



**QnITY ELECTRONICS, INC.  
PEOPLE AND COMPENSATION COMMITTEE CHARTER**

**I. PURPOSE**

- (a) The primary purposes of the People and Compensation Committee (the “Committee”) are to discharge the responsibilities of Qnity Electronics, Inc.’s (the “Company”) board of directors (the “Board of Directors”) relating to (i) the compensation and benefits of the Company’s executive officers, employees of the Company and non-employee directors in a manner consistent with and in support of the Company’s business objectives, competitive practice and all applicable laws, rules and regulations and (ii) oversight of the effective recruitment, development and retention of talent necessary to support the long-term success of the Company in accordance with the Company’s commitment to equal employment opportunity.

**II. RESPONSIBILITIES**

- (a) The Committee’s responsibilities include the following:
  - (i) Assessing current and future senior leadership talent of the Company, including their development, and the succession plans of all key management positions of the Company other than the Chief Executive Officer of the Company (the “CEO”).
  - (ii) Assisting the Board of Directors in CEO succession planning, including overseeing the CEO’s succession planning process.
  - (iii) Reviewing and approving periodically the Company’s programs for executive development, performance and skills evaluations.
  - (iv) Conducting periodic reviews of the Company’s talent processes.
  - (v) Periodically reviewing and discussing with management the Company’s human capital management activities, including matters relating to talent management and development, talent acquisition, employee engagement and commitment to a workplace culture where all employees can thrive.
  - (vi) Reviewing and approving the goals and objectives relevant to the CEO’s compensation, overseeing the performance evaluation of the CEO based on those goals and objectives (taking into account input from other independent directors of the Company) and, together with the other independent members of the Board of Directors, determining and approving the CEO’s compensation based on this evaluation.



- (vii) Reviewing and approving all compensation and employment arrangements, including severance agreements, of the Company's executive officers ("executive officer" means any "officer" as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (the "executive officers"), other than the CEO.
- (viii) Recommending non-employee directors' compensation (including any perquisites or other personal benefits) to the Board of Directors.
- (ix) Recommending and/or approving changes to equity-related compensation plans of the Company and executive officer bonus plans and such other compensation plans as the Committee or Board of Directors shall determine, at least annually and at such other time as may be appropriate.
- (x) Reviewing and/or approving significant changes to the Company's employee retirement and benefit plans.
- (xi) Recommending and approving the principles guiding the Company's executive officer compensation and benefits plans and other compensation or benefit plans.
- (xii) Reviewing the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, reviewing and discussing the relationship between risk management policies and practices and compensation and evaluating compensation policies and practices that could mitigate any such risk, at least annually and at such other time as may be appropriate.
- (xiii) Reviewing and, as applicable, approving the Compensation Discussion and Analysis and the Committee report, and other executive compensation disclosures, for inclusion in the Company's Annual Report on Form 10-K, annual meeting proxy statement and any other filings with the Securities and Exchange Commission (the "SEC") in compliance with the rules and regulations promulgated by the SEC.
- (xiv) Reviewing regularly and assessing the adequacy of this Charter and recommending changes, if any, to the Board of Directors.
- (xv) Conducting an annual performance evaluation of the Committee.
- (xvi) Reviewing and considering the stockholder voting results of any proposal related to the compensation of the Company's executive officers.
- (xvii) Establishing and periodically reviewing stock ownership guidelines for executive officers and non-employee directors and confirming that such



guidelines are being adhered to by executive officers and non-employee directors.

