincorporation of Parent in another jurisdiction, if in the case of either (a) or (b) the beneficial owners of the Voting Stock of Parent immediately prior to such transaction directly or indirectly hold a majority of the voting power of the Voting Stock of such holding company or reincorporation entity immediately thereafter; or

(3) Parent ceases to beneficially own (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision) directly or indirectly, at least 50% of the total voting power of the Voting Stock of the Issuer.

"*Change of Control Offer*" has the meaning ascribed to such term under "—Change of Control."

"*Change of Control Repurchase Event*" means the occurrence of both a Change of Control and a Ratings Event.

"*Comparable Treasury Issue*" means the United States Treasury security selected by the Quotation Agent that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes.

"*Comparable Treasury Price*," means, with respect to any date of redemption, (1) the average of two Reference Treasury Dealer Quotations for the date of redemption, after excluding the highest and lowest Reference Treasury Dealer Quotations or (2) if the Quotation Agent obtains fewer than four Reference Treasury Dealer Quotations, the average of all such Reference Treasury Dealer Quotations.

"*Consolidated EBITDA*" means, in respect of any Person for any Measurement Period, an amount equal to the Consolidated Net Income for such Measurement Period plus (a) proceeds of business interruption insurance received during such period, but only to the extent not included in Consolidated Net Income plus (b) the following to the extent deducted in calculating such Consolidated Net Income, but without duplication and in each case for such Measurement Period: (i) Consolidated Interest Charges (not calculated on a Pro Forma Basis), (ii) the provision for federal, state, local and foreign income taxes payable, (iii) depreciation and amortization expense, (iv) asset impairment charges, (v) expenses reimbursed by third parties (including through insurance and indemnity payments), (vi) fees and expenses incurred in connection with any Qualified Receivables Financing, any proposed or actual issuance of any Indebtedness or equity interests (including upfront fees and original issue discount), or any proposed or actual acquisitions, investments, asset sales or divestitures permitted hereunder, in each case that are expensed, (vii) non-cash restructuring and integration charges and cash restructuring and integration charges; *provided* that the aggregate amount of all cash restructuring and integration charges shall not exceed $100,000,000 in any twelve month period, (viii) non-cash stock expense and non-cash equity compensation expense, (ix) other expenses or losses, including purchase accounting entries such as the inventory adjustment to fair value, reducing such Consolidated Net Income which do not represent a cash item in such period or any future period, (x) expenses or losses in respect of discontinued operations of the Issuer or any of its Subsidiaries, (xi) any unrealized losses attributable to the application of "mark to market" accounting in respect of swap contracts , (xii) with respect to any disposition for which pro forma effect is required to be given pursuant to the definition of Pro Forma Basis, any loss thereon and (xiii) all fees, expenses and other costs incurred in connection with (1) the internal reorganization consisting of a series of intercompany transactions by and among Parent and its Subsidiaries on and after May 17, 2017, (2) the series of dispositions and/or other transactions, after which (a) Valvoline US LLC owns, directly or indirectly, substantially all of the assets constituting the Valvoline Business (as defined below) and (b) the Issuer no longer owns, directly or indirectly, any material portion of Ashland's automotive, commercial and industrial lubricant and automotive chemical business substantially as described in the Valvoline Inc. S-1 Registration Statement (#333-211720), as filed on May 31, 2016 (the "Valvoline Business") or (3) the separation of the Valvoline Business from Parent and its Subsidiaries, and minus (c) the following to the extent included in calculating such Consolidated Net Income, but without duplication and in each case for such Measurement Period: (i) Federal, State, local and foreign income tax credits, (ii) all non-cash gains or other items increasing Consolidated Net Income, (iii) gains in respect of discontinued operations of the Issuer or any of its Subsidiaries, (iv) any unrealized gains for such period attributable to the application of "mark to market" accounting in respect of swap contracts and (v) with respect to any disposition for which pro forma effect is required to be given pursuant to the definition of Pro Forma Basis, any gain thereon. For all purposes hereunder, Consolidated EBITDA shall be calculated on a Pro Forma Basis unless otherwise specified.

"*Consolidated Interest Charges*" means, for any Measurement Period, the excess of (a) the sum, without duplication, of (i) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, (ii) cash payments made in respect of obligations referred to in clause (b)(ii) below, (iii) the portion of rent expense under Capital Leases that is treated as interest in accordance with GAAP, in each case, of or by the Issuer and its Subsidiaries on a consolidated basis for such Measurement Period and (iv) all interest, premium payments, debt discount, fees, charges and related expenses in connection with the Qualified Receivables Financing, *minus* (b) to the extent included in such consolidated interest expense for such Measurement Period, the sum, without duplication, of (i) extinguishment charges relating to the early extinguishment of Indebtedness or obligations under swap contracts, (ii) noncash amounts attributable to the amortization of debt discounts or accrued interest payable in kind, (iii) noncash amounts attributable to amortization or write-off of capitalized interest or other financing costs paid in a previous period, (iv) interest income treated as such in accordance with GAAP and (v) fees and expenses, original issue discount and upfront fees, in each case of or by the Issuer and its Subsidiaries on a consolidated basis for such Measurement Period. For all purposes under the Indenture, Consolidated Interest Charges shall be calculated on a Pro Forma Basis unless otherwise specified.

"*Consolidated Net Income*" means, at any date of determination, the net income (or loss) of the Issuer and its Subsidiaries on a consolidated basis for the most recently completed Measurement Period; *provided* that Consolidated Net Income shall exclude (a) the net income of any Subsidiary during such Measurement Period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its organizational documents or any agreement, instrument or law applicable to such Subsidiary during such Measurement Period (unless such restrictions on dividends or similar distributions have been legally and effectively waived), except that the Issuer's equity in any net loss of any such Subsidiary for such Measurement Period shall be included in determining Consolidated Net Income, (b) any after-tax income (or after-tax loss) for such Measurement Period of any Person if such Person is not a Subsidiary, except that the Issuer's equity in such income of any such Person for such Measurement Period shall be included in Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such Measurement Period to the Issuer or a Subsidiary as a dividend or other distribution (and in the case of a dividend or other distribution to a Subsidiary, such Subsidiary is not precluded from further distributing such amount to the Issuer as described in clause (a) of this proviso), (c) any after-tax gain or after-tax loss realized as a result of the cumulative effect of a change in accounting principles or the implementation of new accounting standards related to revenue and lease accounting, (d) any after-tax gain or after-tax loss attributable to any foreign currency hedging arrangements or currency fluctuations, (e) after-tax extinguishment charges relating to the early extinguishment of Indebtedness and obligations under swap contracts and after-tax extinguishment charges relating to upfront fees and original issue discount on Indebtedness, (f) any pension or other post-retirement after-tax gain or after-tax expense for such Measurement Period and (g) fees, expenses and non-recurring charges related to this offering of the notes; *provided*, *further*, that Consolidated Net Income shall be reduced by the amount of any cash payments made during such Measurement Period relating to pension and other post-retirement costs (except for any payments made in respect of the funding of pension plans in excess of the amount of required regulatory contributions for such Measurement Period (as reasonably determined by the Issuer)).

"*Consolidated Net Secured Leverage Ratio*" means the ratio of the aggregate of all consolidated Secured Indebtedness of such Person and its Subsidiaries (less any unrestricted cash and Cash Equivalents) at the end of the most recent fiscal period for which financial information in respect thereof is available immediately preceding the date of the transaction giving rise to the need to calculate such amount to the aggregate Consolidated EBITDA of such Person for the prior four fiscal quarters (treated as one period) for which financial information in respect thereof is available immediately preceding such date, and in each case, calculated on a pro forma basis.

"*Consolidated Net Tangible Assets*" means, with respect to any Person, the Total Assets of such Person and its Subsidiaries less goodwill and intangibles (other than intangibles arising from, or relating to, intellectual property, licenses or permits (including, but not limited to, emissions rights) of such Person), in each case calculated in accordance with GAAP, *provided* that in the event that such Person or any of its Subsidiaries assumes or acquires any assets in connection with the acquisition by such Person and its Subsidiaries of another Person subsequent to the commencement of the period for which the Consolidated Net Tangible Assets is being calculated but prior to the event for which the calculation of the Consolidated Net Tangible Assets is made, then the Consolidated Net Tangible Assets shall be calculated giving pro forma effect to such assumption or acquisition of assets, as if the same had occurred at the beginning of the applicable period.

"*Credit Agreement*" means (x) the credit agreement, dated January 10, 2020, among Parent, Ashland Chemco Inc., a Delaware corporation, the Issuer, the lenders party thereto, The Bank of Nova Scotia, as administrative agent, swing line lender and L/C issuer and the other agents, arrangers, lenders and L/C issuers party thereto, together with any related documents (including any guarantee agreements), as the same may be amended, modified, supplemented, extended, renewed, refinanced, replaced or substituted from time to time and (y) any other Indebtedness of the Issuer, in an aggregate amount outstanding at any time under clauses (x) and (y) not to exceed the greater of (A) $4,150.0 million and (B) an amount such that the Consolidated Net Secured Leverage Ratio of Ashland LLC shall not exceed 2.50:1.00. Notwithstanding the foregoing, the maximum amount of secured Indebtedness that may be incurred pursuant to clause (7) of "—Certain Covenants—Restrictions on Secured Debt" as a result of clause (B) above shall not be deemed to be exceeded with respect to any Indebtedness incurred to refinance any outstanding Indebtedness if such outstanding Indebtedness was permitted to be incurred under clause (B) at the time of original incurrence.

"*Default*" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"*Derivative Instrument"* with respect to a Person, means any contract, instrument or other right to receive payment or delivery of cash or other assets to which such Person or any affiliate of such Person that is acting in concert with such Person in connection with such Person's investment in the securities (other than a Screened Affiliate) is a party (whether or not requiring further performance by such Person), the value and/or cash flows of which (or any material portion thereof) are materially affected by the value and/or performance of the securities and/or the creditworthiness of the Issuer (the "*Performance References")*.

"*Domestic Subsidiary*" means a Subsidiary that is not a Foreign Subsidiary.

"*Event of Default*" has the meaning set forth under "—Events of Default."

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations of the SEC promulgated thereunder.

"*Excluded Subsidiary*" means (i) any Receivables Subsidiary, (ii) any Qualified Non-Recourse Subsidiary, (iii) any Special Purpose Subsidiary and (iv) any Foreign Subsidiary and any Domestic Subsidiary that is Subsidiary of a Foreign Subsidiary of the Issuer that is a "controlled foreign corporation" within the meaning of Section 957(a) of the Code.

"*Fitch*" means Fitch Ratings Inc. or any successor to the rating agency business thereof.

"*Foreign Subsidiary*" means a Subsidiary not organized or existing under the laws of the United States of America or any state or territory thereof or the District of Columbia.

"*GAAP*" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, as in effect from time to time. At any time after the Issue Date, Parent may irrevocably elect to apply International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board in lieu of GAAP and, upon any such election, references in this Indenture to GAAP shall thereafter be construed to mean IFRS as in effect from time to time. Parent shall give notice of any such election to the Trustee.

"*Government Securities*" means securities that are:

(1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged;

(2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which are not callable or redeemable at the option of the issuers thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act), as custodian with respect to any such Government Securities or a specific payment of principal of or interest on any such Government Securities held by such custodian for the account of the holder of such depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Securities or the specific payment of principal of or interest on the Government Securities evidenced by such depository receipt; or

(3) AAA rated money market mutual funds, where 100% of the holdings are in securities described in clauses (1) or (2) of this definition of Government Securities or repurchase agreements that are fully collateralized by securities described in clauses (1) or (2) of this definition of Government Securities.

"*Indebtedness*" means indebtedness for borrowed money.

"*Investment Grade Rating*" means a rating equal to or higher than Baa3 (or the equivalent) by Moody's, BBB-(or the equivalent) by S&P, BBB- (or the equivalent) by Fitch, or an equivalent rating by any other Rating Agency.

"*Issue Date*" means the date on which the notes are initially issued.

"*Joint Venture*" means any joint venture entity, whether a company, unincorporated firm, association, partnership or any other entity which, in each case, is not a Subsidiary or any of its Subsidiaries but in which the Issuer or a Subsidiary has a direct or indirect equity or similar interest.

"*Long Derivative Instrument*" means a Derivative Instrument (i) the value of which generally increases, and/or the payment or delivery obligations under which generally decrease, with positive changes to the Performance References and/or (ii) the value of which generally decreases, and/or the payment or delivery obligations under which generally increase, with negative changes to the Performance References.

"*Long-Term Indebtedness*" means any Indebtedness maturing by its terms more than one year from its date of issuance (notwithstanding that any portion of such Indebtedness is included in current liabilities).

"*Measurement Period*" means, at any date of determination, the most recently completed four fiscal quarters of the Issuer.

"*Moody's*" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof. "*Mortgage*" has the meaning set forth under "—Certain Covenants—Restrictions on Secured Debt."

"*Net Short*" means, with respect to a holder or beneficial owner, as of a date of determination, either (i) the value of its Short Derivative Instruments exceeds the sum of (x) the value of its securities of an applicable series plus (y) the value of its Long Derivative Instruments as of such date of determination or (ii) it is reasonably expected that such would have been the case were a Failure to Pay or Bankruptcy Credit Event (each as defined in the 2014 ISDA Credit Derivatives Definitions) to have occurred with respect to the Issuer or any guarantor immediately prior to such date of determination

"*Officer*" means the Chairman of the Board of Directors, Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, the Treasurer, any Assistant Treasurer, any Financial Director or the Secretary or Assistant Secretary of any Person (or, with respect to a Person that is a limited partnership, the general partner of such Person), or any other officer designated by the Board of Directors serving in a similar capacity.

"*Officer's Certificate*" means a certificate signed on behalf of any Person by an Officer of such Person, who must fulfill the function of the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of such Person, which meets the requirements set forth in the Indenture.

"*Opinion of Counsel*" means a written opinion from legal counsel who is reasonably acceptable to the Trustee. The counsel may be an employee of or counsel to Parent, the Issuer or the Trustee.

"*Performance References*" has the meaning set forth under the definition of "*Derivative Instruments*."

"*Person*" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"*Primary Treasury Dealer*" means a Government Securities dealer in the United States.

"*Pro Forma Basis*" means, with respect to any calculation or determination for the Issuer for any Measurement Period, that in making such calculation or determination on the specified date of determination (the "Determination Date"):

(a) pro forma effect will be given to any Indebtedness incurred by the Issuer or any of its Subsidiaries (including by assumption of then outstanding Indebtedness or by a Person becoming a Subsidiary) ("Incurred") after the beginning of the Measurement Period and on or before the Determination Date to the extent the Indebtedness is outstanding or is to be Incurred on the Determination Date, as if such Indebtedness had been Incurred on the first day of the Measurement Period;

(b) pro forma calculations of interest on Indebtedness bearing a floating interest rate will be made as if the rate in effect on the Determination Date (taking into account any swap contract applicable to the Indebtedness) had been the applicable rate for the entire reference period;

(c) Consolidated Interest Charges related to any Indebtedness no longer outstanding or to be repaid or redeemed on the Determination Date (only to the extent that the obligations giving rise to Consolidated Interest Charges will not be obligations of the Issuer or any Subsidiary following the Determination Date), except for Consolidated Interest Charges accrued during the reference period under a revolving credit to the extent of the commitment thereunder (or under any successor revolving credit) in effect on the Determination Date (including, for the avoidance of doubt, Qualified Receivables Financing), will be excluded as if such Indebtedness was no longer outstanding or was repaid or redeemed on the first day of the Measurement Period; and

(d) pro forma effect will be given to any investment, acquisition or disposition by the Issuer and its Subsidiaries of companies, divisions or lines of businesses that qualify as reportable segments or discontinued operations, as those two terms are defined by GAAP, or that exceed 15% of Consolidated EBITDA for the Measurement Period, including any investment or acquisition or disposition of a company, division or line of business since the beginning of the reference period by a Person that became or ceased to be a Subsidiary after the beginning of the Measurement Period, that have occurred since the beginning of the Measurement Period and before the Determination Date as if such events had occurred, and, in the case of any disposition, the proceeds thereof applied, on the first day of the Measurement Period (including expected cost savings (without duplication of actual cost savings) to the extent (i) such cost savings would be permitted to be reflected in pro forma financial information complying with the requirements of GAAP and Article 11 of Regulation S-X under the Securities Act as interpreted by the SEC, and as certified by an Officer of Parent or (ii) in the case of an acquisition or a disposition, such cost savings are reasonably identifiable and factually supportable and have been realized or are reasonably expected to be realized within 365 days following such acquisition or such disposition; *provided* that (A) the Issuer shall have delivered to the Trustee a certificate of the chief financial officer of Parent, in form and substance reasonably satisfactory to the Trustee, certifying that such cost savings meet the requirements set forth in this clause (ii), together with reasonably detailed evidence in support thereof, and (B) if any cost savings included in any pro forma calculations based on the expectation that such cost savings will be realized within 365 days following such acquisition or such disposition shall at any time cease to be reasonably expected to be so realized within such period, then on and after such time pro forma calculations required to be made hereunder shall not reflect such cost savings). To the extent that pro forma effect is to be given to an acquisition or disposition of a company, division or line of business, the pro forma calculation will be based upon the most recent four full fiscal quarters for which the relevant financial information is available.

"*Property*" has the meaning set forth under "—Certain Covenants—Restrictions on Secured Debt."

"*Qualified Non-Recourse Debt*" means Indebtedness that (1) is (a) incurred by a Qualified Non-Recourse Subsidiary to finance (whether prior to or within one year after) the acquisition, lease, construction, repair, replacement or improvement of any Property (real or personal) or equipment (whether through the direct purchase of Property or the Capital Stock of any Person owning such Property and whether in a single acquisition or a series of related acquisitions) or (b) assumed by a Qualified Non-Recourse Subsidiary, (2) is non-recourse to the Issuer and (3) is non-recourse to any Subsidiary that is not a Qualified Non-Recourse Subsidiary.

