

SOLSTICE ADVANCED MATERIALS INC.

Audit Committee Charter

The Committee shall review this Charter on an annual basis and recommend any changes to the Board for approval.

I. Composition

The Committee shall be composed of three or more members of the Board of Directors who meet the independence and other requirements established for audit committee members under the listing standards and rules of the Nasdaq Stock Market and the Securities and Exchange Commission. At least one member of the Committee shall satisfy the financial sophistication requirements set forth in such listing standards and rules. No member of the Committee can have participated in the preparation of the Company's or any of its subsidiaries' financial statements at any time during the past three years.

The members of the Committee shall be elected by the Board at the recommendation of the Nominating and Governance Committee. Committee members may be replaced by the Board. If an Audit Committee Chair is not designated or present, the members may designate a Chair by majority vote.

II. Meetings

The Committee shall meet at least eight times each fiscal year. The Committee shall meet with management and shall meet periodically with the chief internal auditor and the independent auditors in separate executive sessions. The Committee shall report regularly to the Board on its discussions and actions and shall make recommendations to the Board as appropriate.

III. Purpose

The Committee shall provide assistance to the Board of Directors in fulfilling its responsibilities relating to oversight of (i) the Company's accounting and financial reporting processes and internal control system, (ii) the audits of the Company's financial statements, (iii) the independent auditor's qualifications and independence, (iv) the performance of the Company's internal audit function and independent auditor, and (v) compliance with legal and regulatory requirements.

The Company's management is responsible for preparing the Company's financial statements and the independent auditors are responsible for auditing those financial statements. The Committee is responsible for overseeing the conduct of these activities by the Company's management and the independent auditors.

IV. Responsibilities

The following shall be the primary activities of the Committee in carrying out its oversight responsibilities. The Committee may, from time to time, alter its procedures as appropriate given the circumstances and shall perform such other functions as may be assigned to it by law, the Company's charter, the by-laws or by the Board.

1. Review the results of each external audit of the Company's financial statements, including any certification, report, opinion or review rendered by the independent auditor in connection with the financial statements, and ensure that the independent auditor has full access to the Committee during its performance of the audits to report on any and all appropriate matters.

2. Review other matters related to the conduct of the audit which are communicated to the Committee under generally accepted auditing standards and rules of the Securities and Exchange Commission.

3. Based on the review under 1 and 2 above, the Committee will advise the Board of Directors whether it recommends that the audited financial statements be included in the Company's Annual Report on Form 10-K and prepare the Committee report to be included in the Company's proxy statement in accordance with Securities and Exchange Commission rules.

4. Review with management and the independent auditors, prior to the filing thereof, the Company's annual and interim financial results (including Management's Discussion and Analysis) to be included in Forms 10-K and 10-Q, respectively, and the matters required to be communicated to the Audit Committee under generally accepted auditing standards and rules of the Securities and Exchange Commission. The Chair of the Committee may represent the entire Committee for purposes of the interim review.

5. Appoint, and recommend to the shareowners for approval, the firm to be engaged as the Company's independent auditor, which firm shall report directly to the Committee. The Committee shall be directly responsible for the compensation, retention and oversight of the independent auditor, including the resolution of disagreements between management and the independent auditor regarding financial reporting. The Committee shall have the sole authority to approve all audit engagement fees and terms. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the independent auditors.

6. Review and discuss earnings releases, guidance releases and presentations to be made public in connection with such releases, including the types of financial information to be disclosed in connection with such disclosures.

7. Evaluate at least annually the independent auditor's performance and, if appropriate, recommend its discharge.

8. Receive at least annually the written disclosures and the letter from the independent auditor required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditor's communications with the Committee

concerning independence and delineating all relationships between the auditor and the Company. The Committee shall discuss with the auditor the scope of any disclosed relationships or services and their impact or potential impact on the auditor's independence and objectivity, and recommend that the full Board take appropriate action to satisfy itself of the auditor's independence.

9. Review at least annually reports by the independent auditor describing the auditor's internal quality control procedures, material issues raised by its most recent internal quality control (or peer) review, all relationships between the auditor and the Company and any audit problems or difficulties and management's response.

10. Approve all non-audit engagements with the independent auditor, either through express prior review and approval or through the adoption of policies and procedures for engaging the independent auditor to perform services other than audit, review and attest services. Between regularly scheduled meetings of the Committee, the Chair of the Committee may represent the entire Committee for purposes of the review and approval of the terms of non-audit engagements with the independent auditor.

11. Review, with management and the independent auditor, the Company's internal control over financial reporting, including management's annual assessment of the adequacy and effectiveness of internal control over financial reporting, any significant deficiencies or material weaknesses in internal controls (including the remediation thereof), any fraud (regardless of materiality) involving management or other employees having a significant role in internal control over financial reporting, and any changes in internal controls that have materially affected or are likely to materially affect internal control over financial reporting. The foregoing shall include review of reports of the independent auditor and the chief internal auditor related to the adequacy of the Company's internal accounting controls, including any management letters and management's responses to recommendations made by the independent auditor or the chief internal auditor.

12. Review, with appropriate members of senior management, the Company's disclosure controls and procedures, including management's conclusions about the effectiveness thereof and any material non-compliance therewith, and any audit steps adopted in light of any such non-compliance.

13. Review, in consultation with the independent auditor and the chief internal auditor, the scope and plan of forthcoming external and internal audits (including areas to be examined, the adequacy and proficiency of personnel to be assigned to the audits, other factors that may affect the audit timeline, and audit procedures, and other risk and performance metrics for internal audits as defined in the Corporate Audit Department charter), the involvement of the internal auditors in the audit examination, and the independent auditor's responsibility under generally accepted auditing standards.

14. Oversee the Company's policies with respect to risk assessment and risk management, including the Company's risk assessment policies, major financial risks and enterprise exposures, and steps taken to monitor, control, and respond to such exposures.

15. As appropriate, obtain advice and assistance from outside legal, accounting or other advisors. The Company shall provide appropriate funding to the Committee, as determined by the Committee, for the payment of compensation to any such advisors.

16. Review, approve and thereby establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters. Review at least quarterly the Company's significant accounting, internal control and other integrity and compliance investigations.

17. Review material legal and compliance matters involving the Company periodically with the Company's Senior Vice President and General Counsel and the Chief Compliance Officer, it being understood that each such individual has express authority to communicate personally with the Chair of the Audit Committee about any such matter as appropriate and each such individual may be invited to attend Audit Committee meetings periodically, as determined by the Committee.

18. Monitor and provide risk oversight with respect to focus areas as may be assigned to the Committee from time to time by the Board of Directors, including cybersecurity, data use and compliance (including under artificial intelligence regulations), tax and liquidity management, product integrity and product security, vendor risk, operational business continuity and crisis management.

19. Review, approve and thereby establish clear hiring policies regarding employees or former employees of the independent auditor.

20. Review succession planning for the Company's finance and accounting function, including the appointment and replacement of the Company's chief internal auditor.

21. The Committee shall have the power to inquire into any financial matters not set forth above, and shall perform such other functions as may be assigned to it by law, or the Company's charter or by-laws, or by the Board.

22. Undertake an annual performance evaluation of the activities of the Committee, including the Committee's charter and its responsibilities as set forth above.