- (xviii) Regularly reporting the Committee's activities to the full Board of Directors.
  - (xix) Performing such duties and responsibilities as may be assigned to the Committee under the terms of any executive officer compensation or benefit plan or any other compensation or benefit plan.
  - (xx) Reviewing perquisites or other personal benefits provided to the Company's executive officers and establishing any policies related thereto.
  - (xxi) Reviewing and approving the terms of any compensation "clawback" or similar policy and overseeing the application of any such policy.
  - (xxii) Reviewing all equity-compensation plans to be submitted for approval by the Company's stockholders under the New York Stock Exchange (the "NYSE") listing standards, and reviewing and, in the Committee's sole discretion, approving all equity-compensation plans that are exempt from such stockholder approval requirement.
  - (xxiii) Performing such further functions as may be consistent with this Charter or assigned by applicable law, the Company's Certificate of Incorporation or Bylaws (each as may be amended or restated from time to time) or by the Board of Directors.
- (b) In carrying out these responsibilities, the Committee may, among other actions necessary or appropriate:
- (i) Take appropriate action to authorize the issuance of the Company's common stock pursuant to provisions of the Company's compensation and benefit plans by approving equity-based awards and/or the Company's equity-based plans.
  - (ii) Retain or replace trustees under the Company's benefit plans and take such other actions as may be required by the Company's compensation and benefit plans, related trust agreements or other plan documents.
  - (iii) Retain any compensation consultants that the Committee, in its sole discretion, deems appropriate to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation and oversee the work of the compensation consultants (including approval of an applicable executive compensation peer group). In retaining



compensation consultants, the Committee must consider the factors specified in the Exchange Act and rules of the NYSE.

- (iv) Retain and obtain the advice and assistance of outside counsel and such other advisors as the Committee, in its sole discretion, deems appropriate to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of its outside counsel and other advisors. In retaining outside counsel and such other advisors, the Committee must consider the factors specified in the Exchange Act and rules of the NYSE.
  - (v) Request any officer or employee of the Company or the Company's outside counsel to attend a meeting of or to meet with any members of, or consultants to, the Committee.
  - (vi) Conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities.
- (c) The Company shall provide the Committee with the appropriate funding, as determined by the Committee in its capacity as a committee of the Board of Directors, for the payment of compensation and/or reimbursement of expenses to its compensation consultants, outside counsel and any other advisors and to carry out its responsibilities.
- (d) The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with the rules and regulations of the SEC.

### **III. COMPOSITION**

- (a) The Committee shall be comprised of at least three independent directors, as determined from time to time by the Board of Directors. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the NYSE and any additional requirements that the Board of Directors deems appropriate. Each member must qualify as a "non-employee director" for the purposes of Rule 16b-3 of the Exchange Act.
- (b) The members of the Committee shall be elected by the Board of Directors. The members of the Committee shall serve until their successors shall be duly elected and qualified. The Board of Directors may remove any Committee member for any or no reason in accordance with applicable law. The Board of Directors shall designate a member of the Committee as Chairperson. The Chairperson shall have the delegated authority to act on behalf of the Committee in connection with (a) the negotiation and execution of engagement letters for



compensation consultants, legal counsel or other advisers to be retained by the Committee and (b) as may otherwise be determined by the Committee.

- (c) The Committee may form subcommittees composed of one or more of its members for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate. If and when appropriate to satisfy the requirements of Rule 16b-3 under the Exchange Act, any such subcommittee shall be composed solely of two or more members that have been determined to be "non-employee directors" within the meaning of Rule 16b-3 under the Exchange Act.
- (d) The Committee may delegate to one or more officers or other employees of the Company the authority to grant, amend and/or administer awards of cash or options or other equity securities to any employees or other service providers of the Company who, in either case, are not executive officers (as defined below) of the Company under the Company's incentive-compensation or other equity-based plans as the Committee deems appropriate. Any such delegation must be made in accordance with the terms of the relevant plan, the Company's bylaws and applicable state law.

#### **IV. MEETINGS**

- (a) The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but no less than three times annually. The Committee may at its discretion meet with or without management, and with or without any compensation consultant or other advisor retained by the Committee, in separate executive sessions to discuss any matters that the Committee, management or the compensation consultant believe should be discussed privately. However, the Committee shall meet regularly without management present, and in all cases the CEO and any other such officers shall not be present during any portion of a Committee meeting at which their compensation or performance is discussed or determined.
- (b) A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.
- (c) The Committee shall maintain minutes of its meetings and records relating to those meetings.
- (d) Unless otherwise restricted by the Company's Certificate of Incorporation or Bylaws (each as may be amended or restated from time to time) or by the Board of Directors, any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if all members of the Committee



consent thereto in writing or by electronic transmission, and the writings or electronic transmissions are filed with the minutes of the proceedings of the Committee in accordance with applicable law.