"*Qualified Non-Recourse Subsidiary*" means (1) a Subsidiary that is formed or created after the Issue Date in order to finance an acquisition, lease, construction, repair, replacement or improvement of any Property or equipment (directly or through one of its Subsidiaries) that secures Qualified Non-Recourse Debt and (2) any Subsidiary of a Qualified Non-Recourse Subsidiary.

"*Qualified Receivables Financing*" means the securitization of accounts receivables and related assets of the Issuer and its Subsidiaries on customary market terms (including, without limitation, Standard Securitization Undertakings and a Receivables Repurchase Obligation) as determined in good faith by the Issuer to be in the aggregate commercially fair and reasonable to the Issuer and its Subsidiaries taken as a whole.

"*Quotation Agent*" means one of the Reference Treasury Dealers appointed by the Issuer as Quotation Agent.

"*Rating Agency*" means (1) S&P, (2) Moody's, (3) Fitch, or (4) if any of S&P, Moody's or Fitch shall not then exist, a nationally recognized securities rating agency or agencies, as the case may be, selected by the Issuer, which shall be substituted for S&P, Moody's or Fitch, as the case may be.

"*Ratings Event*" means with respect to the notes at any time from or after the occurrence of a Change of Control and until the earlier to occur of (x) 60 days after the later of (i) the occurrence of a Change of Control or (ii) public notice of the occurrence of a Change of Control (which period shall be extended so long as the rating of the notes is under publicly announced consideration for a possible downgrade by any of the Rating Agencies) and (y) at least one of the three of the Rating Agencies publicly issuing or reaffirming an Investment Grade Rating on the notes following such Change of Control, the notes have a below Investment Grade Rating by all three of the Rating Agencies.

"*Receivables Repurchase Obligation*" means any obligation of a seller of receivables in a Qualified Receivables Financing to repurchase receivables arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"*Receivables Subsidiary*" means a Subsidiary of Parent (or another Person formed for the purposes of engaging in Qualified Receivables Financing with Parent or the Issuer in which Parent or any Subsidiary makes an investment and to which Parent or any Subsidiary transfers accounts receivable and related assets) which engages in no activities other than in connection with the financing of accounts receivable of Parent and its Subsidiaries, all proceeds thereof and all rights (contractual or other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by Parent or the Issuer, as applicable (as provided below), as a Receivables Subsidiary and:

(a) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by Parent or any other Subsidiary of Parent (excluding Guarantees of obligations (other than the principal of and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (ii) is recourse to or obligates Parent or any other Subsidiary of Parent in any way other than pursuant to Standard Securitization Undertakings, or (iii) subjects any property or asset of Parent or any other Subsidiary of Parent, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings;

(b) with which neither Parent nor any other Subsidiary of Parent has any material contract, agreement, arrangement or understanding other than on terms which Parent or the Issuer, as applicable, reasonably believes to be no less favorable to Parent or such Subsidiary than those that might be obtained at the time from Persons that are not affiliates of Parent; and

(c) to which neither Parent nor any other Subsidiary of Parent has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results. The foregoing conditions shall not be violated by reason of any contractual obligation on the part of Parent to maintain the solvency of any Receivables Subsidiary on terms that Parent has determined in good faith to be reasonably necessary to facilitate a Qualified Receivables Financing. Any such designation by Parent shall be evidenced to the Trustee by filing with the Trustee a certified copy of the resolution of the Board of Directors of Parent giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing conditions.

"*Reference Treasury Dealer*" means (i) Citigroup Global Markets Inc. and its affiliates or successors; provided, however, that if any of the foregoing cease to be a Primary Treasury Dealer, we will substitute therefor another Primary Treasury Dealer, and (ii) any other Primary Treasury Dealer selected by the Issuer.

"*Reference Treasury Dealer Quotations*" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent at 5:00 p.m., New York City time, on the third business day preceding the redemption date.

"*Regulated Bank*" means a commercial bank with a consolidated combined capital and surplus of at least $5,000 million that is (i) a U.S. depository institution the deposits of which are insured by the Federal Deposit Insurance Corporation; (ii) a corporation organized under section 25A of the U.S. Federal Reserve Act of 1913; (iii) a branch, agency or commercial lending company of a foreign bank operating pursuant to approval by and under the supervision of the Board of Governors under 12 CFR part 211; (iv) a non-U.S. branch of a foreign bank managed and controlled by a U.S. branch referred to in clause (iii); or (v) any other U.S. or non-U.S. depository institution or any branch, agency or similar office thereof supervised by a bank regulatory authority in any jurisdiction.

"*S&P*" means S&P Global Ratings, a division of S&P Global Inc., or any successor to the rating agency business thereof.

"*Sale and Lease-Back Transaction*" means the leasing by the Issuer or any Domestic Subsidiary of the Issuer of any Property, whether owned at the date of the Indenture or acquired after the date of the Indenture (except for temporary leases for a term, including any renewal term, of up to three years and except for leases between the Issuer and any Domestic Subsidiary of the Issuer or between Domestic Subsidiaries of the Issuer), which Property has been or is to be sold or transferred by the Issuer or such Subsidiary to any party with the intention of taking back a lease of such Property.

“*Screened Affiliate”* means any affiliate of a holder (i) that makes investment decisions independently from such holder and any other affiliate of such holder that is not a Screened Affiliate, (ii) that has in place customary information screens between it and such holder and any other affiliate of such holder that is not a Screened Affiliate and such screens prohibit the sharing of information with respect to the Issuer or its Subsidiaries, (iii) whose investment policies are not directed by such holder or any other affiliate of such holder that is acting in concert with such holder in connection with its investment in the securities, and (iv) whose investment decisions are not influenced by the investment decisions of such holder or any other affiliate of such holder that is acting in concert with such holder in connection with its investment in the securities.

“*SEC*” means the U.S. Securities and Exchange Commission.

“*Secured Indebtedness*” means any Indebtedness secured by a Mortgage.

“*Securities Act*” means the Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated by the SEC thereunder.

“*Short Derivative Instrument”* means a Derivative Instrument (i) the value of which generally decreases, and/or the payment or delivery obligations under which generally increase, with positive changes to the Performance References and/or (ii) the value of which generally increases, and/or the payment or delivery obligations under which generally decrease, with negative changes to the Performance References.

“*Special Purpose Subsidiary*” means any Subsidiary whose material assets are comprised solely of the Capital Stock of a Joint Venture, where the pledge of such Capital Stock would be prohibited by any contractual requirement pertaining to such Joint Venture.

“*Standard Securitization Undertakings*” means representations, warranties, undertakings, covenants, indemnities and guarantees of performance entered into by Parent or any Subsidiary of Parent which Parent has determined in good faith to be customary in a Qualified Receivables Financing.

“*Subsidiary*” means, with respect to any Person, (1) any corporation, association or other business entity (other than a partnership, joint venture or limited liability company) of which more than 50% of the total voting power of shares of Voting Stock thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; or (2) any partnership, joint venture or limited liability company of which (x) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (y) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

“*Total Assets*” means, with respect to any Person, the total consolidated assets of such Person and its Subsidiaries, without giving effect to any amortization of the amount of intangible assets since the Issue Date, (x) as shown on the most recent balance sheet of such Person, or (y) in regards to the Issuer only, as shown on the most recent balance sheet of the Issuer and its Subsidiaries.

“*Voting Stock*” of any Person means the Capital Stock of such person that is at the time entitled to vote generally in the election of the Board of Directors of such Person.

“*Wholly Owned Domestic Subsidiary*” means any Wholly Owned Subsidiary that is a Domestic Subsidiary.

“*Wholly Owned Subsidiary*” of any Person means a Subsidiary of such Person, 100% of the outstanding Capital Stock of which (other than directors’ qualifying shares or shares required to be held by others in Foreign Subsidiaries) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person.

EXHIBIT 10.65

RESTRICTED STOCK UNIT AGREEMENT

Ashland Inc.
2021 Omnibus Incentive Compensation Plan

Participant:	#ParticipantName#
Restricted Stock Units ("Units") Granted:	#QuantityGranted#
Grant Date:	#GrantDate#
Vesting Date:	#CliffVest#
Signature Required By:	#Acceptance Deadline#

1. **Grant**. Ashland Inc. ("Ashland") hereby grants to the above-named individual (the "Participant") #QuantityGranted# Units (the "Award") pursuant to and subject to the terms of the Ashland Inc. 2021 Omnibus Incentive Compensation Plan (the "Plan") and this Stock-Settled Unit Agreement ("Agreement") in order to provide the Participant with an additional incentive to continue his or her service to and in the best interests of Ashland and its Affiliates. Capitalized terms used but not defined in this Agreement shall have the meanings given such terms in the Plan.

2. **Units**. Each Unit represents a contingent right of the Participant to receive one (1) Share on the vesting date set forth above (such date, the "Vesting Date"). The number of Units granted hereunder has been determined by dividing the total dollar value intended to be delivered to the Participant under this Award by the Fair Market Value of one (1) Share of Ashland on the Grant Date, rounded down to the nearest whole number.

3. **Vesting**. The Units shall vest as of the Vesting Date, and further subject to the Participant's continuous service as an officer, employee or consultant of Ashland or any of its Affiliates ("Continuous Service") through such Vesting Date, except as otherwise provided in this Agreement.

4. **Forfeiture**. Except as otherwise provided in this Agreement or as otherwise determined by the Committee (but subject to Section 6(i) of the Plan), if Participant's Continuous Service ends for any reason prior to the Vesting Date, all Units granted hereunder shall be forfeited. Notwithstanding the foregoing (but subject to Section 6(i) of the Plan), the Committee may, in its sole discretion, provide for accelerated vesting of the Award or any portion thereof at any time and for any reason.

5. **Retirement**. If the Participant's Continuous Service ends due to Retirement after the fiscal year that includes the Grant Date set forth above, then all unvested Units under this Agreement shall be immediately accelerated and vest in full as of the date of such Retirement. If the Participant's Retirement occurs before the end of the fiscal year that includes the Grant Date set forth above, all unvested Units granted hereunder shall be forfeited. For purposes of this Agreement, "Retirement"

shall mean a termination of Participant's employment for any reason other than death, Disability, or Cause (as defined below), that is a "separation from service" within the meaning of Section 409A of the Code, after attaining age 55 and having at least ten (10) years of credited service, or after attaining age 60 and having at least five (5) years of credited service.

6. **Death or Disability.** If the Participant's Continuous Service ends due to death or Disability, all Units under this Award will be immediately accelerated and will vest into Shares, assuming such Units had been earned at 100% achievement (i.e., "target" achievement) against the Performance Goals, as of the date of such termination due to death or Disability within thirty (30) days of the Vesting Date.

7. **Termination without Cause**. If the Participant is otherwise terminated by Ashland or any of its Affiliates for any reason other than death, Disability, or Cause prior to the earlier of the Vesting Date or Retirement, then the Participant shall continue to be permitted to vest, in accordance with the terms of this Agreement, provided that the number of earned Units scheduled to vest, if any, shall be pro-rated (with such proration being based on the number of days from the Grant Date through the date of such termination divided by the total number of days between the Grant Date and the Vesting Date applicable to such tranche). The pro-rated number of earned Units, if any, shall be delivered to and in the name of Participant in the form of the corresponding number of Shares within thirty (30) days of the Vesting Date. For purposes of this Agreement only, the term "Cause" shall mean (i) if the Participant has an employment agreement with the Company in which the term "Cause" is defined, the meaning which is provided for such term in such agreement, or (ii) otherwise, (x) the willful and continued failure of the Participant to substantially perform his or her duties with the Company (other than such failure resulting from the such individual's incapacity due to physical or mental illness, death, or disability), (y) any act by the Participant that would constitute a felony under the laws of the United States (or an act that would be treated substantially similarly to a felony under the laws of a jurisdiction other than the United States), or (z) any act or omission by such individual which reasonably constitutes dishonesty, disloyalty, fraud, deceit, gross negligence, willful misconduct or recklessness during the course of his or her duties, including, but not limited to the willful violation of the Company's by-laws, Global Code of Conduct, or other policies and procedures of the Company's governing the Participant's conduct.

8. **Time of Payment and Taxation**. The Shares underlying any tranche of Units that vests in accordance with this Agreement will be paid/delivered to and in the name of the Participant within thirty (30) days following the Vesting Date for the Award of Units, subject to tax deductions and withholding as set forth in Section 9(d) of the Plan.

9. **No Stockholder Rights**. Unless and until such time as Shares are delivered in settlement of vested Units, Participant shall have no ownership of the Shares associated with any Units granted under this Award or to cast any vote with respect to such Shares.

10. **Dividend Equivalents**. While this Award is outstanding, on each date that cash dividends are paid by Ashland to holders of Shares, Ashland will increase the number of Units granted hereunder by (1) the product of the number of Units then held by the Participant as of the date of record for such dividend (inclusive of Units that have been added to the original number of Units pursuant to this

Section 10) multiplied by the per Share cash dividend amount, divided by (2) the Fair Market Value of the Shares on the date of record for such dividend. Such additional Units issued in respect of cash dividends on the Shares will be subject to all the terms and conditions of this Award, this Agreement and the Plan and to the same vesting conditions and restrictions as the Units to which such additional Units relate.

11. **Fractional Units**. Notwithstanding any other provision of this Agreement or the Plan to the contrary, in the event the Participant is credited with any fractional Units as a result of the grant of any dividend equivalents under Section 10 of this Agreement prior to the Vesting Date, such fractional Units shall be rounded up to the nearest whole Unit and shall otherwise vest in accordance with the terms of this Agreement.

12. **Change of Control**. The Award shall be treated in accordance with Section 8 of the Plan in the event of a Change of Control prior to the Vesting Date.

13. **Compensation Recovery.** Notwithstanding anything in the Plan, this Agreement or any other agreement or declaration, Ashland will be entitled, to the extent permitted or required by applicable law, rule or regulation, Ashland policy and/or the requirements of an exchange on which Ashland securities are listed for trading, in each case, as in effect from time to time, to cancel this Award and/or to require the reimbursement or return of, recoup or otherwise recover equity or other compensation of whatever kind paid or delivered by Ashland or any of its Affiliates at any time to Participant under the Plan, as well as any profits or gains realized thereon. The provisions in this paragraph apply whether any such law, rule, regulation, Ashland policy and/or exchange listing requirement is in existence or applies as of the Grant Date or Vesting Date or is later adopted, modified or becomes applicable. By accepting this Award, Participant agrees to the provisions of this paragraph, agrees to comply with any Ashland request or demand for such recoupment, other recovery or cancellation/forfeiture, and agrees to be bound by any such applicable compensation recovery law, rule, regulation, exchange listing requirement and/or policy adopted in the discretion of Ashland (including, without limitation, policies to comply with applicable laws, rules, regulations and/or exchange listing requirements and any other policies). The provisions in this paragraph are not exclusive and are in addition to every other right or remedy at law or in equity that may be available to Ashland, including under the Plan and any other plan or agreements with Participant.

14. **Non-transferability**. The Participant may not sell, transfer, pledge, assign, attach or otherwise alienate or hypothecate the Units or any rights under this Agreement other than by will or by the laws of descent or distribution and may be exercised during the lifetime of the Participant only by him or her. The terms of this Agreement and Award shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

15. **No Right to Employment**. Nothing contained in this Agreement or in the Plan shall confer upon the Participant any right to continue in the employment of, or remain in the service of, Ashland or any of its Affiliates.

16. **Data Privacy**. Information about the Participant and the Participant's participation in the Plan may be collected, recorded and held, used and disclosed by and among Ashland, its Affiliates and any

third-party Plan administrators as necessary for the purpose of managing and administering the Plan. The Participant understands that such processing of this information may need to be carried out by Ashland, its Affiliates and by third-party administrators whether such persons are located within the Participant's country or elsewhere, including the United States of America. By accepting this Award, the Participant consents to the processing of information relating to the Participant and the Participant's participation in the Plan in any one or more of the ways referred to above.

17. **Electronic Delivery and Participation**. Ashland and any Affiliate may, in its sole discretion, deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by Ashland, any Affiliate or a third party designated by Ashland.

18. **Code Section 409A.** To the extent applicable, for purposes of this Agreement, a termination of employment will be determined consistent with the rules relating to a "separation from service" within the meaning of Code Section 409A and the regulations and other guidance promulgated thereunder ("Section 409A"). Notwithstanding anything provided herein to the contrary, to the extent of any payments provided under this Agreement in connection with the Participant's termination of employment with Ashland and its Affiliates constitute "nonqualified deferred compensation" within the meaning of Section 409A, and the Participant is a "specified employee" within the meaning of Section 409A upon such termination of employment, then such payment shall not be made until the earlier of (i) the expiration of the six month period measured from the Participant's employment termination date, or (ii) the date of the Participant's death following such employment termination date. The Participant acknowledges that, regardless of any action taken by Ashland and its Affiliates, the liability for all taxes related to the Award and this Agreement are the sole responsibility of the Participant, and nether Ashland nor its Affiliates are liable to the Participant for any taxes, penalties and interest incurred by the Participant relating to the Award and this Agreement.

