



VALHI, INC.
CORPORATE GOVERNANCE GUIDELINES
Amended and Restated as of March 2, 2023

The board of directors (the “*Board*”) of Valhi, Inc., a Delaware corporation (the “*Company*”), has adopted these Corporate Governance Guidelines to assist the Board in exercising its responsibilities. These are only guidelines that the Board will review, and may modify, from time to time. Except where these guidelines reflect requirements of the New York Stock Exchange (the “*NYSE*”) for listed companies, they are neither intended to be, nor are they, rigid rules that govern the Board’s activities. These guidelines do not, and are not intended to, modify or constitute an interpretation of the Delaware General Corporation Law, the Company’s certificate of incorporation or bylaws or any federal, state or local law or regulation.

I. Board of Directors – Organization

A. Director Qualification Guidelines and Independence Standards

The Board is responsible for nominating candidates for election and re-election as directors. As permitted by the listing standards of the NYSE, the Board has chosen not to have a nominating committee. The Board has no specific minimum qualifications for director candidates. Board members should possess (i) the necessary business background, skills and expertise at the policy-making level and (ii) a willingness to devote the required time to the duties and responsibilities of Board membership.

The Board does not restrict directors from serving on boards or committees of other organizations, provided that such service does not interfere with their ability to satisfy their responsibilities for Board membership. However, the charter of the audit committee of the Board requires Board approval for service on more than three non-affiliated public company audit committees.

In determining the independence of a director, the Board will apply the requirements of the listing standards of the NYSE and other applicable laws or regulations that may be implemented from time to time. As permitted by the listing standards of the NYSE, the Board may from time to time choose not to have a majority of independent directors.

The Board has not established a retirement age or term limits for directors. The Board believes that experience as a director of the Company is a valuable asset and that directors who have served on the Board for an extended period of time are able to provide important insight into the operations and future of the Company.



B. Board and Committee Structure

The Board determines from time to time the number of directors that comprises the Board within the limits prescribed by the Company's bylaws. Directors generally serve for a one-year term and until their successors are elected. Vacancies on the board will be filled as prescribed by the Company's bylaws.

In accordance with the Company's bylaws, the Board may establish such committees as the Board deems appropriate. The Board currently has an audit committee and a management development and compensation committee. Directors who are members of the audit committee must meet the applicable independence and other requirements of the listing standards of the NYSE. The operation and responsibilities of the audit committee are governed by the audit committee charter approved by the Board. While the members of the management development and compensation committee currently satisfy the independence requirements of the NYSE listing standards, the Company has chosen not to satisfy all of the NYSE listing standards for such committee. The operation and responsibilities of the management development and compensation committee, and any other committee that the Board may establish in the future, will be governed by the Board. As permitted by the listing standards of the NYSE, the Board has chosen not to have a nominating/corporate governance committee.

II. Director Responsibilities

A. Collective Responsibilities

The Board is responsible for the review of the strategic direction and significant policies of the Company and the oversight and governance of the Company. Directors carry out this responsibility through individual preparation, group discussion and the exercise of their collective business judgment.

As part of its responsibility, the Board or a committee of the Board to which the task is delegated will review and, if applicable approve, all matters required by applicable law, including the following matters:

- the annual selection of the Company's executive officers;
- the Company's quarterly and annual financial reports and proxy statement and other matters submitted to a vote of its stockholders; and
- material acquisitions, divestitures, mergers and other strategic transactions involving the Company that are material to the Company and not in the ordinary course of its business.



In addition, the Board or a committee of the Board to which the task is delegated will monitor, among other things:

- the Company's compliance with its Code of Business Conduct and Ethics, which includes compliance with applicable laws and regulations;
- the Company's compliance with its Policy Regarding Related Party Transactions;
- the Company's performance against the strategic and business plans and related financial objectives developed by management;
- the Company's financial reporting, disclosure processes and internal controls;
- the Company's identification, assessment and management of its material financial and business risks;
- the Company's strategy and material activities, practices and policies related to environmental, social and governance ("ESG") matters; and
- the performance of the Company's executive officers, including the chief executive officer, and the compensation of the executive officers who are compensated directly by the Company.

B. Individual Responsibilities

Among other things, the Board expects each director:

- to adhere to the Company's Code of Business Conduct and Ethics, and to inform the chair of the audit committee about any actual or potential conflicts of interest involving the director that may arise;
- to understand the Company's businesses and the market and regulatory environments in which they operate;
- to regularly attend meetings of the Board and each committee on which he serves; and
- to review and understand the agenda and related materials provided to the director in preparation for Board and committee meetings.

