

Neo Performance Materials Inc.

(the "Company")

Mandate of the Health, Environment, Safety and Sustainability Committee

As approved by the Board of Directors of the Company (the "**Board**") on March 9, 2018, and reviewed by same on May 11, 2021, with no changes.

A. PURPOSE AND SCOPE

The primary function of the Health, Environment, Safety and Sustainability ("**HESS**") Committee (the "**Committee**") of the Board is to assist the Board in fulfilling its oversight responsibilities relating to the Company's policies, standards, goals and objectives, and compliance systems regarding HESS matters. The Committee shall provide oversight on work relative to: (i) the protection of the health and safety of employees, contractors, customers, and the public; (ii) the protection of Company property; (iii) the protection of the environment and; (iv) the promotion of sustainable business practices.

B. COMPOSITION AND MEETINGS

1. The Committee shall be comprised of a minimum of three members of the Board as appointed by the Board.
2. A majority of the members of the Committee shall constitute a quorum at any meeting of the Committee, but in no case shall a quorum be comprised of less than two members of the Committee, and the action of a majority of those present (or all members if only two members form a quorum of the Committee), after determining a quorum, shall be the act of the Committee. In the case of an equality of votes, the Chairman of the Committee shall not be entitled to a second or casting vote.
3. The members of the Committee shall be appointed by the Board at the meeting of the Board following each annual meeting of shareholders and shall serve until their successors shall be duly appointed and qualified or until their earlier death, resignation or removal. The Board may fill a vacancy in the membership of the Committee and may remove a member of the Committee at any time for any reason. Unless a Chair of the Committee is appointed by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership. In the absence of the Chair of the Committee at a duly convened meeting, the Committee shall select a temporary substitute from among its members.
4. The Board shall annually review the Committee's performance and the Committee shall undertake a self-assessment on an annual basis.
5. The Committee shall meet as necessary, but at least two times each year, to enable it to fulfill its responsibilities and duties as set forth herein.
6. The Committee may invite members of management or others to attend Committee meetings and provide pertinent information as the Committee may request on the issues being considered.
7. Meetings may be called by the Chair of the Committee or at the request of any member of the Committee or any member of the Board.

8. Ordinarily, meetings of the Committee should be convened with no less than seven days' notice having been given. In exceptional circumstances the requirement for notice may be waived subject to the formal consent of no less than the number of Committee members that constitutes a quorum of the Committee or instruction by a resolution of the Board.
9. The Committee shall report its actions to the members of the Board and the Corporate Secretary of the Company and keep written minutes of its meetings which shall be recorded and filed with the books and records of the Company. The Chair shall be responsible for establishing or causing to be established the agenda for each Board meeting, and for ensuring that regular minutes of Board proceedings are kept and circulated on a timely basis for review and approval. Minutes of each meeting will be made available to the members of the Board and the Corporate Secretary of the Company.

C. RESPONSIBILITIES AND DUTIES OF THE COMMITTEE

To assist the Board in fulfilling its oversight responsibilities relating to the Company's policies, standards, goals and objectives, and compliance systems regarding HESS matters, the Committee shall:

Oversight of the Company's Policies, Standards, Goals and Objectives with Respect to HESS matters.

1. Review the appropriateness of the HESS Goals and Objectives established by the management team, monitor progress reports and recommend course corrections when needed;
2. Monitor HESS Policies and Standards established by the management team with the goal of reducing HESS risks;
3. Oversee the Company's efforts to monitor and enforce internal policies, standards and compliance with regulatory requirements. Discuss annually with management the scope and plans for conducting audits of the Company's safety, health, environmental and sustainable business practices and performance. The Committee will meet with management to discuss significant results of audits and the Company's record of performance.
4. Review with management the quality of the Company's systems for identifying, assessing, monitoring and managing the principal risks in the Company's business associated with safety, health, environmental and sustainability matters; provided however, that it is recognized that it is the responsibility of management to assess and manage the Company's exposure to safety, health, environmental and sustainable business practices and performance.
5. Monitor management's efforts to integrate sustainability into the daily business activities of the Company.

Legal Matters, Public Policy and Trends

6. Review and discuss with management pending or threatened material noncompliance with safety, health, environmental and sustainability-related laws, and management's response to such non-compliance.
7. Review and discuss with management pending or threatened administrative, regulatory, or judicial proceedings that are material to the Company, and management's response to such proceedings.

8. Review and discuss any significant safety, health, environmental and sustainability-related public policy, legislative, regulatory, political and social issues and trends that may affect the business operations, financial performance or public image of the Company or the industry, and management's response to such matters.
9. Review with management the Company's procedures for the handling of complaints regarding safety, health, environmental and sustainability matters.

Other

1. Review and assess the adequacy of this Mandate periodically as conditions dictate, but at least annually, to ensure compliance with any rules or regulations promulgated by any regulatory body and recommend to the Board for its approval, any modifications to this Mandate if and when appropriate.

C. RESPONSIBILITIES AND DUTIES OF THE COMMITTEE CHAIR

The Chair of the Committee is responsible for the management and effective performance of the Committee and provides leadership to the Committee in fulfilling its mandate and any other matters delegated to it by the Board. The Chair of the Committee's responsibilities include:

1. working with the Corporate Secretary and the other members of the Committee to establish the frequency of Committee meetings and the agendas for such meetings;
2. presiding over Committee meetings;
3. facilitating the flow of information to and from the Committee and fostering an environment in which Committee members may ask questions and express their viewpoints;
4. reporting to the Board with respect to significant activities of the Committee and any recommendations of the Committee; and
5. taking such other steps as are reasonably necessary to ensure that the Committee carries out its mandate.

D. ACCESS TO MANAGEMENT AND INDEPENDENT ADVICE

The Committee shall have unrestricted access to the Company's officers and employees. The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities and duties as described above, and may seek, retain and terminate accounting, legal, consulting or other expert advice from a source independent of management (collectively, "**advisors**"), at the expense of the Company, with notice to any of the independent Lead Director of the Board, the Chair of the Board or the Chief Executive Officer of the Company, as deemed appropriate by the Committee. In furtherance of the foregoing, the Committee shall have the sole authority to retain and terminate such advisors and shall have the sole authority to approve such advisers' fees and other retention terms; provided that before selecting or receiving advice from any such advisor (other than an advisor subject to an exclusion under the listing rules of any applicable exchange upon which securities of the Company are traded), the Committee must take into consideration all factors relevant to the advisor's independence from management, including any factors required by applicable law and existing exchange listing rules.