19. **Restrictive Covenants**. In consideration of this Award, and to the extent permitted by applicable law, the Participant agrees that during the Participant's employment and the twelve (12) month period following the Participant's termination of employment with Ashland or its Affiliates for any reason (the "Covenant Period"), without the written consent of Ashland, the Participant will not:

(a) engage directly or indirectly in any manner or capacity as principal, agent, partner, officer, director, employee or otherwise in any business or activity competitive with the business conducted by Ashland or any of its Affiliates; or

(b) perform any act or engage in any activity that is detrimental to the best interests of Ashland or any of its Affiliates, including, without limitation:

(i)solicit or encourage any existing or former employee, director, contractor, consultant, customer, or supplier of Ashland or any of its Affiliates to terminate his, her or its relationship with Ashland or any of its Affiliates for any reason;

(ii) hire (directly or through another person), any person (whether or not solicited) who was an employee of the Company or any of its Affiliates at any time within the one year period immediately preceding the Participant's termination from employment; or

(iii) disclose proprietary or confidential information of Ashland or any of its Affiliates to third parties or use any such proprietary or confidential information for the benefit of anyone other than Ashland and its Affiliates;

provided, however, that this Agreement shall not prohibit the Participant in any way from (1) filing and, as provided for under Section 21F of the Securities Exchange Act of 1934, maintaining the confidentiality of a claim with the Securities and Exchange Commission (the "SEC"); (2) providing proprietary or confidential information to the SEC, or providing the SEC with information that would otherwise violate clause (ii) above, to the extent permitted by Section 21F of the Securities Exchange Act of 1934; (3) cooperating, participating or assisting in an SEC investigation or proceeding without notifying Ashland; or (4) receiving a monetary award as set forth in Section 21F of the Securities Exchange Act of 1934. Furthermore, the Participant is advised that the Participant shall not be held criminally or civilly liable under any Federal or state trade secret law for the disclosure of any proprietary or confidential information that constitutes a trade secret to which the Defend Trade Secrets Act (18 U.S.C. Section 1833(b)) applies that is made (A) in confidence to a Federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law; or (B) in a complaint or other document filed in a lawsuit or proceeding, if such filings are made under seal. The Participant understands that if he or she makes a disclosure of proprietary or confidential information that is covered above, he or she is not required to inform Ashland, in advance or otherwise, that such disclosure(s) has been made. The restrictions in this paragraph are referred to herein as the "Participant Covenants".

Notwithstanding any other provision of the Plan or this Agreement to the contrary, but subject to any applicable laws to the contrary, the Participant agrees that in the event the Participant fails to comply or otherwise breaches any of the Participant Covenants either during the Participant's employment with Ashland or any of its Affiliates or within the Covenant Period for any reason Ashland may: (x) cancel this Award, (y) eliminate or reduce the amount of any compensation, benefit, or payment otherwise payable by Ashland or any of its Affiliates (either directly or under any employee benefit or compensation plan, agreement, or arrangement), except to the extent such compensation, benefit or payment constitutes deferred compensation under Section 409A of the Code and such elimination or reduction would trigger a tax or penalty under Section 409A of the Code, to or on behalf of the Participant in an amount up to the total amount paid (or the closing stock price of Shares on the payment date multiplied by the number of Shares awarded) or payable to the Participant under this Agreement; and/or (z) require the Participant to pay Ashland an amount up to the total amount paid (or the closing stock price of Shares on the payment date multiplied by the number of Shares awarded) to the Participant under this Agreement; in each case together with the amount of Ashland's court costs, attorney fees, and other costs and expenses incurred in connection therewith; provided that the actions described in clauses (x), (y) and (z) shall not be taken with respect to the Award at any time following the third anniversary of the vesting of the Award (or the applicable portion thereof). To the extent a longer Covenant Period is specified in another agreement between the Participant and Ashland or its Affiliates, the provisions of this section 13 shall be extended to apply to such longer period.

20. <u>Acceptance</u>. **This Award of Units is subject to and expressly conditioned upon the Participant's online acceptance of the terms and conditions of the Plan, this Agreement, and the Award through the Fidelity website. The right to the Units shall expire if not accepted by #AcceptanceDeadline#.**

By accepting the terms and conditions of this Agreement, the Participant acknowledges has access to or the ability to request a copy of the Plan, Prospectus, and Ashland's most recent Annual Report and Proxy Statement from Ashland's intranet or your Fidelity account, the SEC's EDGAR filing website, or by contacting Ashland's Human Resources Department. The terms and provisions of the Plan are incorporated herein by reference. The Participant hereby accepts this Award on the terms and conditions set forth herein and, in the Plan, and acknowledges that he or she has had the opportunity to obtain independent legal advice at his or her expense prior to accepting this Award.

IN WITNESS WHEREOF, Ashland Inc. has caused this instrument to be executed and delivered effective as of the Grant Date set forth above.

Ashland Inc.

Eileen Drury
Senior Vice President and
Chief Human Resources Officer

By: #Signature#

Name: #ParticipantName#

Date: #AcceptanceDate#

EXHIBIT 10.66

CASH-SETTLED RESTRICTED STOCK EQUIVALENT AGREEMENT FOR NON-U.S. PARTICIPANTS

Ashland Inc.
2021 Omnibus Incentive Compensation Plan

Participant:	#ParticipantName#
Restricted Stock Units ("RSEs") Granted:	#QuantityGranted#
Grant Date:	#GrantDate#
Vesting Date:	#CliffVest#
Signature Required By:	#Acceptance Deadline#

1. **Grant.** Ashland Inc. ("Ashland") hereby grants to the above-named individual (the "Participant") #QuantityGranted# RSEs (the "Award") pursuant to and subject to the terms of the Ashland Inc. 2021 Omnibus Incentive Compensation Plan (the "Plan") and this Cash-Settled Restricted Stock Equivalent Agreement for Non-U.S. Participants ("Agreement") in order to provide the Participant with an additional incentive to continue his or her service to and in the best interests of Ashland and its Affiliates. Capitalized terms used but not defined in this Agreement shall have the meanings given such terms in the Plan.

2. **RSEs.** Each RSE represents a contingent right of the Participant to receive a cash payment in Participant's local currency (based upon the exchange rate used by Ashland, or Ashland's stock administrator, on the date of the transaction) equal to the Fair Market Value of one (1) Share (the "Per RSE Value") on the Vesting Date set forth above (such date, the "Vesting Date"). The number of RSEs granted hereunder has been determined by dividing the total dollar value intended to be delivered to the Participant under this Award by the Fair Market Value of one (1) Share of Ashland on the Grant Date, rounded down to the nearest whole number.

3. **Vesting.** The RSEs shall vest as of the Vesting Date, subject to the Participant's continuous service as an officer, employee or consultant of Ashland or any of its Affiliates ("Continuous Service") through such Vesting Date, except as otherwise provided in this Agreement.

4. **Forfeiture**. Except as otherwise provided in this Agreement or as otherwise determined by the Committee (but subject to Section 6(i) of the Plan), if Participant's Continuous Service ends for any reason prior to the Vesting Date, all RSEs granted hereunder shall be forfeited. Notwithstanding the foregoing (but subject to Section 6(i) of the Plan), the Committee may, in its sole discretion, provide for accelerated vesting of the Award or any portion thereof at any time and for any reason.

5. **Retirement**. If the Participant's Continuous Service ends due to Retirement after the fiscal year that includes the Grant Date set forth above, then all unvested RSEs under this Agreement shall be immediately accelerated and vest in full as of the date of such Retirement. If the Participant's Retirement occurs before the end of the fiscal year that includes the Grant Date set forth above, all unvested RSEs granted hereunder shall be forfeited. For purposes of this Agreement, "Retirement" shall mean a termination of Participant's employment for any reason other than death, Disability, or Cause (as defined below), that is a "separation from service" within the meaning of Section 409A of the Code, after attaining age 55 and having at least ten (10) years of credited service, or after attaining age 60 and having at least five (5) years of credited service.

6. **Death or Disability**. If the Participant's Continuous Service ends due to death or Disability, all unvested RSEs under this Award will be immediately accelerated and will vest into Shares as of date of such termination due to death or Disability within thirty (30) days of the Vesting Date.

7. **Termination without Cause**. If the Participant is otherwise terminated by Ashland or any of its Affiliates for any reason other than death, Disability, or Cause prior to the earlier of the Vesting Date or Retirement, then the Participant shall continue to be permitted to vest, in accordance with the terms of this Agreement, with each remaining unvested tranche of RSEs pro-rated (with such proration being based on the number of days from the Grant Date through the date of such termination divided by the total number of days between the Grant Date and the Vesting Date applicable to such tranche). The number of Shares corresponding to the pro-rated number of RSEs, if any, shall be delivered to and in the name of the Participant in the form of the corresponding number of Shares within thirty (30) days of such Termination Date.

   For purposes of this Agreement only, the term "Cause" shall mean (i) if the Participant has an employment agreement with the Company in which the term "Cause" is defined, the meaning which is provided for such term in such agreement, or (ii) otherwise, (x) the willful and continued failure of the Participant to substantially perform his or her duties with the Company (other than such failure resulting from the such individual's incapacity due to physical or mental illness, death, or disability), (y) any act by the Participant that would constitute a felony under the laws of the United States (or an act that would be treated substantially similarly to a felony under the laws of a jurisdiction other than the United States), or (z) any act or omission by such individual which reasonably constitutes dishonesty, disloyalty, fraud, deceit, gross negligence, willful misconduct or recklessness during the course of his or her duties, including, but not limited to the willful violation of the Company's by-laws, Global Code of Conduct, or other policies and procedures of the Company's governing the Participant's conduct.

8. **Time of Payment and Taxation**. Based upon the attainment of the Performance Goals outlined in the Appendix, the Award will be paid to the Participant in Shares within (30) days following the Vesting Date for the Award at the end of the Performance Period based upon actual achievement of the Performance Goals as provided herein, subject to tax deductions and withholding as set forth in Section 9(d) of the Plan.

9. **No Stockholder Rights**. Unless and until such time as Shares are delivered in settlement of earned Units, Participant shall have no ownership of the Shares associated with any Units granted under this Award or to cast any vote with respect to such Shares.

10. **Dividend Equivalents**. While this Award is outstanding, on each date that cash dividends are paid by Ashland to holders of Shares, Ashland will increase the number of target Units granted hereunder by (1) the product of the target number of Units then held by the Participant as of the date of record for such dividend (inclusive of Units that have been added to such target number of Units pursuant to this Section 10) multiplied by the per Share cash dividend amount, divided by (2) the Fair Market Value of the Shares on the date of record for such dividend. Such additional Units issued in respect of cash dividends on the Shares will be subject to all the terms and conditions of this Award, this Agreement and the Plan and to the same vesting conditions and restrictions as the Units to which such additional Units relate.

11. **Fractional Units**. Notwithstanding any other provision of this Agreement or the Plan to the contrary, in the event the Participant is credited with any fractional Units as a result of the grant of any dividend equivalents under Section 10 of this Agreement prior to the Vesting Date, such fractional Units shall be rounded up to the nearest whole Unit and shall otherwise vest in accordance with the terms of this Agreement

12. **Change of Control**. The Award shall be treated in accordance with Section 8 of the Plan in the event of a Change of Control prior to the Vesting Date.

13. **Compensation Recovery.** Notwithstanding anything in the Plan, this Agreement or any other agreement or declaration, Ashland will be entitled, to the extent permitted or required by applicable law, rule or regulation, Ashland policy and/or the requirements of an exchange on which Ashland securities are listed for trading, in each case, as in effect from time to time, to cancel this Award and/or to require the reimbursement or return of, recoup or otherwise recover equity or other compensation of whatever kind paid or delivered by Ashland or any of its Affiliates at any time to Participant under the Plan, as well as any profits or gains realized thereon. The provisions in this paragraph apply whether any such law, rule, regulation, Ashland policy and/or exchange listing requirement is in existence or applies as of the Grant Date or Vesting Date or is later adopted, modified or becomes applicable. By accepting this Award, Participant agrees to the provisions of this paragraph, agrees to comply with any Ashland request or demand for such recoupment, other recovery or cancellation/forfeiture, and agrees to be bound by any such applicable compensation recovery law, rule, regulation, exchange listing requirement and/or policy adopted in the discretion of Ashland (including, without limitation, policies to comply with applicable laws, rules, regulations and/or exchange listing requirements and any other policies). The provisions in this paragraph are not exclusive and are in addition to every other right or remedy at law or in equity that may be available to Ashland, including under the Plan and any other plan or agreements with Participant.

14. **Non-transferability**. The Participant may not sell, transfer, pledge, assign, attach or otherwise alienate or hypothecate the RSEs or any rights under this Agreement other than by will or by the laws of descent or distribution and may be exercised during the lifetime of the Participant only by him or her. The terms of this Agreement and Award shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

15. **No Right to Employment**. Nothing contained in this Agreement or in the Plan shall confer upon the Participant any right to continue in the employment of, or remain in the service of, Ashland or any of its Affiliates.

16. **Data Privacy**. Information about the Participant and the Participant's participation in the Plan may be collected, recorded and held, used and disclosed by and among Ashland, its Affiliates and any third-party Plan administrators as necessary for the purpose of managing and administering the Plan. The Participant understands that such processing of this information may need to be carried out by Ashland, its Affiliates and by third-party administrators whether such persons are located within the Participant's country or elsewhere, including the United States of America. By accepting this Award, the Participant consents to the processing of information relating to the Participant and the Participant's participation in the Plan in any one or more of the ways referred to above.

17. **Electronic Delivery and Participation**. Ashland and any Affiliate may, in its sole discretion, deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by Ashland, any Affiliate or a third party designated by Ashland.

18. **Restrictive Covenants**. In consideration of this Award, and to the extent permitted by applicable law, the Participant agrees that during the Participant's employment and the twelve (12) month period following the Participant's termination of employment with Ashland or its Affiliates for any reason (the "Covenant Period"), without the written consent of Ashland, the Participant will not:

(a) engage directly or indirectly in any manner or capacity as principal, agent, partner, officer, director, employee or otherwise in any business or activity competitive with the business conducted by Ashland or any of its Affiliates; or

(b) perform any act or engage in any activity that is detrimental to the best interests of Ashland or any of its Affiliates, including, without limitation:

i. solicit or encourage any existing employee, director, contractor, consultant, customer or supplier of Ashland or any of its Affiliates to terminate his, her or its relationship with Ashland or any of its Affiliates for any reason;

ii. hire (directly or through another person), any person (whether or not solicited) who was an employee of the Company or any of its Affiliates at any time within the one year period immediately preceding the Participant's termination from employment; or

iii. disclose proprietary or confidential information of Ashland or any of its Affiliates to third parties or use any such proprietary or confidential information for the benefit of anyone other than Ashland and any of its Affiliates;

provided, however, that this Agreement shall not prohibit the Participant in any way from (1) filing and, as provided for under Section 21F of the Securities Exchange Act of 1934, maintaining the confidentiality of a claim with the United States Securities and Exchange Commission (the "SEC"); (2) providing proprietary or confidential information to the SEC, or providing the SEC with information that would otherwise violate clause (ii) above, to the extent permitted by Section

21F of the Securities Exchange Act of 1934; (3)cooperating, participating or assisting in an SEC investigation or proceeding without notifying Ashland; or (4) receiving a monetary award as set forth in Section 21F of the Securities Exchange Act of 1934. Furthermore, the Participant is advised that the Participant shall not be held criminally or civilly liable under any U.S. Federal or state trade secret law for the disclosure of any proprietary or confidential information that constitutes a trade secret to which the Defend Trade Secrets Act (18 U.S.C. Section 1833(b)) applies that is made (A) in confidence to a U.S. Federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law; or (B) in a complaint or other document filed in a lawsuit or proceeding, if such filings are made under seal. The Participant understands that if he or she makes a disclosure of proprietary or confidential information that is covered above, he or she is not required to inform Ashland, in advance or otherwise, that such disclosure(s) has been made. The restrictions in this paragraph are referred to herein as the "Participant Covenants".

Notwithstanding any other provision of the Plan or this Agreement to the contrary, but subject to any applicable laws to the contrary, the Participant agrees that in the event the Participant fails to comply or otherwise breaches any of the Participant Covenants either during the Participant's employment with Ashland or any of its Affiliates or within the Covenant Period for any reason Ashland may (x) cancel this Award; (y) eliminate or reduce the amount of any compensation, benefit, or payment otherwise payable by Ashland or any of its Affiliates (either directly or under any employee benefit or compensation plan, agreement, or arrangement), except to the extent such compensation, benefit or payment constitutes deferred compensation under Section 409A of the U.S. Internal Revenue Code (the "Code") and such elimination or reduction would trigger a tax or penalty under Section 409A of the Code, to or on behalf of the Participant in an amount up to the total amount paid (or the closing stock price of Shares on the payment date multiplied by the number of Shares awarded) or payable to the Participant under this Agreement; and/or (z) require the Participant to pay Ashland an amount up to the total amount paid (or the closing stock price of Shares on the payment date multiplied by the number of Shares awarded) to the Participant under this Agreement; in each case together with the amount of Ashland's court costs, attorney fees, and other costs and expenses incurred in connection therewith; provided that the actions described in clauses (x), (y) and (z) shall not be taken with respect to the Award at any time following the third anniversary of the vesting of the Award (or the applicable portion thereof). To the extent a longer Covenant Period is specified in another agreement between the Participant and Ashland or its Affiliates, the provisions of this Section 18 shall be extended to apply to such longer period.

19. **Acceptance. This Award of RSEs is subject to and expressly conditioned upon the Participant's online acceptance of the terms and conditions of the Plan, this Agreement, and the Award through the Fidelity website. The right to the RSEs shall expire if not accepted by #AcceptanceDeadline#.**

By accepting the terms and conditions of this Agreement, the Participant acknowledges has access to or the ability to request a copy of the Plan, Prospectus, and Ashland's most recent Annual Report and Proxy Statement from Ashland's intranet or your Fidelity account, the SEC's EDGAR filing website, or by contacting Ashland's Human Resources Department. The terms and provisions of the Plan are incorporated herein by reference. The Participant hereby accepts this Award on the terms and conditions set forth herein and, in the Plan, and acknowledges that he or she has had the opportunity to obtain independent legal advice at his or her expense prior to accepting this Award.

IN WITNESS WHEREOF, Ashland Inc. has caused this instrument to be executed and delivered effective as of the Grant Date set forth above.

Ashland Inc.

