



**QnITY ELECTRONICS, INC.**  
**BOARD OF DIRECTORS CORPORATE GOVERNANCE GUIDELINES**

These Corporate Governance Guidelines (these “Guidelines”) serve as an important framework for the corporate governance practices of Qnity Electronics, Inc.’s (the “Company”) board of directors (the “Board”) and shall assist the Board in carrying out its corporate governance responsibilities effectively. The Nomination and Governance Committee reviews these Guidelines periodically and, as appropriate, will recommend any proposed changes to the Board for approval.

**I. The Role of the Board**

(a) Responsibility

- (i) The Board is responsible for broad corporate policy and overall performance of the Company through oversight of management and stewardship of the Company to enhance the long-term value of the Company for its stockholders and the vitality of the Company for its other stakeholders.

(b) Role

- (i) In carrying out its responsibility, the Board has specific functions, in addition to the general oversight of management and the Company’s business performance, including providing input and perspective in evaluating alternative strategic initiatives; reviewing and, where appropriate, approving fundamental financial and business strategies and major corporate actions; ensuring processes are in place to maintain the integrity of the Company; evaluating and compensating the Company’s Chief Executive Officer (the “CEO”); monitoring the culture and values of the Company; and planning for CEO succession and monitoring succession planning for other key positions of the Company.

(c) Duties

- (i) Directors are expected to expend sufficient time, energy and attention to assure diligent performance of their responsibilities. Directors are expected to attend meetings of the Board, its committees on which they serve and any subcommittees thereof on which they serve, and the annual meeting of stockholders of the Company; review materials distributed in advance of the meetings; and make themselves available for periodic updates and briefings with management via telephone or one-on-one meetings.

(d) Leadership



- (i) The Chairperson of the Board shall be the chairperson of, and report to, the Board and shall have lead responsibility for chairing the Board. The Chairperson of the Board shall be responsible for the agenda and schedule of all meetings of the Board. The Chairperson of the Board, or, in the absence of the Chairperson of the Board, the independent Lead Director (if any), or, in the absence of the Chairperson of the Board and independent Lead Director, a member of the Board selected by the directors present, shall preside at meetings of the Board. The Secretary or an Assistant Secretary of the Company shall act as secretary, but in the absence of the Secretary or an Assistant Secretary, the presiding officer may appoint a secretary.
  
- (ii) The Board will determine the appropriate leadership structure for the Company in light of the circumstances at a given time. The Board has discretion to determine whether the Company and its stockholders are best served by combining or separating the roles of Chairperson of the Board and CEO. If the Chairperson of the Board is an independent director, he or she shall be considered to be the independent Lead Director. If the Chairperson of the Board is not an independent director, another director shall be appointed to serve as the independent Lead Director by the independent Board members. The independent Lead Director shall be appointed to serve for at least one (1) year and shall have the following responsibilities:
  - (1) preside at all meetings of the Board at which the Chairperson of the Board is not present, including executive sessions of the Board's independent directors;
  - (2) serve as liaison between any non-independent directors of the Board (including the Chairperson of the Board, if applicable), on the one hand, and the independent directors of the Board, on the other hand;
  - (3) review and approve information sent to the Board;
  - (4) participate in the development of meeting agendas and schedules and consult with the Chairperson of the Board regarding the same;
  - (5) if requested by major stockholders of the Company, ensure that he or she is available for consultation and direct communication;
  - (6) serve as focal point for stockholder communications and requests for consultation that are, in each case, addressed to independent members of the Board;



- (7) review and approve meeting schedules to assure that there is sufficient time for discussion of all agenda items;
  - (8) have authority to call meetings of the Board; and
  - (9) seek to promote a strong Board culture, including the participation of all directors in an environment of open dialogue, constructive feedback and effective communication across the Board's committees and among the Chairperson of the Board, the Board as a whole, the Board's committees and senior management.
- (e) Independence
  - (i) A substantial majority of the Board are independent directors in accordance with the standards of independence of the New York Stock Exchange (the "NYSE") and as described in these Guidelines. The Nomination and Governance Committee shall annually review, and make a recommendation to the Board for final determination regarding, the independence of each director.
- (f) Qualifications
  - (i) The Board will determine the qualifications, qualities, skills and other expertise for the Board as a whole and for its individual members. Directors are selected for their integrity and character; sound, independent judgment; breadth of experience, insight and knowledge; and business acumen. Leadership skills, scientific or technology expertise, familiarity with issues affecting global businesses in diverse industries, diversity of background and experience, time availability in light of other commitments, dedication, compatibility with the Board's culture and conflicts of interest are among the relevant criteria, which will vary depending on the needs of the Board. The Nomination and Governance Committee recommends to the Board the slate of director nominees to be submitted for stockholder vote at the annual meeting of stockholders and, from time to time, recommends individuals to fill any vacancy on the Board, in each case, in accordance with the Amended and Restated Bylaws of the Company (as may be amended and/or restated from time to time, the "Bylaws").
  - (ii) The Board limits the number of other public company boards that a director may serve on. No director who is an executive officer of a public company may serve as a director of the Company if he or she serves on more than a total of three (3) public company boards, including the Board and the board of directors of the company with which the director is



