

## **W. R. GRACE & CO.**

### **COMPENSATION COMMITTEE CHARTER**

#### **Purpose**

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) is to (1) approve all compensation actions with respect to the Company’s directors, executive officers, and certain other members of senior management; (2) evaluate and approve the Company’s annual and long-term incentive compensation plans (including equity-based plans), and oversee the general compensation structure, policies, and programs of the Company; and (3) produce an annual report on executive officer compensation as required by applicable law.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company’s By-laws. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval. While acting within the scope of powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board.

#### **Committee Membership**

The Committee shall consist of no fewer than three members. All members of the Committee shall (a) meet the independence requirements of the New York Stock Exchange, (b) have the experience, in the business judgment of the Board, that would be helpful in addressing the matters delegated to the Committee and (c) meet any other applicable laws or regulations including requirements under the federal securities laws and the Internal Revenue Code of 1986, as amended.

The Board shall appoint the members of the Committee, including the Committee Chair annually. The Board may remove Committee members with or without cause. Any member of the Committee may resign at any time by giving written notice of his or her resignation to the Chair of the Committee.

#### **Committee Authority and Responsibilities**

1. The Committee’s compensation philosophy is to attract, retain and motivate employees to perform in the best interests of the Company and its stockholders. The Committee shall review compensation policies and plans to ensure that this philosophy is supported and that such policies and plans allow the Company to attract, retain and motivate the talent required.

2. The Committee shall review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer (CEO), evaluate the CEO's performance in light of those goals and objectives, and have sole authority to determine and approve the CEO's compensation level based on this evaluation. In determining the long-term incentive component of CEO compensation, the Committee shall consider the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years.
3. The Committee shall annually review and approve, for the CEO, the other executive officers, and the CEO's other direct reports: (a) annual base salary, (b) annual incentive compensation, (c) long-term incentive compensation, (d) employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate, and (e) any special or supplemental benefits.
4. The Committee shall review new executive compensation programs and evaluate whether existing executive compensation programs are achieving their intended purposes. The Committee shall make recommendations to the Board with respect to equity compensation plans. The Committee may elect to approve an overall annual cash incentive pool that is distributed to non-executive officers at management's discretion.
5. The Committee shall administer the Company's equity incentive plans, including the review and grant of stock option and other equity incentive awards. The Committee is authorized to delegate to any one or more directors (which person(s) need not be members of the Committee) and/or executive officers the authority to review and grant, as the act of the Committee and of the Board, stock options and other equity incentive grants to eligible employees other than the CEO, the other executive officers, and the CEO's other direct reports.
6. The Committee shall review from time to time the Company's overall compensation policies and philosophy to insure that they are consistent with the Company's growth, productivity, profitability and risk management goals. The Committee shall review incentive compensation arrangements to confirm that incentive compensation arrangements do not encourage unnecessary risk-taking.
7. The Committee shall review and make recommendations with respect to the results of say-on-pay voting, and stockholder proposals related to compensation matters.
8. The Committee shall oversee the development of succession plans for the CEO and the other executive officers.

9. The Committee may form and delegate authority to subcommittees when appropriate; a subcommittee may consist of one or more members.
10. The Committee shall make regular reports to the Board and shall produce an annual report on executive officer compensation as required by applicable law.
11. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other adviser retained by the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for the payment of reasonable compensation to a compensation consultant, independent legal counsel or any other adviser retained by the Committee. The Committee may also, in its sole discretion, obtain the advice of in-house legal counsel.
12. The Committee may select a compensation consultant, legal counsel or other adviser to the Committee only after taking into consideration, all factors relevant to that person's or entity's independence from management including the following:
  - a. the provision of other services to the Company by such person or entity;
  - b. the amount of fees received from the Company by such person or entity, as a percentage of the total revenue of such person or entity;
  - c. the policies and procedures of such person or entity that are designed to prevent conflicts of interest;
  - d. any business or personal relationship of such person or entity with a member of the Committee;
  - e. any stock of the Company owned by such person or entity;
  - f. any business or personal relationship of such person or entity with an executive officer of the Company; and
  - g. any other factors required by applicable law or NYSE listing requirements.

The Committee shall report factors that are relevant to that person's independence from management as required by applicable law. The Committee shall conduct the independence assessment outlined above with respect to any compensation consultant, legal counsel or other adviser that provides advice to the Committee, other than (i) in-house legal counsel; and (ii) any compensation consultant, legal counsel or other adviser whose role is limited to the following activities for which no

disclosure would be required under NYSE or SEC regulations: consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; or providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide advice.

13. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall annually review its own performance.

**Approved by the Board of Directors**  
**Date: January 18, 2018**