Eileen Drury
Senior Vice President and
Chief Human Resources Officer

By: #Signature#

Name: #ParticipantName#

Date: #AcceptanceDate#

Personal and Confidential

ASHLAND INC.
2021 OMNIBUS INCENTIVE COMPENSATION PLAN

ADDENDUM TO CASH-SETTLED RESTRICTED STOCK EQUIVALENT AWARD AGREEMENT FOR NON-U.S. PARTICIPANTS

In addition to the provisions of the Plan and the Agreement, the RSEs are subject to the following additional terms and conditions as set forth in this Addendum to the extent the Participant resides and/or is employed in one of the countries addressed herein. All capitalized terms used, but undefined, in this Addendum shall have the same meaning as set forth in the Plan and the Agreement. To the extent the Participant transfers residence and/or employment to another country, the special terms and conditions for such country as reflected in this Addendum (if any) will apply to the Participant to the extent Ashland determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and regulations, or to facilitate the operation and administration of the RSEs and the Plan (or Ashland may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer).

EUROPEAN UNION ("EU") / EUROPEAN ECONOMIC UNION ("EEA") / SWITZERLAND / THE UNITED KINGDOM

1. Data Privacy. See Section 12 above

AUSTRALIA

1. Securities Law Notice. The grant of RSEs is intended to comply with the provisions of the Corporations Act 2001, Australian Securities and Investments Commission ("ASIC") Regulatory Guide 49 and ASIC Class Order 14/1000. Additional details are set forth in the offer document for the grant of RSEs to Australian residents, distributed to the Participant with the Plan documentation.

2. RSEs Conditioned on Satisfaction of Regulatory Obligations. If the Participant is (a) a director of an affiliate or subsidiary incorporated in Australia, or (b) a person who is a management-level executive of an affiliate or subsidiary incorporated in Australia and who also is a director of an affiliate or subsidiary incorporated outside of the Australia, the grant of the RSEs is conditioned upon satisfaction of the shareholder approval provisions of section 200B of the Corporations Act 2001 (Cth) and the Corporations Amendment (Improving Accountability on Termination Payments) Act in Australia.

3. Tax Information. The Plan is a program to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (the "Act") applies (subject to the conditions in that Act).

BRAZIL

1. Commercial Relationship. The Participant expressly acknowledges and agrees that the Participant's participation in the Plan and Ashland's grant of the RSEs does not constitute an employment relationship between the Participant and Ashland. The Participant has been granted the RSEs as a consequence of the commercial relationship between Ashland and such Affiliate of Ashland that employs Participant (the "Employer"), and the Employer is the Participant's sole employer. Based on the

foregoing, the Participant expressly recognizes that (a) the Plan and the benefits the Participant may derive from participation in the Plan do not establish any rights between the Participant and the Employer, (b) the Plan and the benefits the Participant may derive from participation in the Plan are not part of the employment conditions and/or benefits provided by the Employer, and (c) any modifications or amendments of the Plan by Ashland, or a termination of the Plan by Ashland, shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Employer.

2. Extraordinary Item of Compensation. The Participant expressly acknowledges and agrees that the Participant's participation in the Plan is a result of the discretionary and unilateral decision of Ashland, as well as the Participant's free and voluntary decision to participate in the Plan in accord with the terms and conditions of the Plan, the Agreement and this Addendum. As such, the Participant acknowledges and agrees that Ashland may, in its sole discretion, amend and/or discontinue the Participant's participation in the Plan at any time and without any liability. The value of the RSEs is an extraordinary item of compensation outside the scope of the Participant's employment contract, if any. The RSEs are not part of the Participant's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar mandatory payments, which are the exclusive obligations of the Employer.

FRANCE

1. Use of English Language. By accepting the Award, the Participant acknowledges and agrees that it is the Participant's wish that the Agreement, this Addendum, as well as all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Award, either directly or indirectly, be drawn up in English.

Utilisation de l'anglais. En acceptant l'Attribution, le Participant reconnaît et accepte avoir expressément souhaité la rédaction en anglais du Contrat, de la présente Annexe, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, en vertu de l'Attribution.

INDIA

1. Labor Law Acknowledgement. The RSEs and any amount paid pursuant to the Award received under the Plan, and the income and value of same, are extraordinary items that are not part of your annual gross salary.

ITALY

1. Plan Document Acknowledgment. In accepting the RSEs, the Participant acknowledges that he or she received a copy of the Plan and the Agreement and reviewed the Plan and the Agreement, including this Addendum, in their entirety and fully understands and accepts all provisions of the Plan and the Agreement, including this Addendum.

More specifically, the Participant acknowledges that he or she has read and specifically and expressly approves the following provisions of the Agreement: Section 1 (Grant); Section 3 (Vesting); Section 9 (Responsibility for Taxes); Section 10 (Acknowledgment and Waiver); Section 11 (Data Privacy); Section 16(a) (Governing Law; Venue); Section 16(e) (Electronic Delivery and Participation); Section 16(f) (Language); and Section 16(m) (Addendum to Agreement).

MEXICO

1. Labor Law Policy and Acknowledgment. The Participant expressly recognizes that participation in the Plan and Ashland's grant of the RSEs does not constitute an employment relationship between the Participant and Ashland. The Participant has been granted the RSEs as a consequence of the commercial relationship between Ashland and such Affiliate of Ashland that employs Participant in Mexico (the "Employer"), and the Employer in Mexico is the Participant's sole employer. Based on the foregoing, the Participant expressly recognizes that (a) the Plan and the benefits derived from participation in the Plan do not establish any rights between the Participant and the Employer, (b) the Plan and the benefits derived from participation in the Plan are not part of the employment conditions and/or benefits provided by the Employer in Mexico, and (c) any modifications or amendments of the Plan by Ashland, or a termination of the Plan by Ashland, shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Employer in Mexico.

2. Extraordinary Item of Compensation. The Participant expressly recognizes and acknowledges that participation in the Plan is a result of the discretionary and unilateral decision of Ashland, as well as the Participant's free and voluntary decision to participate in the Plan in accord with the terms and conditions of the Plan, the Agreement and this Addendum. As such, the Participant acknowledges and agrees that Ashland may, in its sole discretion, amend and/or discontinue the Participant's participation in the Plan at any time and without any liability. The value of the RSEs is an extraordinary item of compensation outside the scope of the employment contract, if any. The RSEs are not a part of the Participant's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar mandatory payments, which are the exclusive obligations of the Employer.

NETHERLANDS

1. Waiver of Termination Rights. As a condition to the grant of the RSEs, the Participant hereby waives any and all rights to compensation or damages as a result of a termination of employment for any reason whatsoever, insofar as those rights result or may result from (a) the loss or diminution in value of such rights or entitlements under the Plan, or (b) the Participant ceasing to have rights under, or ceasing to be entitled to any awards under the Plan as a result of such termination.

SPAIN

1. Acknowledgement of Discretionary Nature of the Plan; No Vested Rights. By accepting the RSEs, the Participant consents to participation in the Plan and acknowledges receipt of a copy of the Plan. The Participant understands that Ashland has unilaterally, gratuitously and in its sole discretion granted the RSEs under the Plan to individuals who may be employees of Ashland or its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind Ashland or any of its Affiliates on an ongoing basis. Consequently, the Participant understands that the RSEs are granted on the assumption and condition that the RSEs and the cash payment in settlement of the RSEs shall not become a part of any employment contract (either with Ashland or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Participant understands that this grant would not be made to the Participant but for the assumptions and conditions referenced above; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason the RSEs shall be null and void.

The Participant understands and agrees that, as a condition of the RSEs, unless otherwise provided in the Agreement, any unvested RSEs as of the date the Participant ceases employment will be forfeited without further entitlement or any amount of indemnification in the event of termination of employment. The Participant acknowledges that the Participant has read and specifically accepts the terms and conditions referred to in the Agreement regarding the impact of a termination of employment on the RSEs.

2. Termination for Cause. Notwithstanding anything to the contrary in the Plan or the Agreement, "Cause" shall be defined as set forth in the Agreement, regardless of whether the termination is considered a fair termination (i.e., "despido procedente") under Spanish legislation.

SWITZERLAND

1. Securities Law Acknowledgment. Neither the Agreement, the Addendum nor any other materials relating to the RSEs (a) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA"), (b) may be publicly distributed nor otherwise made publicly available in Switzerland to any person other than an employee of Ashland and its Affiliates or (c) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 of FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority ("FINMA").

UNITED KINGDOM

1. Responsibility for Taxes. The following supplements Section 4 of the Agreement:

Without limitation to Section 4 of the Agreement, the Participant agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by Ashland, such Affiliate of Ashland that employs Participant (the “Employer”) or by Her Majesty’s Revenue and Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified Ashland and the Employer against any taxes that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant’s behalf.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the Exchange Act), the Participant understands that the terms of the immediately foregoing provision will not apply. In the event that the Participant is a director or an executive officer and income tax due is not collected from or paid by the Participant within 90 days after the end of the U.K. tax year in which the event giving rise to the income tax occurs (or such other period specified in U.K. law), the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance Contributions (“NICs”) may be payable. The Participant acknowledges that, ultimately, the Participant is responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying Ashland or the Employer (as applicable) the amount of any employee NICs due on this additional benefit. The Participant further acknowledges that Ashland or the Employer (as applicable) may recover such amounts from the Participant by any of the means referred to in Section 4 of the Agreement.

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

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[End of Addendum]

EXHIBIT 10.67

STOCK-SETTLED PERFORMANCE UNIT AGREEMENT

Ashland Inc.
2021 Omnibus Incentive Compensation Plan

Participant:	#ParticipantName#
Performance Units ("Units") Granted:	#QuantityGranted#
Grant Date:	#GrantDate#
Performance Period:	October 1, 2024 to September 30, 2027
Vesting Date:	#CliffVest#
Performance Goals:	(see appendix)
Signature Required By:	#Acceptance Deadline#

1. **Grant**. Ashland Inc. ("Ashland") hereby grants to the above-named individual (the "Participant") #QuantityGranted# Units (the "Award") pursuant to and subject to the terms of the Ashland Inc. 2021 Omnibus Incentive Compensation Plan (the "Plan") and this Stock-Settled Performance Unit Agreement ("Agreement") in order to provide the Participant with an additional incentive to continue his or her service to and in the best interests of Ashland and its Affiliates. Capitalized terms used but not defined in this Agreement shall have the meanings given such terms in the Plan.

2. **Units**. Each Unit represents a contingent right of the Participant to receive one (1) Share on the vesting date set forth above (such date, the "Vesting Date"). The number of Units granted hereunder has been determined by dividing the total dollar value intended to be delivered to the Participant under this Award by the Fair Market Value of one (1) Share of Ashland on the Grant Date, rounded down to the nearest whole number.

3. **Vesting**. The Units shall vest as of the Vesting Date, subject to the Committee's certification of the number of Units earned by the Participant as a result of actual achievement against the Performance Goals set forth in the Appendix during the Performance Period, and further subject to the Participant's continuous service as an officer, employee or consultant of Ashland or any of its Affiliates ("Continuous Service") through such Vesting Date, except as otherwise provided in this Agreement.

4. **Forfeiture**. Except as otherwise provided in this Agreement or as otherwise determined by the Committee (but subject to Section 6(i) of the Plan), if Participant's Continuous Service ends for any reason prior to the Vesting Date, all Units granted hereunder shall be forfeited. Notwithstanding the foregoing (but subject to Section 6(i) of the Plan), the Committee may, in its sole discretion, provide for accelerated vesting of the Award or any portion thereof at any time and for any reason.

5. **Retirement**. If the Participant's Continuous Service ends due to Retirement after the fiscal year that includes the Grant Date set forth above, then all unvested Units under this Agreement shall be immediately accelerated and vest in full as of the date of such Retirement. If the Participant's Retirement occurs before the end of the fiscal year that includes the Grant Date set forth above, all unvested Units granted hereunder shall be forfeited. For purposes of this Agreement, "Retirement" shall mean a termination of Participant's employment for any reason other than death, Disability, or Cause (as defined below), that is a "separation from service" within the meaning of Section 409A of the Code, after attaining age 55 and having at least ten (10) years of credited service, or after attaining age 60 and having at least five (5) years of credited service.

6. **Death or Disability.** If the Participant's Continuous Service ends due to death or Disability, all Units under this Award will be immediately accelerated and will vest into Shares, assuming such Units had been earned at 100% achievement (i.e., "target" achievement) against the Performance Goals, as of the date of such termination due to death or Disability within thirty (30) days of the Vesting Date.

7. **Termination without Cause**. If the Participant is otherwise terminated by Ashland or any of its Affiliates for any reason other than death, Disability, or Cause prior to the earlier of the Vesting Date or Retirement, then the Participant shall continue to be permitted to vest, in accordance with the terms of this Agreement, into that number of Units that shall have been certified by the Committee as having been earned due to the actual achievement of the Performance Goals as measured at the end of the Performance Period, provided that the number of earned Units scheduled to vest, if any, shall be pro-rated (with such pro-ration being based on the number of days from the Grant Date through the date of such termination divided by the total number of days in the Performance Period). The number of Shares corresponding to the pro-rated earned Units, if any, shall be delivered to and in the name of Participant in the form of the corresponding number of Shares within thirty (30) days of the Vesting Date. For purposes of this Agreement only, the term "Cause" shall mean (i) if the Participant has an employment agreement with the Company in which the term "Cause" is defined, the meaning which is provided for such term in such agreement, or (ii) otherwise, (x) the willful and continued failure of the Participant to substantially perform his or her duties with the Company (other than such failure resulting from the such individual's incapacity due to physical or mental illness, death, or disability), (y) any act by the Participant that would constitute a felony under the laws of the United States (or an act that would be treated substantially similarly to a felony under the laws of a jurisdiction other than the United States), or (z) any act or omission by such individual which reasonably constitutes dishonesty, disloyalty, fraud, deceit, gross negligence, willful misconduct or recklessness during the course of his or her duties, including, but not limited to the willful violation of the Company's by-laws, Global Code of Conduct, or other policies and procedures of the Company's governing the Participant's conduct.

8. **Time of Payment and Taxation**. Based upon the attainment of the Performance Goals outlined in the Appendix, the Award will be paid to the Participant in Shares within (30) days following the Vesting Date for the Award at the end of the Performance Period based upon actual achievement of the Performance Goals as provided herein, subject to tax deductions and withholding as set forth in Section 9(d) of the Plan.

9. **No Stockholder Rights**. Unless and until such time as Shares are delivered in settlement of earned Units, Participant shall have no ownership of the Shares associated with any Units granted under this Award or to cast any vote with respect to such Shares.

10. **Dividend Equivalents**. While this Award is outstanding, on each date that cash dividends are paid by Ashland to holders of Shares, Ashland will increase the number of target Units granted hereunder by (1) the product of the target number of Units then held by the Participant as of the date of record for such dividend (inclusive of Units that have been added to such target number of Units pursuant to this Section 10) multiplied by the per Share cash dividend amount, divided by (2) the Fair Market Value of the Shares on the date of record for such dividend. Such additional Units issued in respect of cash dividends on the Shares will be subject to all the terms and conditions of this Award, this Agreement and the Plan and to the same vesting conditions and restrictions as the Units to which such additional Units relate.

11. **Fractional Units**. Notwithstanding any other provision of this Agreement or the Plan to the contrary, in the event the Participant is credited with any fractional Units as a result of the grant of any dividend equivalents under Section 10 of this Agreement prior to the Vesting Date, such fractional Units shall be rounded up to the nearest whole Unit and shall otherwise vest in accordance with the terms of this Agreement

12. **Change of Control**. The Award shall be treated in accordance with Section 8 of the Plan in the event of a Change of Control prior to the Vesting Date.

13. **Compensation Recovery.** Notwithstanding anything in the Plan, this Agreement or any other agreement or declaration, Ashland will be entitled, to the extent permitted or required by applicable law, rule or regulation, Ashland policy and/or the requirements of an exchange on which Ashland securities are listed for trading, in each case, as in effect from time to time, to cancel this Award and/or to require the reimbursement or return of, recoup or otherwise recover equity or other compensation of whatever kind paid or delivered by Ashland or any of its Affiliates at any time to Participant under the Plan, as well as any profits or gains realized thereon. The provisions in this paragraph apply whether any such law, rule, regulation, Ashland policy and/or exchange listing requirement is in existence or applies as of the Grant Date or Vesting Date or is later adopted, modified or becomes applicable. By accepting this Award, Participant agrees to the provisions of this paragraph, agrees to comply with any Ashland request or demand for such recoupment, other recovery or cancellation/forfeiture, and agrees to be bound by any such applicable compensation recovery law, rule, regulation, exchange listing requirement and/or policy adopted in the discretion of Ashland (including, without limitation, policies to comply with applicable laws, rules, regulations and/or exchange listing requirements and any other policies). The provisions in this paragraph are not exclusive and are in addition to every other right or remedy at law or in equity that may be available to Ashland, including under the Plan and any other plan or agreements with Participant.

14. **Non-transferability**. The Participant may not sell, transfer, pledge, assign, attach or otherwise alienate or hypothecate the Units or any rights under this Agreement other than by will or by the laws of descent or distribution and may be exercised during the lifetime of the Participant only by him or her. The terms of this Agreement and Award shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

15. **No Right to Employment**. Nothing contained in this Agreement or in the Plan shall confer upon the Participant any right to continue in the employment of, or remain in the service of, Ashland or any of its Affiliates.

16. **Data Privacy**. Information about the Participant and the Participant's participation in the Plan may be collected, recorded and held, used and disclosed by and among Ashland, its Affiliates and any third-party Plan administrators as necessary for the purpose of managing and administering the Plan. The Participant understands that such processing of this information may need to be carried out by Ashland, its Affiliates and by third-party administrators whether such persons are located within the Participant's country or elsewhere, including the United States of America. By accepting this Award, the Participant consents to the processing of information relating to the Participant and the Participant's participation in the Plan in any one or more of the ways referred to above.

17. **Electronic Delivery and Participation**. Ashland and any Affiliate may, in its sole discretion, deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by Ashland, any Affiliate or a third party designated by Ashland.

