

SCHEDULE OF MATTERS RESERVED FOR THE BOARD

The Board shall reserve for its decision the following specific matters.

1. Companies Act requirements

- 1.1 The approval of interim and final financial statements, and other trading statements.
- 1.2 The approval of interim dividends and the recommendation of final dividends.
- 1.3 The approval of significant changes in accounting policies or practices.
- 1.4 Recommendations for appointment or removal of auditors and the approval of auditors' remuneration.
- 1.5 The convening of shareholders' meetings.
- 1.6 The allotment or redemption of shares.
- 1.7 The refusal to register any transfer of the Company's shares.
- 1.8 The making of calls on shareholders in respect of monies unpaid on their shares.
- 1.9 The making of scrip issues, bonus issues or the raising of new capital.

2. Stock Exchange

- 2.1 The approval of circulars and listing particulars.
- 2.2 The approval of press releases concerning matters decided by the Board.
- 2.3 The approval of defence procedures in the event of a general offer to acquire the issued share capital of the Company.

3. Board membership and Board committees

- 3.1 The appointment (subject to recommendations from the Nomination Committee) or removal of directors.
- 3.2 The appointment or removal of the Company Secretary.
- 3.3 (a) Terms and conditions of appointment of executive directors and the Chairman – Board to determine based on the recommendations of the Nomination and Remuneration Committees.
(b) Terms and conditions of appointment of other non-executive directors – Board to determine based on the recommendations of the Nomination Committee, as well as the Chairman and executive directors.
- 3.4 The establishment, terms of reference and membership of Board committees.

4. Strategic management control

- 4.1 Changes relating to the Company's capital structure or status as a plc listed on the London Stock Exchange.
- 4.2 The approval of Group strategy.
- 4.3 The approval of Group annual operating and Three year plans.

- 4.4 The approval of Group risk management and internal control (internal audit) programme, including its compliance programme and insurance strategy.
- 4.5 Significant changes to the Group's management and internal control structure, including but not limited to:
- a) changes in Group business structure / segmental reporting.
 - b) internal restructuring resulting in exceptional trading restructuring costs.
 - c) for clarity the incorporation, establishment, registration, de-registration or dissolution of any business, or part of the business, in any territory (whether as a corporation, partnership, limited liability partnership, joint venture arrangement, or branch, representative office or other business presence) shall be a matter for the executive directors, unless it concerns a major operating entity or results in any of the events in para 4.5(a) or 4.5(b) in which case notification to the Board shall be required.

5. Group capital and revenue commitments

- 5.1 The approval of acquisition and disposal of businesses or any part thereof (including: (i) business undertakings or equity shares in any business or entity; and (ii) any transaction involving or resulting in any of the activities or business structures described in paragraph 4.5(a) or (b) above). A committee of the Board may be appointed or authority may be given to nominated senior executives to complete negotiations. In exceptional cases, or when no formal authority has been given, the Chief Executive Officer and the Chief Financial Officer are authorised to manage an acquisition or disposal (as defined above) up to a value of \$5.0 million. Details of such a transaction must be reported to the Board as soon as practicable or at its next scheduled meeting.
- 5.2 The approval of: (a) capital expenditure as follows: projects with a value of \$5 million or less are delegated to the CEO, provided that total capex for all projects does not exceed the total budget approved as part of the Annual Operating Plan; all projects not meeting this condition and that are for \$3 million or more will require Board approval, (b) fixed/other asset disposals over \$5.0 million, (c) disposal of property over \$1 million, and (d) all disposals of land.
- 5.3 The approval of finance and operating leases and any other form of rental agreements, where total estimated payments over the duration of the agreement (including dilapidations) is over \$5.0 million.
- 5.4 The approval of: (a) material and services procurement contracts (other than capital and leases) that are either over \$30 million or longer than three years in duration, and (b) distribution and agency agreements in excess of \$20 million per annum (excluding taxes) or longer than three years in duration.
- 5.5 The prosecution, defence and settlement of litigation claims over \$2.5 million.
All amounts below the limits set out in paras. 5.1 to 5.5 are delegated to the CEO to cascade throughout the Group, as appropriate.
- 5.6 Political donations policy and all donations, contributions, payments or other fees to be paid to any political party, organisation or candidate anywhere in the world. In respect of political donations in the US, owing to US law, the Board shall designate the decision-making process concerning the making of contributions, donations, expenditures, or disbursements in connection with US elections to the General Counsel (currently a role held by a US citizen) or another US individual nominated by the Board for this purpose from time to time. Further, in accordance to US law, only US funds are allowed to be used to make contributions or expenditures in those US jurisdictions where they are lawfully permitted, and under no circumstances will an individual will be reimbursed for her or his personal contribution.

