

# Chemtura Corporation

## Charter of the Organization, Compensation and Governance Committee of the Board of Directors

**Composition:** The board of directors annually elects, by majority vote of the directors then in office, the members, not fewer than three in number, of the Organization, Compensation and Governance Committee. All members of the committee shall be Independent Directors, as that term is defined in the corporation's Corporate Governance Principles.

**Functions  
And  
Authority:**

The functions and authority of the Organization, Compensation and Governance Committee include:

- approving the level of compensation for senior executive officers named in the corporation's proxy statement;
- annually reviewing the compensation of the Board and executives of the corporation in conjunction, where appropriate, with outside experts and reporting to the Board on the results of the review;
- advising the Board with respect to the selection of the CEO, and obtaining, as appropriate, the services of a search firm to be used to identify CEO candidates when necessary;
- reviewing and approving corporate goals and objectives relevant to the CEO's compensation, annually evaluating the CEO's performance in light of those goals and objectives, and setting the CEO's compensation level based on this evaluation;
- reviewing and approving bonus and deferred compensation plans, incentive arrangements and equity ownership guidelines for executive officers;

- monitoring the corporation's compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to 401(k) plans and with all other applicable laws affecting employee compensation and benefits;
- overseeing the corporation's compliance with the requirement under New York Stock Exchange rules that shareholders approve equity compensation plans, with permitted exceptions;
- review, approve and monitor the Chemtura Corporation long-term incentive plans;
- reviewing and approving (a) any employment agreements and severance arrangements; and (b) any change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits;
- receiving periodic reports on the corporation's compensation programs as they affect all employees;
- annually reviewing succession plans with the CEO and the Board;
- annually reviewing with the CEO the qualifications for Board membership in the context of the current Board membership;
- annually evaluating the effectiveness of the Board, including receiving comments from all directors regarding the Board's performance and by reviewing the definition of independence in the Corporate Governance Principles and ensuring compliance with the corporation's policies on independence, and reporting to the Board with an assessment of the Board's performance, to be discussed with the full Board following the end of each fiscal year;
- advising the Board with respect to the organization, size and composition of the Board and Board committees, including the appointment and removal of independent directors as members and chairmen of committees;
- identifying and screening candidates who fulfill the criteria set forth in the Corporate Governance Principles for membership on the Board utilizing, where appropriate, outside search firms;
- annually recommending to the Board a slate of candidates for election by the shareholders to the Board;

- annually reviewing this charter and recommending to the Board, where appropriate, modifications or additions hereto;
- annually reviewing the Corporate Governance Principles and recommending to the Board, where appropriate, modifications or additions thereto;
- producing an annual report on executive compensation for inclusion in the corporation's proxy statement, in accordance with applicable rules and regulations;
- performing an annual evaluation of the performance of the Committee in fulfilling the functions set forth in its charter;
- obtaining, as appropriate, the services of a consulting firm to assist in the evaluation of director, chief executive or senior executive compensation, including the sole right to approve such firm's fee and other retention terms;
- obtaining, as appropriate, the services of a search firm which will work for the Board with the cooperation of management, to be used to identify director candidates, including the sole right to approve such firm's fees and other retention terms;
- obtaining, as appropriate, the services of internal or external legal, accounting or other advisors;
- annually reviewing the structure and operations of the committee (including authority to delegate to subcommittees), committee member qualifications, the process for appointing and removing committee members; and
- regularly reporting to the Board on the activities of the committee.

**Meetings:**

The Organization, Compensation and Governance Committee shall meet at least three times each year in January, July and October.

July 1, 2005