18. **Restrictive Covenants**. In consideration of this Award, and to the extent permitted by applicable law, the Participant agrees that during the Participant's employment and the twelve (12) month period following the Participant's termination of employment with Ashland or its Affiliates for any reason (the "Covenant Period"), without the written consent of Ashland, the Participant will not:

(a) engage directly or indirectly in any manner or capacity as principal, agent, partner, officer, director, employee or otherwise in any business or activity competitive with the business conducted by Ashland or any of its Affiliates; or

(b) perform any act or engage in any activity that is detrimental to the best interests of Ashland or any of its Affiliates, including, without limitation:

(i) solicit or encourage any existing employee, director, contractor, consultant, customer or supplier of Ashland or any of its Affiliates to terminate his, her or its relationship with Ashland or any of its Affiliates for any reason;

(ii) hire (directly or through another person), any person (whether or not solicited) who was an employee of the Company or any of its Affiliates at any time within the one year period immediately preceding the Participant's termination from employment; or

(iii) disclose proprietary or confidential information of Ashland or any of its Affiliates to third parties or use any such proprietary or confidential information for the benefit of anyone other than Ashland and its Affiliates;

provided, however, that this Agreement shall not prohibit the Participant in any way from (1) filing and, as provided for under Section 21F of the Securities Exchange Act of 1934, maintaining the confidentiality of a claim with the Securities and Exchange Commission (the "SEC"); (2) providing proprietary or confidential information to the SEC, or providing the SEC with information that would otherwise violate clause (ii) above, to the extent permitted by Section 21F of the Securities Exchange Act of 1934; (3) cooperating, participating or assisting in an SEC investigation or proceeding without notifying Ashland; or (4) receiving a monetary award as set forth in Section 21F of the Securities Exchange Act of 1934. Furthermore, the Participant is advised that the Participant shall not be held criminally or civilly liable under any Federal or state trade secret law for the disclosure of any proprietary or confidential information that constitutes a trade secret to which the Defend Trade Secrets Act (18 U.S.C. Section 1833(b)) applies that is made (A) in confidence to a Federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law; or (B) in a complaint or other document filed in a lawsuit or proceeding, if such filings are made under seal. The Participant understands that if he or she makes a disclosure of proprietary or confidential information that is covered above, he or she is not required to inform Ashland, in advance or otherwise, that such disclosure(s) has been made. The restrictions in this paragraph are referred to herein as the "Participant Covenants".

Notwithstanding any other provision of the Plan or this Agreement to the contrary, but subject to any applicable laws to the contrary, the Participant agrees that in the event the Participant fails to comply or otherwise breaches any of the Participant Covenants either during the Participant's employment with Ashland or any of its Affiliates or within the Covenant Period for any reason Ashland may: (x) cancel this Award; (y) eliminate or reduce the amount of any compensation, benefit, or payment otherwise payable by Ashland or any of its Affiliates (either directly or under any employee benefit or compensation plan, agreement, or arrangement), except to the extent such compensation, benefit or payment constitutes deferred compensation under Section 409A of the Code and such elimination or reduction would trigger a tax or penalty under Section 409A of the Code, to or on behalf of the Participant in an amount up to the total amount paid (or the closing stock price of Shares on the payment date multiplied by the number of Shares awarded) or payable to the Participant under this Agreement; and/or (z) require the Participant to pay Ashland an amount up to the total amount paid (or the closing stock price of Shares on the payment date multiplied by the number of Shares awarded) to the Participant under this Agreement; in each case together with the amount of Ashland's court costs, attorney fees, and other costs and expenses incurred in connection therewith; provided that the actions described in clauses (x), (y) and (z) shall not be taken with respect to the Award at any time following the third anniversary of the vesting of the Award (or the applicable portion thereof). To the extent a longer Covenant Period is specified in another agreement between the Participant and Ashland or its Affiliates, the provisions of this section 13 shall be extended to apply to such longer period.

19. Acceptance. **This Award of Units is subject to and expressly conditioned upon the Participant's online acceptance of the terms and conditions of the Plan, this Agreement, and the Award through the Fidelity website. The right to the Units shall expire if not accepted by #AcceptanceDeadline#.**

By accepting the terms and conditions of this Agreement, the Participant acknowledges has access to or the ability to request a copy of the Plan, Prospectus, and Ashland's most recent Annual Report and Proxy Statement from Ashland's intranet or your Fidelity account, the SEC's EDGAR filing website, or by contacting Ashland's Human Resources Department. The terms and provisions of the Plan are incorporated herein by reference. The Participant hereby accepts this Award on the terms and conditions set forth herein and, in the Plan, and acknowledges that he or she has had the opportunity to obtain independent legal advice at his or her expense prior to accepting this Award.

IN WITNESS WHEREOF, Ashland Inc. has caused this instrument to be executed and delivered effective as of the Grant Date set forth above.

Ashland Inc.

Eileen Drury
Senior Vice President and
Chief Human Resources Officer

By: #Signature#

Name: #ParticipantName#

Date: #AcceptanceDate#

Personal and Confidential

EXHIBIT 10.68

CASH-SETTLED PERFORMANCE UNIT AGREEMENT
FOR NON-U.S. PARTICIPANTS

Ashland Inc.
2021 Omnibus Incentive Compensation Plan

Participant:	#ParticipantName#
Performance Units ("Units") Granted:	#QuantityGranted#
Grant Date:	#GrantDate#
Performance Period:	October 1, 2024 to September 30, 2027
Vesting Date:	#CliffVest#
Performance Goals:	(see appendix)
Signature Required by:	#Acceptance Deadline#

1. **Grant**. Ashland Inc. ("Ashland") hereby grants to the above-named individual (the "Participant") #QuantityGranted# Units (the "Award") pursuant to and subject to the terms of the Ashland Inc. 2021 Omnibus Incentive Compensation Plan (the "Plan") and this Cash-Settled Performance Unit Agreement ("Agreement") in order to provide the Participant with an additional incentive to continue his or her service to and in the best interests of Ashland and its Affiliates. Capitalized terms used but not defined in this Agreement shall have the meanings given such terms in the Plan.

2. **Units**. Each Unit represents a contingent right of the Participant to receive a cash payment at vesting in Participant's local currency (based upon the exchange rate used by Ashland, or Ashland's stock administrator, on the date of the transaction) equal to the Fair Market Value of one (1) Share (the "Per Unit Value") on the vesting date set forth above (such date, the "Vesting Date"). The number of Units granted hereunder has been determined by dividing the total dollar value intended to be delivered to the Participant under this Award by the Fair Market Value of one (1) Share of Ashland on the Grant Date, rounded down to the nearest whole number.

3. **Vesting**. The Units shall vest as of the Vesting Date, subject to the Committee's certification of the number of Units earned by the Participant as a result of actual achievement against the Performance Goals set forth in the Appendix during the Performance Period, and further subject to the Participant's continuous service as an officer, employee or consultant of Ashland or any of its Affiliates ("Continuous Service") through such Vesting Date, except as otherwise provided in this Agreement.

4. **Forfeiture.** Except as otherwise provided in this Agreement or as otherwise determined by the Committee (but subject to Section 6(i) of the Plan), if Participant's Continuous Service ends for any reason prior to the Vesting Date, all Units granted hereunder shall be forfeited.

Notwithstanding the foregoing (but subject to Section 6(i) of the Plan), the Committee may, in its sole discretion, provide for accelerated vesting of the Award or any portion thereof at any time and for any reason.

5. **Retirement**. If the Participant's Continuous Service ends due to Retirement after the fiscal year that includes the Grant Date set forth above, then all unvested Units under this Agreement shall be immediately accelerated and vest in full as of the date of such Retirement. If the Participant's Retirement occurs before the end of the fiscal year that includes the Grant Date set forth above, all unvested Units granted hereunder shall be forfeited. For purposes of this Agreement, "Retirement" shall mean a termination of Participant's employment for any reason other than death, Disability, or Cause (as defined below), that is a "separation from service" within the meaning of Section 409A of the Code, after attaining age 55 and having at least ten (10) years of credited service, or after attaining age 60 and having at least five (5) years of credited service.

6. **Death or Disability.** If the Participant's Continuous Service ends due to death or Disability, all Units under this Award will be immediately accelerated and will vest, assuming such Units had been earned at 100% achievement (i.e., "target" achievement) against the Performance Goals, as of the date of such termination due to death or Disability within thirty (30) days of the Vesting Date.

7. **Termination without Cause**. If the Participant is otherwise terminated by Ashland or any of its Affiliates for any reason other than death, Disability, or Cause prior to the earlier of the Vesting Date or Retirement, then the Participant shall continue to be permitted to vest, in accordance with the terms of this Agreement, into that number of Units that shall have been certified by the Committee as having been earned due to the actual achievement of the Performance Goals as measured at the end of the Performance Period, provided that the number of earned Units scheduled to vest, if any, shall be pro-rated (with such pro-ration being based on the number of days from the Grant Date through the date of such termination divided by the total number of days in the Performance Period). The number of pro-rated earned Units, if any, shall be delivered to and in the name of the Participant in the form of cash within thirty (30) days of the Vesting Date.

For purposes of this Agreement only, the term "Cause" shall mean (i) if the Participant has an employment agreement with the Company in which the term "Cause" is defined, the meaning which is provided for such term in such agreement, or (ii) otherwise, (x) the willful and continued failure of the Participant to substantially perform his or her duties with the Company (other than such failure resulting from the such individual's incapacity due to physical or mental illness, death, or disability), (y) any act by the Participant that would constitute a felony under the laws of the United States (or an act that would be treated substantially similarly to a felony under the laws of a jurisdiction other than the United States), or (z) any act or omission by such individual which reasonably constitutes dishonesty, disloyalty, fraud, deceit, gross negligence, willful misconduct or recklessness during the course of his or her duties, including, but not limited to the willful violation of the Company's by-laws, Global Code of Conduct, or other policies and procedures of the Company's governing the Participant's conduct.

8. **Time of Payment and Taxation**. Based upon the attainment of the Performance Goals outlined in the Appendix, the Award will be paid to the Participant in Shares within (30) days following the Vesting Date for the Award at the end of the Performance Period based upon actual

achievement of the Performance Goals as provided herein, subject to tax deductions and withholding as set forth in Section 9(d) of the Plan.

9. **No Stockholder Rights**. Unless and until such time as Shares are delivered in settlement of earned Units, Participant shall have no ownership of the Shares associated with any Units granted under this Award or to cast any vote with respect to such Shares.

10. **Dividend Equivalents**. While this Award is outstanding, on each date that cash dividends are paid by Ashland to holders of Shares, Ashland will increase the number of target Units granted hereunder by (1) the product of the target number of Units then held by the Participant as of the date of record for such dividend (inclusive of Units that have been added to such target number of Units pursuant to this Section 10) multiplied by the per Share cash dividend amount, divided by (2) the Fair Market Value of the Shares on the date of record for such dividend. Such additional Units issued in respect of cash dividends on the Shares will be subject to all the terms and conditions of this Award, this Agreement and the Plan and to the same vesting conditions and restrictions as the Units to which such additional Units relate.

11. **Fractional Units**. Notwithstanding any other provision of this Agreement or the Plan to the contrary, in the event the Participant is credited with any fractional Units as a result of the grant of any dividend equivalents under Section 10 of this Agreement prior to the Vesting Date, such fractional Units shall be rounded up to the nearest whole Unit and shall otherwise vest in accordance with the terms of this Agreement

12. **Change of Control.** The Award shall be treated in accordance with Section 8 of the Plan in the event of a Change of Control prior to the Vesting Date.

13. **Compensation Recovery.** Notwithstanding anything in the Plan, this Agreement or any other agreement or declaration, Ashland will be entitled, to the extent permitted or required by applicable law, rule or regulation, Ashland policy and/or the requirements of an exchange on which Ashland securities are listed for trading, in each case, as in effect from time to time, to cancel this Award and/or to require the reimbursement or return of, recoup or otherwise recover equity or other compensation of whatever kind paid or delivered by Ashland or any of its Affiliates at any time to Participant under the Plan, as well as any profits or gains realized thereon. The provisions in this paragraph apply whether any such law, rule, regulation, Ashland policy and/or exchange listing requirement is in existence or applies as of the Grant Date or Vesting Date or is later adopted, modified or becomes applicable. By accepting this Award, Participant agrees to the provisions of this paragraph, agrees to comply with any Ashland request or demand for such recoupment, other recovery or cancellation/forfeiture, and agrees to be bound by any such applicable compensation recovery law, rule, regulation, exchange listing requirement and/or policy adopted in the discretion of Ashland (including, without limitation, policies to comply with applicable laws, rules, regulations and/or exchange listing requirements and any other policies). The provisions in this paragraph are not exclusive and are in addition to every other right or remedy at law or in equity that may be available to Ashland, including under the Plan and any other plan or agreements with Participant.

14. **Non-transferability**. The Participant may not sell, transfer, pledge, assign, attach or otherwise alienate or hypothecate the Units or any rights under this Agreement other than by will or by the

laws of descent or distribution and may be exercised during the lifetime of the Participant only by him or her. The terms of this Agreement and Award shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

15. **No Right to Employment**. Nothing contained in this Agreement or in the Plan shall confer upon the Participant any right to continue in the employment of, or remain in the service of, Ashland or any of its Affiliates.

16. **Data Privacy**. Information about the Participant and the Participant's participation in the Plan may be collected, recorded and held, used and disclosed by and among Ashland, its Affiliates and any third-party Plan administrators as necessary for the purpose of managing and administering the Plan. The Participant understands that such processing of this information may need to be carried out by Ashland, its Affiliates and by third-party administrators whether such persons are located within the Participant's country or elsewhere, including the United States of America. By accepting this Award, the Participant consents to the processing of information relating to the Participant and the Participant's participation in the Plan in any one or more of the ways referred to above.

17. **Electronic Delivery and Participation**. Ashland and any Affiliate may, in its sole discretion, deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by Ashland, any Affiliate or a third party designated by Ashland.

18. **Restrictive Covenants**. In consideration of this Award, and to the extent permitted by applicable law, the Participant agrees that during the Participant's employment and the twelve (12) month period following the Participant's termination of employment with Ashland or its Affiliates for any reason (the "Covenant Period"), without the written consent of Ashland, the Participant will not:

(a) engage directly or indirectly in any manner or capacity as principal, agent, partner, officer, director, employee or otherwise in any business or activity competitive with the business conducted by Ashland or any of its Affiliates; or

(b) perform any act or engage in any activity that is detrimental to the best interests of Ashland or any of its Affiliates, including, without limitation:

i. solicit or encourage any existing employee, director, contractor, consultant, customer or supplier of Ashland or any of its Affiliates to terminate his, her or its relationship with Ashland or any of its Affiliates for any reason;

ii. hire (directly or through another person), any person (whether or not solicited) who was an employee of the Company or any of its Affiliates at any time within the one year period immediately preceding the Participant's termination from employment; or

iii. disclose proprietary or confidential information of Ashland or any of its Affiliates to third parties or use any such proprietary or confidential information for the benefit of anyone other than Ashland and its Affiliates;

provided, however, that this Agreement shall not prohibit the Participant in any way from (1) filing and, as provided for under Section 21F of the Securities Exchange Act of 1934, maintaining the confidentiality of a claim with the United States Securities and Exchange Commission (the "SEC"); (2) providing proprietary or confidential information to the SEC, or providing the SEC with information that would otherwise violate clause (ii) above, to the extent permitted by Section 21F of the Securities Exchange Act of 1934; (3) cooperating, participating or assisting in an SEC investigation or proceeding without notifying Ashland; or (4) receiving a monetary award as set forth in Section 21F of the Securities Exchange Act of 1934. Furthermore, the Participant is advised that the Participant shall not be held criminally or civilly liable under any U.S. Federal or state trade secret law for the disclosure of any proprietary or confidential information that constitutes a trade secret to which the Defend Trade Secrets Act (18 U.S.C. Section 1833(b)) applies that is made (A) in confidence to a U.S. Federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law; or (B) in a complaint or other document filed in a lawsuit or proceeding, if such filings are made under seal. The Participant understands that if he or she makes a disclosure of proprietary or confidential information that is covered above, he or she is not required to inform Ashland, in advance or otherwise, that such disclosure(s) has been made. The restrictions in this paragraph are referred to herein as the "Participant Covenants".

Notwithstanding any other provision of the Plan or this Agreement to the contrary, but subject to any applicable laws to the contrary, the Participant agrees that in the event the Participant fails to comply or otherwise breaches any of the Participant Covenants either during the Participant's employment with Ashland or any of its Affiliates or within the Covenant Period for any reason Ashland may: (x) cancel this Award, (y) eliminate or reduce the amount of any compensation, benefit, or payment otherwise payable by Ashland or any of its Affiliates (either directly or under any employee benefit or compensation plan, agreement, or arrangement), except to the extent such compensation, benefit or payment constitutes deferred compensation under Section 409A of the Code and such elimination or reduction would trigger a tax or penalty under Section 409A of the Code, to or on behalf of the Participant in an amount up to the total amount paid (or the closing stock price of Shares on the payment date multiplied by the number of Shares awarded) or payable to the Participant under this Agreement; and/or (z) require the Participant to pay Ashland an amount up to the total amount paid (or the closing stock price of Shares on the payment date multiplied by the number of Shares awarded) to the Participant under this Agreement; in each case together with the amount of Ashland's court costs, attorney fees, and other costs and expenses incurred in connection therewith; provided that the actions described in clauses (x), (y) and (z) shall not be taken with respect to the Award at any time following the third anniversary of the vesting of the Award (or the applicable portion thereof). To the extent a longer Covenant Period is specified in another agreement between the Participant and Ashland or its Affiliates, the provisions of this section 18 shall be extended to apply to such longer period.

19. Acceptance. **This Award of Units is subject to and expressly conditioned upon the Participant's online acceptance of the terms and conditions of the Plan, this Agreement, and**

the Award through the Fidelity website. The right to the Units shall expire if not accepted by #AcceptanceDeadline#.