C. Board Operations

The Board will meet regularly throughout the year at the intervals determined by the chair of the board. Special meetings may be held in accordance with the bylaws of the Company. The chair of the board, with the assistance of the Company's management, will propose an agenda for each Board meeting. Each director may request items to be added to the agenda.

Committees of the Board will meet regularly throughout the year at the intervals determined by the chair of the committee. Special meetings may be held in accordance with the committee charter or, in the absence of a committee charter,



as deemed appropriate by the chair of the committee. The chair of each committee, with the assistance of the Company's management, will propose an agenda for each committee meeting. Each member of the committee may request items to be added to the agenda.

The chief executive officer or his or her designee will provide to each director reasonably detailed information about each item appearing on the agenda for each Board or committee meeting in advance of such meeting whenever practical.

III. Non-Management and Independent Director Meetings; Access to Management and Independent Advisors

The non-management directors of the Company (as defined by the rules of the New York Stock Exchange) are entitled to meet regularly throughout the year, and will meet at least once annually, without management participation. If the non-management directors are not all independent directors of the Company, the independent directors will meet at least once annually at a meeting of only the independent directors. The chair of the audit committee shall be the presiding director at all of these meetings.

Each director will have reasonable access to the Company's management, including the individuals who function as the chief executive officer, chief operating officer, chief financial officer, principal accounting officer and general counsel. The Company's management will arrange for the Board's access to other employees upon request.

The Board may, in its discretion, retain the services of independent financial, legal or other independent advisors at the Company's expense and may grant such authority to a committee or committees of the Board.

IV. Director Compensation

As provided in the Company's bylaws, the Board approves the compensation the Company pays to its directors for their service as a director, and the directors eligible to receive such compensation. In determining the amount of such compensation, the Board will evaluate whether the amount of compensation, in all forms, that the Company directly or indirectly pays its directors would impair an independent director's ability to make decisions independent of the Company's management. The Board has delegated to the management development and compensation committee the authority to determine the stock-based compensation that a director receives for his services and the directors eligible to receive such stock-based compensation.



V. Director Stock Ownership Guidelines

Non-employee directors (*i.e.*, directors who are not employed by the Company or one of its affiliates) are expected to accumulate and hold shares of the Company's stock. Non-employee directors may not sell or otherwise dispose of any shares of the Company's common stock acquired as part of the annual stock awards granted to non-employee directors unless, immediately after any such sale, they will hold a number of shares of the Company's common stock having a value of at least three times the Company's base annual cash retainer for service as a director. For purposes of such minimum, ownership will include shares owned by the director's immediate family members residing in the same household as the director or shares held by a trust for the benefit of the director or an immediate family member.

VI. Intercorporate Services Agreement

Whenever the Company is a party to an intercorporate services agreement between the Company and an affiliated company (other than a wholly owned subsidiary of the Company) the Board will consider the agreement for approval (including, as applicable, the portion of the service fee attributable to the services relating to the executive officers of the Company) and vote upon it with the non-independent directors abstaining. The Board may authorize a committee of the Board to make a recommendation to the Board with respect to the approval of such intercorporate services agreement.

VII. Director Orientation and Continuing Education

The Company arranges for the initial orientation of a new director by providing the director copies of the Company's filings with the Securities and Exchange Commission and certain other materials, an overview of the Company's business and operations and meetings with the Company's management. Directors also receive periodic updates and presentations on matters relevant to their responsibilities at Board and committee meetings.

VIII. Management Succession

The Company's succession planning emphasizes the development of a skilled, experienced management team who are capable of sustaining the Company's operations in the event of executive officer succession in the ordinary course of business or in the case of unexpected events, including the resignation, retirement or unexpected disability or death of an executive officer. From time to time, the Company's succession planning is reviewed by the vice-chairman and/or the chief executive officer with the non-management directors. In the event that the chief executive officer can no longer serve the Company for any reason, the Company's senior management team would continue to operate the Company's business, and the Board would determine a suitable replacement.



IX. Performance Evaluation of the Board and its Committees

Each year, the Board will evaluate the effectiveness of the Board and its committees based on criteria determined appropriate by the Board. In addition, each year each committee will evaluate the effectiveness of such committee based on criteria determined appropriate by the committee, and such evaluation will be reported to the full Board by the Company secretary or the committee chair or their designee.

X. Director Interaction with Stockholders and the Media

As a general rule, the Board believes that the chair of the board, the chief executive officer and other senior managers of the Company should speak for the Company. Non-management directors should speak for the Company only at the request of the chair of the board or the chief executive officer.

**AMENDED AND RESTATED BY THE
BOARD OF DIRECTORS OF VALHI, INC.
ON MARCH 2, 2023**

/s/ Jane R. Grimm

Jane R. Grimm, Secretary