

Last adopted: December 15, 2014

**MPM HOLDINGS INC.  
COMPENSATION COMMITTEE CHARTER**

**Purpose**

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) shall assist in setting the principles and strategies that guide the design of MPM Holdings Inc.’s and its subsidiaries’ (the “Company”) compensation and benefits programs in a manner that supports the Company’s business objectives, and shall assist in establishing and monitoring the Company’s executive compensation philosophy and goals. The Committee will perform such functions relating to the compensation and benefits of the Company’s Chief Executive Officer and the other executive officers making up its Senior Leadership Team as are set forth below.

**Membership**

The Committee shall consist of at least three Board members. To the extent applicable as determined by the Company’s position as a private or publicly held entity, its registrant status with the SEC or other regulatory body, or its listing status on any securities exchange, the membership of the Committee shall satisfy any and all applicable independence and experience requirements. Committee members will be appointed, and may be removed, by the Board in accordance with the By-Laws of the Company, as amended. Committee members shall serve for such term or terms as the Board may determine. The Board may appoint a Chairperson of the Committee, or, if it does not do so, the members of the Committee shall elect a chairperson by a vote of the majority of the full Committee.

**Delegation of Authority**

The Committee shall have the authority to delegate any of its responsibilities to subcommittees, to management benefit or investment committees, to the CEO and to the lead human resources officer, as the Committee may deem appropriate, provided that any subcommittees satisfy any applicable independence standards.

**Meetings**

The Committee shall meet as frequently as circumstances require, but at least annually. Special meetings of the Committee may be called by the Chairperson or upon the request of any two Committee members. The agenda of each meeting will be approved by the Chairperson and circulated, if practicable, to each member in advance of the meeting date. In the event the Chairperson is not present at a meeting, the Committee members present shall designate an acting chair. The Committee may request any officer or employee of the Company or any advisor to the Company to attend a meeting of the Committee. Minutes of each meeting will be kept with the regular corporate records.

**Responsibilities and Authority**

The Committee’s duties and responsibilities shall include the matters enumerated below, as well as such other matters as may be delegated to the Committee by the Board from time to time. In discharging its responsibilities, the Committee will act in reliance on management, the Committee’s and the Company’s other advisors and experts, as the Committee deems necessary

or appropriate. The Committee has the power, in its discretion, to conduct any investigation it deems necessary or appropriate to enable it to carry out its duties.

1. Review and discuss the Company's compensation strategy and philosophy to ensure it is appropriate to continue to attract, retain and motivate senior management and other key associates.
2. Review and make recommendations to the full Board with respect to Company goals and objectives relevant to the CEO's compensation and an appropriate compensation level, pertaining to all elements of compensation for the CEO, based on the Company's compensation philosophy, goals, objectives, and the CEO's performance. Evaluate annually the performance of the CEO in light of the Company's goals and objectives. In determining its recommended long-term incentive component of CEO compensation, factors that the Committee may, in its discretion, consider include the Company's performance and relative stockholder return (and the CEO's contribution thereto), the value of similar incentive awards to CEOs at comparable companies, and the awards given to the Company's CEO in past years. For the avoidance of doubt, the CEO shall not participate in any final determination by the full Board of the CEO compensation, and may not be present during voting or deliberations at which his or her compensation is being determined.
3. At least annually, review the CEO's recommendation for total compensation, including base salary, incentive, and equity-based compensation, for all members of the Senior Leadership Team other than the CEO, and make recommendations to the full Board with respect to the same.
4. Review management proposals concerning the Company's incentive compensation plans, equity-based plans and employee benefit plans (as such term is defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (the "ERISA Plans")). With respect to each such plan, the Committee shall have the responsibility for:
  - (i) Administering the plans other than the ERISA Plans;
  - (ii) Recommending to the full Board performance targets under all annual bonus and long-term incentive compensation plans as appropriate and committing to writing the performance targets for all executive officers who may be "covered employees" under applicable laws and regulations;
  - (iii) Recommending to the full Board any awards to be granted to executive officers under any performance-based annual bonus, long-term incentive compensation and equity-based plans;
  - (iv) Approving the adoption of any new plans and the termination and amendment of existing plans. The Committee may delegate the authority to approve non-material amendments to the ERISA Plans as it deems appropriate; and
  - (v) Recommending to the full Board any repurchase of the Company's securities from terminated associates.
5. Appoint the members of, delegate authority to, and monitor the performance of, the Company's Global Benefits and its Investments Committees.
6. Monitor and make recommendations with respect to succession planning for the CEO, CFO and other Senior Leadership Team members.

7. Review directors' and officers' indemnification and insurance matters and make such recommendations to the full Board as the Committee deems appropriate.
8. Approve employment agreements and separation packages and severance benefits for executive officers to the extent such packages are outside the Company's approved guidelines or policies and less than \$5,000,000 individually or in the aggregate, or, in the case of any such package(s) in excess of \$5,000,000 individually or in the aggregate, make recommendations with respect thereto to the full Board.
9. Oversee the Company's regulatory compliance with respect to compensation matters, including the Company's policies on structuring compensation programs to preserve tax deductibility, and, as and when required, establishing performance goals and certifying that performance goals have been obtained for purposes of Section 162(m) of the Internal Revenue Code.
10. Review the Company's compensation disclosures in its annual report on Form 10-K filed with the SEC. Review and approve the Company's Compensation Discussion and Analysis with management and, to the extent applicable as determined by the Company's status with the SEC, prepare, review and approve the "Report of the Compensation Committee" and its inclusion in any other document, including in the annual report to stockholders and in the annual proxy statement, if any.
11. Report regularly and propose any necessary action to the Board.
12. Periodically evaluate its own performance and make recommendations to the full Board concerning the Committee charter.
13. Periodically review and make recommendations to the full Board concerning the compensation of the Company's Board.
14. Perform any other activities consistent with this Charter, the Company's by-laws and governing law, as the Committee or the Board deems necessary or appropriate, or as may be necessary in light of any changing business, legislative regulatory, legal or other conditions.

#### **Outside Consultants**

The Committee has sole authority to retain or terminate any outside consultant for the sole purpose of advising the Committee. The Company will provide appropriate funding, as determined by the Committee, to compensate any such compensation consultant, outside accounting, legal or other advisors.

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