employed. If a director is not an executive officer of a public company, he or she may serve on a maximum of four (4) public company boards, including the Board. Directors are required to advise the Chairperson of the Board in advance of serving on another company's board of directors.

- (iii) When a director's principal responsibilities or business association changes significantly, the director should promptly notify the chairperson of the Nomination and Governance Committee. The Board does not believe any director who retires from their present employment, or who materially changes their principal responsibilities or business association, should necessarily leave the Board; however, there should be an opportunity for the Board, through the Nomination and Governance Committee, to review the continued appropriateness of Board membership under these circumstances. The Nomination and Governance Committee will then make a recommendation to the Board as to any action to be taken with respect to such circumstances. The disinterested members of the Board will make the final determination as to any such action to be taken.
- (iv) If a director wishes to tender his or her resignation, he or she must do so by providing written notice to the independent Lead Director or, if there is no independent Lead Director, the Chairperson of the Board.
- (v) No director may stand for reelection to the Board after reaching age 75. An employee director retires from the Board when retiring from employment with the Company, with the exception of the former CEO. The Board may in unusual circumstances and for a limited period of time ask a director to stand for reelection after the prescribed retirement date.
- (vi) The Company shall periodically (at least annually) distribute to and receive from each director and officer (as that term is defined in Rule 16a-1(f) under the Securities and Exchange Act of 1934) a Directors' and Officers' Questionnaire (the "D&O Questionnaire"). The Corporate Secretary (or designee) shall review (in consultation with the Company's outside legal counsel, as appropriate) all D&O Questionnaires to assist in making any required disclosures in the Company's filings with the Securities and Exchange Commission and to confirm, among other matters, the continued independence of each independent director. New directors or officers to the Company shall complete a D&O Questionnaire prior to serving as a Company director or officer. The review of the completed D&O Questionnaire shall consider, among other things, the director's or officer's outside business dealings and any relationship he/she may have with the Company, outside of serving as a director or officer of the Company.



(g) Size of the Board

- (i) The Bylaws prescribe that the number of directors of the Company which shall constitute the entire Board shall not be less than six (6) nor more than sixteen (16), as fixed from time to time exclusively by resolution of a majority of the entire Board and that the term “entire Board” means the total authorized number of directors that the Company would have if there were no vacancies.

**II. Election of Directors**

- (a) Directors shall be elected by the vote of a majority of the stockholder votes cast at a meeting where there is a quorum of the Company’s stockholders, as defined in the Bylaws; except that, notwithstanding the foregoing, directors shall be elected by a plurality of the stockholder votes cast at a meeting where there is a quorum of the Company’s stockholders, as defined in the Bylaws, if as of the record date for such meeting the number of director nominees exceeds the number of directors to be elected. For purposes of the foregoing sentence, a majority of the stockholder votes cast means that the number of shares voted “for” a director nominee must exceed the number of shares voted “against” that director nominee.
- (b) The Board expects an incumbent director to tender his or her resignation if he or she fails to receive the required number of votes (as set forth in the Bylaws) for reelection. The Board shall nominate for election or reelection only director candidates who agree to tender, promptly following the annual meeting of stockholders of the Company at which they are elected or reelected as a director, irrevocable resignations that will be effective upon (i) the failure to receive the required vote at the next annual meeting of stockholders of the Company at which they face reelection and (ii) Board acceptance of such resignation in accordance with the procedures specified in these Guidelines. In addition, the Board shall fill director vacancies and newly created directorships only with candidates who agree to tender, promptly following their appointment to the Board, the same resignation tendered by other directors in accordance with these Guidelines.
- (c) In the event an incumbent director fails to receive the required vote for reelection, the Nomination and Governance Committee (or other committee of the Board designated by the Board) shall make a recommendation to the Board as to whether to accept or reject the resignation of the incumbent director. The Board shall act on the resignation, taking into account the recommendation of the Nomination and Governance Committee, and promptly disclose (by press release, filing of a Current Report on Form 8-K or any other public means of disclosure deemed appropriate) its decision following certification of the election results. The Nomination and Governance Committee, in making its



recommendation, and the Board, in making its decision, may consider all facts and circumstances they consider relevant or appropriate in reaching their determinations. The Board expects any director whose resignation is under consideration pursuant to these Guidelines to abstain from participating in the Nomination and Governance Committee's recommendation or the action of the Board regarding whether to accept the resignation.