By accepting the terms and conditions of this Agreement, the Participant acknowledges has access to or the ability to request a copy of the Plan, Prospectus, and Ashland's most recent Annual Report and Proxy Statement from Ashland's intranet or your Fidelity account, the SEC's EDGAR filing website, or by contacting Ashland's Human Resources Department. The terms and provisions of the Plan are incorporated herein by reference. The Participant hereby accepts this Award on the terms and conditions set forth herein and, in the Plan, and acknowledges that he or she has had the opportunity to obtain independent legal advice at his or her expense prior to accepting this Award.

IN WITNESS WHEREOF, Ashland Inc. has caused this instrument to be executed and delivered effective as of the Grant Date set forth above.

Ashland Inc.

Eileen Drury
Senior Vice President and
Chief Human Resources Officer

By: #Signature#

Name: #ParticipantName#

Date: #AcceptanceDate#

ASHLAND INC.
2021 OMNIBUS INCENTIVE COMPENSATION PLAN

ADDENDUM TO
CASH-SETTLED PERFORMANCE UNIT AWARD AGREEMENT
FOR NON-U.S. PARTICIPANTS

In addition to the provisions of the Plan and Agreement, the Units are subject to the following additional terms and conditions as set forth in this Addendum to the extent the Participant resides and/or is employed in one of the countries addressed herein. All defined terms as contained in this Addendum shall have the same meaning as set forth in the Plan and the Agreement. To the extent the Participant transfers residence and/or employment to another country, the special terms and conditions for such country as reflected in this Addendum (if any) will apply to the Participant to the extent Ashland determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and regulations, or to facilitate the operation and administration of the Units and the Plan (or Ashland may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer).

EUROPEAN UNION ("EU") / EUROPEAN ECONOMIC UNION ("EEA") / SWITZERLAND / THE UNITED KINGDOM

1. Data Privacy. See Section 12 above

AUSTRALIA

1. Securities Law Notice. The grant of Units is intended to comply with the provisions of the Corporations Act 2001, Australian Securities and Investments Commission ("ASIC") Regulatory Guide 49 and ASIC Class Order 14/1000. Additional details are set forth in the offer document for the grant of Units to Australian residents, distributed to the Participant with the Plan documentation.

2. Units Conditioned on Satisfaction of Regulatory Obligations. If the Participant is (a) a director of an affiliate or subsidiary incorporated in Australia, or (b) a person who is a management-level executive of an affiliate or subsidiary incorporated in Australia and who also is a director of an affiliate or subsidiary incorporated outside of the Australia, the grant of the Units is conditioned upon satisfaction of the shareholder approval provisions of section 200B of the Corporations Act 2001 (Cth) and the Corporations Amendment (Improving Accountability on Termination Payments) Act in Australia.

3. Tax Information. The Plan is a program to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (the "Act") applies (subject to the conditions in that Act).

BRAZIL

1. Commercial Relationship. The Participant expressly acknowledges and agrees that the Participant's participation in the Plan and Ashland's grant of the Units does not constitute an employment relationship between the Participant and Ashland. The Participant has been granted the Units as a consequence of the commercial relationship between Ashland and such Affiliate of Ashland that employs

Participant (the "Employer"), and such Affiliate is the Participant's sole employer. Based on the foregoing, the Participant expressly recognizes that (a) the Plan and the benefits the Participant may derive from participation in the Plan do not establish any rights between the Participant and the Employer, (b) the Plan and the benefits the Participant may derive from participation in the Plan are not part of the employment conditions and/or benefits provided by the Employer, and (c) any modifications or amendments of the Plan by Ashland, or a termination of the Plan by Ashland, shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Employer.

2. Extraordinary Item of Compensation. The Participant expressly acknowledges and agrees that the Participant's participation in the Plan is a result of the discretionary and unilateral decision of Ashland, as well as the Participant's free and voluntary decision to participate in the Plan in accord with the terms and conditions of the Plan, the Agreement and this Addendum. As such, the Participant acknowledges and agrees that Ashland may, in its sole discretion, amend and/or discontinue the Participant's participation in the Plan at any time and without any liability. The value of the Units is an extraordinary item of compensation outside the scope of the Participant's employment contract, if any. The Units are not part of the Participant's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar mandatory payments, which are the exclusive obligations of the Employer.

FRANCE

1. Use of English Language. By accepting the Award, the Participant acknowledges and agrees that it is the Participant's wish that the Agreement, this Addendum, as well as all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Award, either directly or indirectly, be drawn up in English.

Utilisation de l'anglais. En acceptant l'Attribution, le Participant reconnaît et accepte avoir expressément souhaité la rédaction en anglais du Contrat, de la présente Annexe, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, en vertu de l'Attribution.

INDIA

1. Labor Law Acknowledgement. The Units and any amount paid pursuant to the Award received under the Plan, and the income and value of same, are extraordinary items that are not part of your annual gross salary.

ITALY

1. Plan Document Acknowledgment. In accepting the Units, the Participant acknowledges that he or she received a copy of the Plan and the Agreement and reviewed the Plan and the Agreement, including this Addendum, in their entirety and fully understands and accepts all provisions of the Plan and the Agreement, including this Addendum.

More specifically, the Participant acknowledges that he or she has read and specifically and expressly approves the following provisions of the Agreement: Section 1 (Grant); Section 3 (Vesting); Section 9 (Responsibility for Taxes); Section 10 (Acknowledgment and Waiver); Section 11 (Data Privacy); Section 16(a) (Governing Law; Venue); Section 16(e) (Electronic Delivery and Participation); Section 16(f) (Language); and Section 16(m) (Addendum to Agreement).

MEXICO

1. Labor Law Policy and Acknowledgment. The Participant expressly recognizes that participation in the Plan and Ashland's grant of the Units does not constitute an employment relationship between the Participant and Ashland. The Participant has been granted the Units as a consequence of the commercial relationship between Ashland and such Affiliate of Ashland that employs Participant in Mexico (the "Employer"), and the Employer is the Participant's sole employer. Based on the foregoing, the Participant expressly recognizes that (a) the Plan and the benefits derived from participation in the Plan do not establish any rights between the Participant and the Employer, (b) the Plan and the benefits derived from participation in the Plan are not part of the employment conditions and/or benefits provided by the Employer, and (c) any modifications or amendments of the Plan by Ashland, or a termination of the Plan by Ashland, shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Employer in Mexico.

2. Extraordinary Item of Compensation. The Participant expressly recognizes and acknowledges that participation in the Plan is a result of the discretionary and unilateral decision of Ashland, as well as the Participant's free and voluntary decision to participate in the Plan in accord with the terms and conditions of the Plan, the Agreement and this Addendum. As such, the Participant acknowledges and agrees that Ashland may, in its sole discretion, amend and/or discontinue the Participant's participation in the Plan at any time and without any liability. The value of the Units is an extraordinary item of compensation outside the scope of the employment contract, if any. The Units are not a part of the Participant's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar mandatory payments, which are the exclusive obligations of the Employer.

NETHERLANDS

1. Waiver of Termination Rights. As a condition to the grant of the Units, the Participant hereby waives any and all rights to compensation or damages as a result of a termination of employment for any reason whatsoever, insofar as those rights result or may result from (a) the loss or diminution in value of such rights or entitlements under the Plan, or (b) the Participant ceasing to have rights under, or ceasing to be entitled to any awards under the Plan as a result of such termination.

SPAIN

1. Acknowledgement of Discretionary Nature of the Plan; No Vested Rights. By accepting the Units, the Participant consents to participation in the Plan and acknowledges receipt of a copy of the Plan. The Participant understands that Ashland has unilaterally, gratuitously and in its sole discretion granted the Units under the Plan to individuals who may be employees of Ashland or its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption

and condition that any grant will not economically or otherwise bind Ashland or any of its Affiliates on an ongoing basis. Consequently, the Participant understands that the Units are granted on the assumption and condition that the Units and the cash payment in settlement of the Units shall not become a part of any employment contract (either with Ashland or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Participant understands that this grant would not be made to the Participant but for the assumptions and conditions referenced above; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason the Units shall be null and void.

The Participant understands and agrees that, as a condition of the Units, unless otherwise provided in the Agreement, any unvested Units as of the date the Participant ceases employment will be forfeited without further entitlement or any amount of indemnification in the event of termination of employment. The Participant acknowledges that the Participant has read and specifically accepts the terms and conditions referred to in the Agreement regarding the impact of a termination of employment on the Units.

2. Termination for Cause. Notwithstanding anything to the contrary in the Plan or the Agreement, "Cause" shall be defined as set forth in the Agreement, regardless of whether the termination is considered a fair termination (i.e., "despido procedente") under Spanish legislation.

SWITZERLAND

1. Securities Law Acknowledgment. Neither the Agreement, the Addendum nor any other materials relating to the Units (a) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA"), (b) may be publicly distributed nor otherwise made publicly available in Switzerland to any person other than an employee of Ashland and its Affiliates or (c) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 of FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority ("FINMA").

UNITED KINGDOM

1. Responsibility for Taxes. The following supplements Section 4 of the Agreement:

Without limitation to Section 4 of the Agreement, the Participant agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by Ashland, such Affiliate of Ashland that employs Participant (the "Employer") or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified Ashland and the Employer against any taxes that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant's behalf.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the Exchange Act), the Participant understands that the terms of the immediately foregoing provision will not apply. In the event that the Participant is a director or an executive officer and income tax due is not collected from or paid by the Participant within 90 days after the end of the U.K. tax year in which the event giving rise to the income tax occurs (or such other period specified in U.K. law), the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance Contributions ("NICs") may be payable. The

Participant acknowledges that, ultimately, the Participant is responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying Ashland or the Employer (as applicable) the amount of any employee NICs due on this additional benefit. The Participant further acknowledges that Ashland or the Employer (as applicable) may recover such amounts from the Participant by any of the means referred to in Section 4 of the Agreement.

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

Insider Trading Policy

Policy Statement

Ashland Inc. (“Ashland”) requires strict compliance with all applicable securities laws, including prohibitions against the insider trading laws of the United States and other applicable non-U.S. jurisdictions. This Insider Trading Policy (this “Policy”), which has been adopted by the Board of Directors (the “Board”) of Ashland, describes Ashland’s standards and expectations with respect to (a) insider trading by any person affiliated with Ashland and its subsidiaries, (b) heightened requirements and restrictions for certain identified Ashland individuals, and (c) special requirements for members of the Board and certain executive officers of Ashland who the Board has determined are subject to the reporting requirements of Section 16 of the Securities Exchange Act of 1934, as amended (“Section 16,” and the persons subject to Section 16 reporting including the members of the Board, the “Section 16 Persons”).

This Policy applies to all “Covered Persons,” which means all: (a) directors, officers, and employees (worldwide) of Ashland or its subsidiaries; (b) Family Members (as defined below) of, or entities controlled by, the foregoing persons; (c) contractors or consultants of Ashland; and (d) any other persons who may, from time to time, be deemed subject to this Policy by Ashland’s General Counsel. “Family Members” means (i) family members who reside with a Covered Person; (ii) any other person who lives in the same household as a Covered Person; (iii) family members who do not live in the same household as a Covered Person but whose transactions in Ashland securities are directed, influenced, or controlled by a Covered Person; and (iv) family trusts, family partnerships, or other similar entities controlled by or benefiting a Covered Person.

INSIDER TRADING IS A VERY SERIOUS MATTER. INSIDER TRADING AND TIPPING INSIDER INFORMATION IS ILLEGAL AND CAN RESULT IN JAIL SENTENCES AS WELL AS SIGNIFICANT PERSONAL LIABILITY AND CIVIL AND CRIMINAL FINES AND PENALTIES. COVERED PERSONS WHO VIOLATE THIS POLICY MAY BE SUBJECT TO DISCIPLINARY ACTION BY THE COMPANY, UP TO AND INCLUDING TERMINATION FOR CAUSE. IF YOU HAVE ANY QUESTIONS OR DOUBT ABOUT THE APPLICABILITY OR INTERPRETATION OF THIS POLICY OR WHETHER ANY SECURITIES TRANSACTION SHOULD BE UNDERTAKEN, PLEASE SEEK CLARIFICATION FROM THE COMPANY’S LAW DEPARTMENT. DO NOT ATTEMPT TO RESOLVE UNCERTAINTIES ABOUT THIS POLICY WITHOUT THE LAW DEPARTMENT’S ASSISTANCE.

International Translations

This Policy has been translated into multiple languages. Refer to AI-POL-004.024 to access the Policy in a specific language.

Prohibitions Against Trading While Aware of Material, Non-Public Information

U.S. securities laws prohibit individuals from purchasing or selling securities while in possession of "material, non-public information" (as defined below). This conduct is referred to as "insider trading".

In accordance with U.S. securities laws and this Policy, Covered Persons are prohibited from engaging in insider trading, whether directly or indirectly. No Covered Person who is aware of material, non-public information regarding Ashland may:

- Purchase or sell (or recommend the purchase or sale of) the stock or other securities of Ashland;
- Change his or her investment election in or contributions to the Ashland Stock Fund under the Ashland Employee Savings Plan account; or
- Engage in "cashless" exercises of Ashland stock options.

This Policy also prohibits insider trading of the securities of *a publicly-traded company other than Ashland (such as a customer or supplier)* where material, non-public information about that company was acquired in the course and scope of the Covered Person's duties for Ashland.

These restrictions apply to any and all transactions in Ashland's securities, including common stock, options to purchase common stock, notes, and any other type of securities that Ashland may issue from time to time. In addition, this policy applies to derivative securities relating to Ashland's securities, including put or call options, swaps, warrants and other derivative securities.

These prohibitions do not apply to:

(i) purchases and sales of mutual funds, professionally managed "commingled pools," or exchange-traded funds that invest in Ashland securities;

(ii) a cash exercise of a stock option (but note the Policy does apply to the open market sale of any Ashland securities received upon exercise of the option); and

(iii) the surrender of Ashland securities to Ashland, or the retention and withholding from delivery to the Covered Person of securities by Ashland, upon the vesting of restricted stock or restricted stock units in satisfaction of tax withholding obligations.

Material, Non-Public Information

Information is "material" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, hold, or sell securities of a company, or it significantly alters the total mix of information publicly available about a company. Generally, any information, whether positive or negative, that could be expected to affect a company's stock price should be considered material.

It is impossible to catalogue all of the examples of material information, but some notable examples of material information include:

- Information about financial performance, including undisclosed quarterly or annual earnings or sales, or significant changes in financial performance or liquidity;
- Projections of future earnings or losses, or other earnings guidance, or changes in projections or guidance;
- Other significant financial projections, strategic plans, forecasts or budgets;
- Proposed mergers, acquisitions, investments, or divestitures and joint ventures;
- Financings or corporate restructurings;
- Threatened or pending legal actions or governmental investigations;
- Changes in senior management or the Board;
- Public or private debt or equity offerings;
- An imminent change in Ashland's credit or debt ratings by a rating agency;
- Execution or termination of significant contracts;
- Stock repurchases or repurchase programs;
- Stock splits or dividend information;
- Significant breaches of information technology systems or other events impacting data security; and
- Major discoveries or significant changes or developments in products, product lines, research, or technologies.

Information is considered to be "non-public" if it has not been broadly distributed to the public, such as by a news release or a filing with the Securities and Exchange Commission ("SEC"). Even after material information has been publicly disclosed, investors must be given reasonable opportunity to review and absorb it. As a rule of thumb, two (2) full business days following broad distribution of the information is regarded as a reasonable waiting period before the information is deemed to be "public." For purposes of this Policy, a "trading day" means any day on which the New York Stock Exchange ("NYSE") is open for trading.

"Tipping" Material Non-Public Information is Prohibited

It is also illegal under U.S. securities laws to disclose material non-public information to another person who then purchases or sells securities based on that information (known as "tipping"), even if the Covered Person does not receive any benefit from the other person's use of that information. No Covered Person who knows of material non-public information about Ashland (or material non-public information about another company obtained because of their position with Ashland) may "tip" or otherwise disclose that information to any other person, including to Family Members, without the prior authorization of Ashland's General Counsel.

Post-Employment Obligations

The prohibitions on insider trading and tipping continue to apply to any transactions in Ashland securities or the securities of other public companies even after the Covered Person has separated for any reason from Ashland or the Board. Covered Persons who are in possession of material non-public information when their relationship with Ashland concludes may not trade in securities of Ashland (or another company to which such information relates) until after the information has become "public" for purposes of this Policy.

Civil and Criminal Penalties for Violations of Insider Trading Laws

The federal securities laws of the United States provide for severe civil and criminal penalties for violations of insider trading laws. A person who purchases or sells (or recommends to another person to purchase or sell) a company's securities while aware of material, non-public information with respect to such company may be subject to, among other things, (i) a civil penalty of up to three times the amount of profit gained or loss avoided (in addition to disgorgement of profits), (ii) a criminal fine of up to $5,000,000, and (iii) imprisonment for up to 20 years. In addition, Ashland and its directors, officers, and supervisory personnel ("Control Persons") could be subject to liability if the Control Person knew, or was reckless in not knowing, that an employee under their control was likely to engage in insider trading and the Control Person failed to take appropriate steps before the violation occurred.

Additional Policies For Certain Covered Persons

Pre-clearance of Transactions and Advance Notice of Stock Gifts ("Section A")

Except as permitted under Section C below pursuant to a Rule 10b5-1 Trading Plan, the Covered Persons specified in this Section A shall obtain the prior approval of the General Counsel or his or her designee ("pre-clearance") before engaging in any purchase or sale of the stock or other securities of Ashland. Persons requesting pre- clearance should notify the General Counsel or his or her designee at least two (2) business days prior to the date of the requested transaction to allow sufficient time for pre-clearance procedures. Pre-clearance provided to a Covered Person shall expire at the close of business on the second business day following the date that pre-clearance is given unless the General Counsel or his or her designee provides for a different expiration time.