- 5.7 Individual charitable donations (including sponsorship and/or matching arrangements) with a value of \$10,000 or less are delegated to the CEO, provided that charitable donations in total (as defined above) do not exceed the budget approved as part of the Annual Operating Plan; all donations not meeting this condition and that are for \$5,000 or more will require Board approval.

6. Group financing

- 6.1 The establishment or cancellation of committed borrowing facilities in the Group in excess of \$10 million.
- 6.2 The granting of security over Group assets to parties outside the Group in excess of \$10 million.
- 6.3 The approval of Group Treasury Policies, including policies on:
- principles of treasury control
 - financing facilities
 - liquidity risk
 - bank relationships
 - cash management
 - investment of surplus funds
 - interest rate risk management
 - currency risk management
 - intra-Group finance.

7. Group advisers and auditors

- 7.1 The appointment of the Group's principal advisers including:
- external and internal auditors
 - corporate broker(s)
 - principal legal counsel(s)
 - principal financial adviser(s)/investment bank(s) and any other bank/adviser appointed to handle Stock Exchange class 1 transactions
 - Company registrar

8. Employees

- 8.1 The approval of significant changes to the rules of the Company's principal pension schemes (i.e. the Elementis Group Pension Scheme and the Elementis Group Pension Plan in the UK, the Elementis Worldwide Career Reward Plan and the Retirement Savings Plan, the Elementis Worldwide Defined Benefit Plans for unionised/hourly paid employees in the USA, and the Dutch pension plan); changes of trustees, pension scheme advisers and changes in funding, reporting, administration and fund management arrangements (subject to the provisions in trust deeds, scheme rules and pension law). Board approval is required in respect of significant or strategic decisions concerning the provision of retirement benefits generally and any variations to them. Decisions on matters concerning eligibility, entitlements and discretionary benefits, for example the interpretation or application of plan rules, shall be made by either the Chief Executive Officer or Chief Financial Officer unless such decisions can have a significant or lasting impact on funding arrangements, in which case Board approval shall also be required. Where discretionary benefits have been agreed without recourse to the Board, such decisions shall be reported to the Board on an annual basis.

- 8.2 The approval of all annual and long term incentive plans, employee share and share based schemes (whether subject to shareholder approval or not) and the granting of share and option awards to employees under such plans.
- 8.3 The approval of the framework for the remuneration of the executive directors and members of the executive leadership team.

9. Miscellaneous

The following section refers to a number of matters in respect of which the director or executive to whom the matter first becomes known has, by necessity, to exercise his judgement in deciding whether and at what point the matter should be referred to the Board.

The Board reserves to itself the authority to decide on any matter which:

- 9.1 Is likely to result in disruption to any subsidiary's ability to carry on its business; or
- 9.2 Is likely to present a serious risk to the continuation of a subsidiary's business; or
- 9.3 Is likely to damage the reputation of the Group as a whole in the eyes of its shareholders or the general public or damage the reputation of any subsidiary in the eyes of its customers or be capable of prejudicing the Group's dealings with its suppliers; or
- 9.4 Is likely to result in a substantial unplanned financial risk to any subsidiary company; or
- 9.5 Is likely to result in the contravention of statutory regulations or the requirements of regulatory authorities.

10. Recommendations

In connection with the above, the Board shall, when it deems it appropriate, decide upon, amend as necessary and disseminate Group policies.

Approved by the Board on 26 April 2018