(d) Orientation and Continuing Education

(i) New directors participate in an orientation process to become familiar with the Company and its strategic plans and businesses, significant financial matters, Board culture, core values including ethics, compliance programs, corporate governance practices and other key policies and practices through a review of background materials, meetings with senior executives and visits to Company facilities. The Nomination and Governance Committee is responsible for providing guidance on directors' continuing education.

(e) Compensation

(i) The Board believes that compensation for non-employee directors should be competitive and appropriate to ensure the Company's ability to attract and retain highly qualified directors. The Company's common stock is a key component of director compensation. Payment of a portion of director compensation may include the Company's stock, options or a similar form of equity-based compensation, each of which are subject to stock ownership guidelines. The stock ownership guidelines require non-employee directors to hold 30% of all shares of Company stock acquired until the stock ownership guidelines are met. The People and Compensation Committee shall review periodically the level and form of non-employee director compensation and, if appropriate, propose changes for consideration by the full Board.

(f) Annual Self-Evaluation

(i) The Board and each of its committees make an annual self-evaluation of its performance, with a particular focus on overall effectiveness, and of its culture. In addition, the Board conducts an annual evaluation of each director which informs the annual director nomination process. The Nomination and Governance Committee is responsible for overseeing the self-evaluation and individual director evaluation processes.

(g) Access to Management and Advisors



- (i) Directors have access to the Company's management and, in addition, are encouraged to visit the Company's facilities. As necessary and appropriate, the Board and, to the extent provided in their respective charters, its committees may retain outside legal, financial or other advisors.

### **III. Board Meetings**

#### **(a) Selection of Agenda Items**

- (i) In consultation with the independent Lead Director, the Chairperson of the Board shall establish the agenda for Board meetings. Directors are encouraged to suggest items for inclusion on the agenda and may raise subjects not specifically on the agenda.

#### **(b) Executive Sessions**

- (i) Regularly scheduled Board meetings shall include a session of all directors, the Chairperson of the Board, the CEO and the Secretary. In addition, the Board's independent members shall meet in regularly scheduled executive sessions presided over by the independent Lead Director.

### **IV. Standing Board Committees**

- (a) The Board currently has three (3) standing committees: (i) Audit Committee, (ii) People and Compensation Committee and (iii) Nomination and Governance Committee. The Board designates a Chairperson for each standing committee and determines the appropriate number of members of each standing committee. As set forth in the Bylaws, the Board may also designate one (1) or more additional committees.
- (b) Each standing committee shall adopt a written charter describing its duties and powers and its member qualifications. The charters of the standing committees shall be available on the Company's corporate governance website. Each standing committee shall periodically review its charter and recommend to the Board any changes it deems appropriate.

### **V. Frequency of Board and Committee Meetings**

- (a) Regular meetings of the Board shall be held at such times and places as determined by the Board. The frequency of standing committee meetings shall be set forth in each committee's charter. Additional meetings of the Board and its committees shall be held in circumstances that create the need for a special meeting.



## **VI. Communications with Stockholders**

- (a) Stockholders of the Company and other parties interested in communicating directly with the Board, the Chairperson of the Board, the independent Lead Director or other outside directors may do so by writing in care of the Secretary of the Company (who shall provide such communications to the intended addressee). The Board's independent directors have approved procedures for handling correspondence received by the Company and addressed to the Board, the Chairperson of the Board, the independent Lead Director or other outside directors. The Nomination and Governance Committee shall review and make recommendations to the Board regarding stockholder engagement with Board members.

## **VII. Confidentiality**

- (a) Under the Company's Director Code of Conduct, directors are required to protect and hold confidential all non-public information obtained due to their positions as directors.

## **VIII. CEO Evaluation and Compensation**

- (a) Through an annual process overseen and coordinated by the People and Compensation Committee, independent directors evaluate the CEO's performance and set the CEO's compensation.



Guidelines for Determining the Independence of the Company's Directors

The Company's standards for determining director independence are the same as those set forth in the NYSE Listed Company Manual.