This Section A applies to the following Covered Persons:

- Section 16 Persons and their respective Family Members; and

- The officers and employees of Ashland listed on Schedule A, as maintained by the Law Department, and their respective Family Members. Schedule A may be amended from time to time by the General Counsel or his or her designee. Each officer and employee listed on Schedule A will be notified by the General Counsel or his or her designee of the restrictions under this Section A.

Each Covered Person subject to this Section A, who engages in a purchase or sale of stock or other securities of Ashland, shall notify the General Counsel or his or her designee of such transaction no later than the close of business on the business day following the date of such transaction.

In addition, all Section 16 Persons must provide the General Counsel or their designee with at least two (2) business days prior notice of any bona fide gift of stock or other securities of Ashland.

Prohibitions Against Trading During Blackout Periods ("Section B")

Except as permitted under Section C below pursuant to a Rule 10b5-1 Trading Plan, the Covered Persons specified in this Section B shall not engage in any purchase or sale of the stock or other securities of Ashland during any Blackout Period (defined below).

This Section B applies to the following Covered Persons:

- Section 16 Persons and their respective Family Members; and
- The officers and employees of Ashland listed on Schedule B, as maintained by the Law Department, and their respective Family Members. Schedule B may be amended from time to time by the General Counsel or his or her designee. Each officer and employee listed on Schedule B will be notified by the General Counsel or his or her designee of the restrictions under this section.

A "Blackout Period" is any period during which designated Covered Persons are prohibited from trading in the stock or other securities of Ashland. Ashland has four quarterly Blackout Periods which commence, respectively, when the New York Stock Exchange ("NYSE") closes on March 1, June 1, September 1, and December 1 of each year. If any of the preceding dates fall on a weekend or a NYSE holiday, then the applicable Blackout Period shall commence when the NYSE closes on the last trading day prior to such weekend or NYSE holiday. Each Blackout Period shall end when the market opens on the third trading day after Ashland publicly issues its earnings release for the preceding fiscal period. In very limited hardship circumstances and subject to the pre-clearance procedures in Section A, the General Counsel may in their discretion permit a Covered Person subject to this Section B to trade during a quarterly Blackout Period, but only if the General Counsel concludes that such person does not possess any material, non-public information concerning Ashland.

In addition to the quarterly Blackout Periods, Ashland may from time to time designate other periods as special blackout periods in anticipation of the release of potentially material information (for example, updates to earnings guidance prior to an earnings release) or because of the occurrence of a potentially material event (for example, the announcement of a major acquisition) (a blackout for any such events, a "Special Blackout"). Covered Persons (which may include Covered Persons who are <u>not</u> subject to quarterly Blackout Periods) will be notified that they are subject to a Special Blackout. An individual who becomes subject to a Special Blackout, may not purchase or sell Ashland stock, and may not disclose the fact that they are subject to a Special Blackout to any other person without the express permission of the General Counsel. The Special Blackout will continue until the individual is notified by the General Counsel that the Special Blackout has been lifted.

Use of Pre-Approved Trading Plans

Notwithstanding anything else in this Policy, in the event persons subject to Section B of this Policy desire to enter into a trading plan, such trading plan must (i) comply with the requirements set forth on Appendix A; (ii) be adopted at a time when such person would otherwise have been permitted to trade under this Policy (i.e., the individual is not subject to blackout and is not in possession of material, non-public information at the time the trading plan is adopted); and (iii) only be adopted following review and receipt of the express authorization of the General Counsel or their designee. Any modification, amendment, or premature termination of a trading plan must also be reviewed and authorized by the General Counsel or their designee. Once a trading plan has been approved, no further pre-approval will be required for transactions conducted pursuant to that plan and no pre-clearance will be required for individuals subject to Section A of this Policy; provided, that all trading plan transactions must be reported by Section 16 Persons to the General Counsel in accordance with the requirements on Section 16 persons described below.

Certain Hedging Transactions

No Covered Person (or their designee) may purchase any financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds) that are designed to hedge or offset any decrease in the market value of equity securities of Ashland: (i) granted to the Covered Person by Ashland as part of the Covered Person's compensation or (ii) held, directly or indirectly, by the Covered Person.

Certain Pledging Transactions

All Board members and officers of Ashland (as designated by the Board) are prohibited from, directly or indirectly, pledging equity securities of Ashland. For these purposes, "pledging" includes the intentional creation of any form of pledge, security interest, deposit, lien or other hypothecation, including the holding of shares in a margin account, that entitles a third party to foreclose against, or otherwise sell, any equity securities, whether with or without notice, consent, default or otherwise, but does not include either the involuntary imposition of liens, such as tax liens or liens arising from legal proceedings, or customary purchase and sale agreements, such as Rule 10b5-1 Trading Plans. "Equity securities" include common stock, voting preferred stock and options and other securities exercisable for, or convertible into, settled in, or measured by reference to, any other equity security determined on an as-exercised and as-converted basis.

The equity securities attributable to a Board member or officer for these purposes shall include equity securities attributable to the Board member or officer under either Section 13 or Section 16 of the Securities Exchange Act of 1934, as amended.

Additional Requirements Applicable Only to Section 16 Persons

Section 16 Reporting

U.S. securities laws require Section 16 Persons to report their beneficial ownership of Ashland securities, and any changes to that ownership or transactions in Ashland securities, to the SEC. At a high level, "beneficial ownership" means having, directly or indirectly, the right to vote or direct the voting of a security and/or the power to sell a security. Nearly all transactions in Ashland securities by a Section 16 Person must be reported to the SEC under Section 16, including:

- Purchases and sales of Ashland securities;
- Receiving a grant of, and the vesting of, stock options, restricted stock, restricted stock units, performance shares and other equity-based awards;
- Stock option exercises;
- Transactions involving family members or family trusts; and
- Gifts of Ashland securities.

In addition to obtaining pre-clearance in accordance with this Policy, Section 16 Persons should arrange for details of the transaction (or a copy of the executed trade order) including the trade date, type of transaction, shares traded, and the price per share, to be submitted to the General Counsel or their designee as soon as possible after the trade is completed. Section 16 requires that most reportable transactions by Section 16 Persons be reported to the SEC within two (2) trading days after the date of the transaction. **The SEC holds individual Section 16 Persons responsible for their failure to file Section 16 reports, even when a company assists with the**

filing of the reports. It is therefore critical that Section 16 Persons communicate transaction information to the General Counsel or their designee promptly to ensure that all transactions are properly and timely reported to the SEC.

Cautionary Note Regarding Short-Swing Transactions

Section 16 Persons are required by U.S. securities laws to return to Ashland, any profits made from a purchase and a subsequent sale, or the sale and subsequent purchase, of Ashland securities if both transactions occur within a six (6)-month period ("short-swing profits"). The terms "purchase" and "sale" are interpreted broadly in this context and may apply in situations that would not ordinarily be considered a "purchase" or "sale" (such as a gift or a transaction by a Family Member). SEC rules specifically authorize any shareholder of Ashland to seek recovery of short-swing profits on Ashland's behalf if Ashland fails or refuses to do so. Section 16 filings are regularly monitored by shareholders and plaintiff's counsel, who frequently threaten litigation to recover short-swing profits (and for payment of their attorneys' fees). Accordingly, it is critical that Section 16 Persons timely provide all information about a potential transaction in Ashland securities, in advance, to the General Counsel or their designee so that Section 16 reports may be timely filed and short-swing profit liability can be assessed.

Responsible Party

Ashland's General Counsel is responsible for the implementation of, and amendments to, this Policy. Any questions about this Policy, its application to a proposed transaction, or the requirements of applicable laws should be directed to the General Counsel or their designee.

Scope

This Policy applies to Ashland and all Covered Persons.

Effective Date

November 13, 2024

References

The following reference documents apply to this policy:

Document Number	Document Title	Document Type
AI-POL-001.000	Establishment and Application of Ashland Policies	Policy
AI-POL-002.012	Public Disclosure of Information	Policy
AI-POL-004.000	Legal Compliance	Policy
AI-POL-007.004	Reporting Obligations	Policy
AI-POL-004.024	Securities Laws and Insider Trading International Translations	Reference
FirstHand Link	Global Code of Conduct	Reference
REF-000004	Glossary	Reference

Appendix A
Pre-Approved Trading Plans

1. RULE 10B5-1 TRADING PLANS

(a) **Overview**.

(i) SEC Rule 10b5-1(c) provides an affirmative defense from insider trading liability for securities transactions that occur pursuant to a prearranged contract, plan, or instruction to trade (a "**Rule 10b5-1 Trading Plan**") which was adopted in good faith at a time when the person was not aware of material non-public information, and which trading plan complies with the requirements set forth in Rule 10b5-1 and all applicable state laws.

(ii) If a Rule 10b5-1 Trading Plan meets all of the requirements of SEC Rule 10b5-1(c), as described below, and transactions in Ashland securities are made in accordance with the terms and conditions of that plan, the trades will not be deemed to have been made "on the basis of" material non-public information, even if the Covered Person who established the Rule 10b5-1 Trading Plan is actually aware of material non-public information at the time plan-based transactions are executed.

(iii) Any Covered Person may adopt a Rule 10b5-1 Trading Plan. Officers and members of the Board who intend to regularly sell Ashland securities to meet liquidity needs are encouraged to adopt a Rule 10b5-1 Trading Plan for that purpose.

(b) **Rule 10b5-1 Trading Plan Requirements**.

(i) Pre-Approval. Each Rule 10b5-1 Trading Plan must be reviewed and pre-authorized by the General Counsel or his or her designee to ensure compliance with these requirements. Any amendments or modifications to an existing Rule 10b5-1 Trading Plan, or any premature termination of a Rule 10b5-1 Trading Plan, must also be reviewed and pre-authorized by the General Counsel or his or her designee. Notwithstanding any review or pre-authorization of a Rule 10b5-1 Trading Plan, none of Ashland or its directors, officers, or other employees assume any liability for any trades made pursuant to such plan. Transactions entered into pursuant to a pre-approved Rule 10b5-1 Trading Plan will not require any further pre-approval at the time of the transaction (including pre-clearance for the Rule 10b5-1 Trading Plan transactions for persons subject to Section A of the Policy).

(ii) Certification. Each Rule 10b5-1 Trading Plan must include a representation certifying that, at the time of the adoption or modification of the plan, the person entering into such plan (A) is doing so in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5 and (B) is not aware of any material non-public information concerning Ashland.

(iii) Plan Terms. Each Rule 10b5-1 Trading Plan must either (A) specify the amount, price, and dates of the trades or (B) provide a formula, algorithm, or computer program for determining the amount, price, and dates of the trades. Alternatively, the Covered Person may exclusively authorize a third party (such as a designated broker) to determine the timing, amount, and price of transactions under the Rule 10b5-1 Trading Plan, without any exercise of influence or control by the Covered Person. Until the expiration of the Rule 10b5-1 Trading Plan, communications between the Covered Person and such third party regarding the Rule 10b5-1 Trading Plan should be limited to information about transactions that have already been conducted by such third party.

(iv) Cooling-Off Periods. The first transaction under a new Rule 10b5-1 Trading Plan may not begin until the expiration of a "cooling-off" period. For Section 16 Persons, the cooling-off period expires on the later of (A) ninety (90) days after the plan is adopted or modified and (B) two (2) business days following Ashland's filing of its Form 10-Q or Form 10-K, as applicable, for the fiscal quarter in which the plan was adopted or modified, up to a maximum of one hundred twenty (120) days. For all other Covered

Persons who enter into a Rule 10b5-1 Trading Plan, the cooling-off period shall be at least thirty (30) days from the date on which the plan was adopted or modified.

(v) Good Faith. All Covered Persons entering into a Rule 10b5-1 Trading Plan must act in good faith with respect to that plan. This means that the person not only has an obligation to act in good faith in entering the Rule 10b5-1 Trading Plan but also an ongoing and continuous obligation to act good faith with respect to such plan.

(c) **Restrictions on Rule 10b5-1 Trading Plans**. No Covered Person may enter into (i) multiple, overlapping Rule 10b5-1 Trading Plans or (ii) multiple Rule 10b5-1 Trading Plans within a consecutive twelve (12)-month period, each of which authorizes only a single transaction.

2. NON-RULE 10B5-1 TRADING ARRANGEMENT

(a) **Overview**.

(i) Covered Persons may also enter into a written arrangement for the trading of Ashland securities pursuant to which the Covered Person asserts that such person entered into the trading arrangement at a time when such person was not aware of material non-public information about Ashland or its securities, but which does not otherwise comply with other requirements of Rule 10b5-1(c) (such as its cooling-off period requirements) (such an arrangement, a "**Non-Rule 10b5-1 Trading Arrangement**").

(ii) A Non-Rule 10b5-1 Trading Arrangement does not provide an affirmative defense to insider trading, and while there are valid reasons why a Covered Person may desire or need to enter a Non-Rule 10b5-1 Trading Arrangement, Covered Persons are encouraged to enter into Rule 10b5-1 Trading Plans whenever possible.

(b) **Non-Rule 10b5-1 Trading Arrangement Requirements**.

(i) Pre-Approval. Each Non-Rule 10b5-1 Trading Arrangement must be pre-approved by the General Counsel. Any amendments or modifications to an existing Non-Rule 10b5-1 Trading Arrangement must also be pre-approved by the General Counsel. Notwithstanding any review or pre-approval of a Non-Rule 10b5-1 Trading Arrangement, none of Ashland or its directors, officers, or other employees assume any liability for any trades made pursuant to such arrangement. Transactions entered into pursuant to a pre-approved Non-Rule 10b5-1 Trading Arrangement will not require any further pre-approval at the time of the transaction (including pre-clearance for the Non-Rule 10b5-1 Trading Arrangement transactions for persons subject to Section A of the Policy).

(ii) Plan Terms. The Non-Rule 10b5-1 Trading Arrangement must (A) specify the amount of securities to be purchased or sold and the price at which and the date on which the securities are to be purchased or sold; (B) include a written formula or algorithm, or computer program, for determining the amount of securities to be purchased or sold and the price at which the securities are to be purchased or sold; or (C) not permit the Covered Person to exercise any subsequent influence over how, when, or whether to effect purchases or sales; *provided*, that any other person who, pursuant to the trading arrangement, does exercise such influence must not have been aware of any material non-public information when doing so.

EXHIBIT 21

LIST OF SUBSIDIARIES

Subsidiaries of Ashland Inc. ("Ashland") at September 30, 2024, included the companies listed below.

Company	Jurisdiction of Incorporation
565 Corporation	Delaware
Ash GH One Inc.	Delaware
Ash GH Switzerland GmbH	Switzerland
Ash Global Holdings Two B.V.	Netherlands
ASH GP INC.	Delaware
Ash Junior Global Holding One LLC	Delaware
Ash Junior Global Holding Two LLC	Delaware
Ash Swiss Holding Two GmbH	Switzerland
Ashland (Australasia) Pty. Limited	Australia
Ashland (China) Holdings Co., Ltd.	China, Peoples Republic of
Ashland (Gibraltar) One Holding, Inc.	Delaware
Ashland (Thailand) Co., Ltd	Thailand
Ashland Argentina S.R.L.	Argentina
Ashland Canada Corp./Corporation Ashland Canada	Province of Nova Scotia
Ashland Canada Holdings B.V.	Netherlands
Ashland Chemical De Mexico S.A. De C.V.	Mexico
Ashland Chemical Trading (Shanghai) Company Limited	China, Peoples Republic of
Ashland Chemicals (Nanjing) Company Limited	China, Peoples Republic of
Ashland Colombia S.A.S.	Colombia
Ashland Comercio de Especialidades Quimicas do Brasil Ltda.	Brazil
Ashland CZ s.r.o.	Czech Republic
Ashland Eastern Markets LLC	Russian Federation
Ashland Ethanol, Inc.	Delaware
Ashland Inc.	Delaware
Ashland India Private Limited	India
Ashland Industria de Ingredientes do Brasil Ltda.	Brazil
Ashland Industries Deutschland GmbH	Germany
Ashland Industries Europe GmbH	Switzerland
Ashland Industries France SAS	France
Ashland Industries Italia S.r.l.	Italy
Ashland Industries Nederland B.V.	Netherlands
Ashland Ingredients Poland Sp. z.o.o.	Poland
Ashland International Receivables DAC	Ireland
Ashland Italia S.r.l.	Italy
Ashland Japan Ltd.	Japan
Ashland Licensing and Intellectual Property LLC	Delaware
Ashland Nigeria Exploration Unlimited	Nigeria

Company	Jurisdiction of Incorporation
Ashland Oil (Nigeria) Company Unlimited	Nigeria
Ashland Oil, Inc.	Kentucky
Ashland Services B.V.	Netherlands
Ashland Singapore Pte. Ltd.	Singapore
Ashland Spain Real Estate Holdings, S.L.	Spain
Ashland Specialties Austria GmbH	Austria
Ashland Specialties Belgium BVBA	Belgium
Ashland Specialties Deutschland GmbH	Germany
Ashland Specialties France S.a.r.l.	France
Ashland Specialties Hispania S.L.	Spain
Ashland Specialties Ireland Limited	Ireland
Ashland Specialties (Shanghai) Co. Ltd	China, Peoples Republic of
Ashland Specialties Sverige AB	Sweden
Ashland Specialties UK Limited	United Kingdom
Ashland Specialty Chemical (Singapore) PTE LTD	Singapore
Ashland Specialty Chemicals Commerce Limited	Turkey
Ashland Specialty Chemical Korea Co., Ltd.	Korea, Republic of
Ashland Specialty Chemicals (Malaysia) SDN BHD	Malaysia
Ashland Specialty Ingredients G.P.	Delaware
Ashmont Insurance Company, Inc.	Vermont
Ashprop Two LLC	Delaware
Avoca LLC	North Carolina
Belleville Realty Corp.	Delaware
Blazer Properties LLC	Delaware
Bluegrass Insurance Company Limited	Bermuda
CLTA LLC	Delaware
Curtis Bay Insurance Co. Ltd	Bermuda
CVG Capital III LLC	Delaware
East Bay Realty Services, Inc.	Delaware
FJR, Inc.	Georgia
Hercofina	Delaware
Hercules Holding BVBA	Belgium
Hercules Hydrocarbon Holdings, Inc.	Delaware
Hercules International Limited, LLC	Delaware
Hercules Investment ApS	Denmark
Hercules Investments Netherlands B.V.	Netherlands
Hercules Islands Corporation	Virgin Islands (US)
Hercules LLC	Delaware
Hercules Paper Holdings, Inc.	Delaware
International Specialty Holdings LLC	Delaware
International Specialty Products (India) Private Limited	India
International Specialty Products Funding Corporation	Delaware
International Specialty Products Inc.	Delaware

Company	Jurisdiction of Incorporation
ISP Alginates Inc.	Delaware
ISP Capital LLC	Delaware
ISP Chemco LLC	Delaware
ISP Chemical Products LLC	Delaware
ISP Chemicals LLC	Delaware
ISP Environmental Services Inc.	Delaware
ISP France Holding SARL	France
ISP France Marketing SARL	France
ISP Freetown Fine Chemicals Inc.	Delaware
ISP Freight Services N.V.	Belgium
ISP Global Technologies Deutschland Unterstutzungskasse GmbH	Germany
ISP Global Technologies Inc.	Delaware
ISP Global Technologies LLC	Delaware
ISP Holdings (U.K.) Ltd.	United Kingdom
ISP International Corp.	Delaware
ISP Investments LLC	Delaware
ISP Lima LLC	Delaware
ISP Management Company, Inc.	Delaware
ISP Microcaps (U.K.) Limited	United Kingdom
ISP Pharma Systems LLC	Delaware
ISP Real Estate Company, Inc.	Delaware
ISP Singapore Holding LLC	Delaware
ISP Technologies Inc.	Delaware
ISP Technologies LLC	Delaware
Pakistan Gum Industries (Private) Limited	Pakistan
Progiven S.A.S.	France
PT. Ashland Specialty Chemicals Indonesia	Indonesia
Shanghai Ashland Chemical Technology Development Co., Ltd.	China, Peoples Republic of
St Croix Petrochemical Corp	Virgin Islands (US)
Taiwan Ashland Co., Ltd.	Taiwan
Tamaulipas Property Holdings S. de R.L. de C.V.	Mexico
Techwax Limited	United Kingdom
Tri-State Growth Capital Fund I, L.P.	Delaware
WSP LLC	Delaware

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

1. Registration Statement on Form S-8 (No. 333-131792-01) pertaining to the 2006 Ashland Inc. Incentive Plan,
2. Registration Statements on Form S-8 (Nos. 333-172019-01 and 333-186408-01) pertaining to the Amended and Restated 2011 Ashland Inc. Incentive Plan,
3. Registration Statement on Form S-8 (No. 333-201895-01) pertaining to the Amended and Restated 2015 Ashland Inc. Incentive Plan,
4. Registration Statement on Form S-8 (No. 333-222841) pertaining to the Ashland Global Holdings Inc. 2021 Omnibus Incentive Compensation Plan and the Ashland Global Holdings Inc. 2018 Omnibus Incentive Compensation Plan,
5. Registration Statement on Form S-8 (No. 33-62091-01) pertaining to the Ashland Inc. Deferred Compensation Plan,
6. Registration Statement on Form S-8 (No. 33-52125-01) pertaining to the Ashland Inc. Deferred Compensation Plan for Non-Employee Directors (Formerly known as Ashland Oil, Inc. Deferred Compensation and Stock Incentive Plan for Non-Employee Directors),
7. Registration Statement on Form S-8 (No. 333-122269-01) pertaining to the Ashland Inc. Deferred Compensation Plan for Employees (2005),
8. Registration Statement on Form S-8 (No. 333-122270-01) pertaining to the Ashland Inc. Deferred Compensation Plan for Non-Employee Directors (2005),
9. Registration Statements on Form S-8 (Nos. 33-32612-100, and 333-157040-01) pertaining to the Ashland Employee Savings Plan,
10. Registration Statement on Form S-8 (No. 333-155396-01) pertaining to the Ashland Union Employee Savings Plan (Formerly known as the Hercules Incorporated Savings and Investment Plan),
11. Registration Statement on Form S-8 (No. 333-184109-01) Pertaining to the Ashland Inc. International Specialty Products Inc. 401(k) Plan,
12. Registration Statement on Form S-8 (No. 333-203840-01) pertaining to the Ashland Inc. Employee Savings Plan, International Specialty Products Inc. 401(k) Plan, and Ashland Inc. Union Employee Savings Plan,
13. Registration Statement on Form S-3ASR (No. 333-214069) of Ashland Global Holdings Inc.,
14. Registration Statement on Form S-8 (No. 333-215077) pertaining to the Amended and Restated Ashland Inc. Deferred Compensation Plan for Employees (2005) and the Amended and Restated Ashland Inc. Deferred Compensation Plan for Non-Employee Directors (2005);

of our reports dated November 18, 2024, with respect to the consolidated financial statements of Ashland Inc. and Consolidated Subsidiaries and the effectiveness of internal control over financial reporting of Ashland Inc. and Consolidated Subsidiaries included in this Annual Report (Form 10-K) of Ashland Inc. for the year ended September 30, 2024.

/s/ Ernst & Young LLP

Grandview Heights, Ohio
November 18, 2024

Exhibit 23.2

CONSENT OF GNARUS ADVISORS LLC

We hereby consent to being named in Ashland Inc.'s Annual Report on Form 10-K for the year ended September 30, 2024 in the form and context in which we are named. We do not authorize or cause the filing of such Annual Report and do not make or purport to make any statement other than as reflected in the Annual Report.

/s/ Jessica B. Horewitz
Gnarus Advisors LLC
November 18, 2024

EXHIBIT 24

POWER OF ATTORNEY

Each of the undersigned Directors and Officers of ASHLAND INC., a Delaware corporation (the "Corporation"), which anticipates filing an Annual Report on Form 10-K with the Securities and Exchange Commission, under the provisions of the Securities Act of 1933, as amended, hereby constitute and appoint GUILLERMO NOVO and ROBIN LAMPKIN, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power to act without the others to sign and file such Annual Report and the exhibits thereto and any and all other documents in connection therewith, and any such amendments thereto, with the Securities and Exchange Commission, and to do and perform any and all acts and things requisite and necessary to be done in connection with the foregoing as fully as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, may lawfully do or cause to be done by virtue hereof.

Dated: November 18, 2024

/s/ Guillermo Novo
Guillermo Novo, Chair of the Board
and Chief Executive Officer
(Principal Executive Officer)

/s/ J. Kevin Willis
J. Kevin Willis, Senior Vice President and Chief
Financial Officer
(Principal Financial Officer)

/s/ Eric N. Boni
Eric N. Boni, Vice President and Controller
(Principal Accounting Officer)

/s/ Steven D. Bishop
Steven D. Bishop, Director

/s/ Sanat Chattopadhyay
Sanat Chattopadhyay, Director

/s/ Suzan F. Harrison
Suzan F. Harrison, Director

/s/ Wetteny Joseph
Wetteny Joseph, Director

/s/ Ashish K. Kulkarni
Ashish K. Kulkarni, Director

/s/ Susan L. Main
Susan L. Main, Director

s/ Sergio Pedreiro
Sergio Pedreiro, Director

/s/ Jerome A. Peribere
Jerome A. Peribere, Director

/s/ Janice J. Teal
Janice J. Teal, Director

/s/ Scott A. Tozier
Scott A. Tozier, Director

EXHIBIT 31.1

CERTIFICATIONS

I, Guillermo Novo, certify that:

1. I have reviewed this annual report on Form 10-K of Ashland Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 18, 2024

/s/ Guillermo Novo

Guillermo Novo
Chair and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATIONS

I, J. Kevin Willis, certify that:

1. I have reviewed this annual report on Form 10-K of Ashland Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 18, 2024

/s/ J. Kevin Willis

J. Kevin Willis
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32

ASHLAND INC.

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Ashland Inc. (the “Company”) on Form 10-K for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned, Guillermo Novo, Chief Executive Officer of the Company, and J. Kevin Willis, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Guillermo Novo

Guillermo Novo
Chief Executive Officer
November 18, 2024

/s/ J. Kevin Willis

J. Kevin Willis
Chief Financial Officer
November 18, 2024

DODD-FRANK COMPENSATION RECOUPMENT POLICY

The purpose of this Dodd-Frank Compensation Recoupment Policy, which has been adopted by the Board of Directors of Ashland Inc., is to describe the circumstances in which Executive Officers will be required to repay or return Excess Incentive-Based Compensation to Ashland Inc. (the “Company”). It is the intention of the Board of Directors that this Dodd-Frank Recoupment Policy be interpreted and administered by the Compensation Committee in a manner consistent with applicable laws and regulations and Securities Exchange listing requirements, including without limitation Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Rule 10D-1 of the Securities Exchange Act of 1934, and Section 303A.14 of the New York Stock Exchange Listed Company Manual. This Dodd-Frank Recoupment Policy applies to awards of Incentive-Based Compensation received on or after the Effective Date by Executive Officers of the Company. The prior Executive Compensation Recovery Policy shall apply to awards of Incentive-Based Compensation received before the Effective Date.

Definitions

“Board” means the Board of Directors of the Company.

“Committee” means the Compensation Committee of the Board of Directors of the Company.

“Company” means Ashland, Inc.

“Effective Date” means October 2, 2023

“Executive Officer” means the Company’s president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policymaking functions for the Company.

“Excess Incentive-Based Compensation” means the amount of Incentive-Based Compensation received by a current or former Executive Officer that exceeds the amount of Incentive-Based Compensation that otherwise would have been received had the amount of such Incentive-Based Compensation been determined based on the accounting restatement, computed without regard to taxes paid by the Executive Officer. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of Excess Incentive-Based Compensation is not subject to mathematical recalculation directly from the information in an accounting restatement, Excess Incentive-Based Compensation means a reasonable estimate of the effect of the accounting restatement on the applicable Financial Reporting Measure. The Committee must maintain documentation of the determination of such reasonable estimate and provide such documentation to the Securities Exchange.

“Financial Reporting Measure” means any measure that is determined and presented in accordance with the accounting principles used to preparing the Company’s financial statements, and any measures that are derived wholly or in part from such measures. “Stock price” and “total shareholder return” metrics are also Financial Reporting Measures. For the avoidance of doubt, a

Financial Reporting Measure need not be presented in the Company's financial statements or included in a filing with the U.S. Securities and Exchange Commission.

"Incentive-Based Compensation" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

"Lookback Period" means the three-year period preceding the date on which the Company is required to prepare an accounting restatement. For purposes of this definition, the date on which the Company is required to prepare an accounting restatement shall be deemed to be the earlier of (i) the date the Company's Board, a committee of the Board, or the officer(s) of the Company authorized to take such action (if Board action is not required) concludes, or reasonably should have concluded, that the Company is required to prepare an accounting restatement; and (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare an accounting restatement.

"Securities Exchange" means the securities exchange upon which the Company's Common Stock, par value $0.01 per share, trades.

Recoupment for an Accounting Restatement

The Company shall recover reasonably promptly any Excess Incentive-Based Compensation in the event that the Company is required to restate its financial statements due to the material noncompliance of the Company with any financial reporting requirement under the federal securities laws, including any required accounting restatement to correct an error (i) in previously issued financial statements that is material to the previously issued financial statements or (ii) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period. The preceding sentence shall apply to Excess Incentive-Based Compensation received by any current or former Executive Officer: (a) after beginning service as an Executive Officer; (b) who served as an Executive Officer at any time during the performance period for the applicable Incentive-Based Compensation; (c) while the Company has a class of securities listed on a national securities exchange or a national securities association; and (d) during the Lookback Period. For purposes of this paragraph, Incentive-Based Compensation is deemed "received" in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period.

Notwithstanding the foregoing, if the Committee makes a determination that recovery would be impracticable, and one of the following enumerated conditions is satisfied, the Company need not recover such Excess Incentive-Based Compensation.

- Expenses Exceed Recovery Amount: The Company need not recover the Excess Incentive-Based Compensation at issue if the direct expense to be paid to a third party to assist in enforcing this Dodd-Frank Recoupment Policy would exceed the amount to be recovered; provided, however, that the Company must make a reasonable attempt to recover the Excess Incentive-Based Compensation and document such attempt(s) prior to the Committee's determination that recovery would be impracticable. The Company must provide the documentation evidencing the attempt(s) to the Securities Exchange consistent with the listing standards of the Securities Exchange.

- Recovery Would Violate Home Country Law: The Company need not recover the Excess Incentive-Based Compensation at issue if recovery would violate home country law where that law was adopted prior to November 28, 2022; provided, however, that the Company must obtain an opinion of home country counsel, in a form acceptable to the Securities Exchange, that recovery would result in such violation. The Company must provide the opinion to the Securities Exchange consistent with the listing standards of the Securities Exchange.

- Recovery Would Violate ERISA Anti-Alienation Provisions: The Company need not recover the Excess Incentive-Based Compensation at issue if recovery would violate the anti-alienation provisions of the Employee Retirement Income Security Act of 1974, as amended, contained in 26 U.S.C. § 401(a)(13) or 26 U.S.C. § 411(a), or regulations promulgated thereunder.

Method of Recoupment

The Committee shall have the sole discretion and authority to determine the means, timing (which shall in all circumstances be reasonably prompt) and any other requirements by which any recoupment required by this Dodd-Frank Recoupment Policy shall occur and impose any other terms, conditions or procedures (*e.g.*, the imposition of interest charges on un-repaid amounts) to govern the current or former Executive Officer's repayment of Excess Incentive-Based Compensation. Such methods for recoupment may include, without limitation, (i) seeking reimbursement of all or part of any cash or equity-based award, (ii) cancelling prior cash or equity-based awards, whether vested or unvested or paid or unpaid, (iii) cancelling or offsetting against any planned future cash or equity-based awards, (iv) forfeiture of deferred compensation, subject to compliance with Section 409A of the Internal Revenue Code and the regulations promulgated thereunder, and (v) any other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Committee may affect recovery under this Dodd-Frank Recoupment Policy from any amount otherwise payable to the Executive Officer, including amounts payable to such individual under any otherwise applicable Company plan or program, including base salary, bonuses or commissions and compensation previously deferred by the Executive Officer.

Other Policy Terms

Any applicable award agreement, plan or other document setting forth the terms and conditions of any Incentive-Based Compensation covered by this Dodd-Frank Recoupment Policy shall be deemed to (i) incorporate this Dodd-Frank Recoupment Policy by reference; and (ii) be governed by the terms of this Dodd-Frank Recoupment Policy in the event of any inconsistency with the terms of the Incentive-Based Compensation. Acceptance of any Incentive-Based Compensation shall be deemed to include acceptance of this Dodd-Frank Recoupment Policy.

Any recoupment under this Dodd-Frank Recoupment Policy is in addition to, and not in lieu of, any other remedies or rights that may be available to the Company or its affiliates under applicable law, including, without limitation: (i) dismissing the current or former Executive Officer; (ii) adjusting the future compensation of the current or former Executive Officer; or (iii) authorizing legal action or taking such other action to enforce the current or former Executive Officer's obligations to the Company or its affiliates as it may deem appropriate in view of all of the facts and circumstances surrounding the particular case.

Incentive-Based Compensation and other compensation paid to employees of the Company and its affiliates may also be subject to other recoupment or similar policies, and this policy does not supersede any such other policies. However, in the event of any conflict between any such policy and this Dodd-Frank Recoupment Policy, this policy shall govern. In addition, no Executive Officer shall be subject to recoupment more than one time with respect to the same compensation.

Notwithstanding the terms of any indemnification or insurance policy for any Executive Officer, or any contractual arrangement between the Company and any Executive Officer that may be interpreted to the contrary, the Company shall not indemnify any Executive Officer against the loss of any amounts subject to recoupment pursuant to this Dodd-Frank Recoupment Policy, including any payment or reimbursement for the cost of third-party insurance purchased by any Executive Officer to fund potential recoupment obligations under this Dodd-Frank Recoupment Policy.

Administration

The Board has delegated the administration of this policy to the Committee. The Committee is responsible for monitoring the application of this Dodd-Frank Recoupment Policy with respect to all Executive Officers. The Committee shall have the sole authority to review, interpret, construe, and implement the provisions of this Dodd-Frank Recoupment Policy and to delegate to one or more executive officers and/or employees, certain administrative and record-keeping responsibilities, as appropriate, with respect to the implementation of this Dodd-Frank Recoupment Policy; provided, however, that no such action shall contravene the federal securities laws. Any determinations of the Board or Committee under this Dodd-Frank Recoupment Policy shall be binding on the applicable individual.

The Committee may amend, modify, or change this Dodd-Frank Recoupment Policy, as well as any related rules and procedures, at any time and from time to time as it may determine, in its sole discretion, is necessary or appropriate.

DODD-FRANK COMPENSATION RECOUPMENT POLICY
CONFIRMATION OF RECEIPT

I understand that Ashland Inc. has adopted the Dodd-Frank Compensation Recoupment Policy which will be interpreted and administered by the Compensation Committee in a manner consistent with applicable laws and regulations of the Securities and Exchange Commission and the Listed Company Manual of the New York Stock Exchange. This Dodd-Frank Recoupment Policy applies to awards of Incentive-Based Compensation received on or after the Effective Date by Executive Officers of the Company. The prior Executive Compensation Recovery Policy shall apply to awards of Incentive-Based Compensation received before the Effective Date.

I hereby acknowledge that I have received said policy and agree that it applies to myself as an Executive Officer of Ashland, Inc. and have been able to resolve any questions regarding the same with the General Counsel of Ashland.

Executed this _________ day of ___________________, 20 ___.

Signature_______________________________

Print Name: ____________________________

Received and accepted by the Company on this _____ day of ________________, 20 ___.

Name:_________________________________

Title:__________________________________