

**Livent Corporation**  
**Charter of the Audit Committee**  
**Of the Board of Directors**

**I. Purpose**

The Audit Committee shall assist the Board of Directors in monitoring (1) the integrity of the financial statements of the Company, (2) the independent auditor's qualifications and independence, (3) the performance of the Company's internal audit function and independent auditor and (4) the compliance by the Company with legal and regulatory requirements.

The Audit Committee shall prepare the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy report.

**II. Composition and Meetings**

The Audit Committee shall consist of no fewer than three members, one of whom shall serve as Chairman. The members of the Audit Committee shall meet the independence and experience requirements of the New York Stock Exchange, Section 10A of the Securities Exchange Act of 1934, as amended by the Sarbanes-Oxley Act of 2002, and the rules promulgated thereunder. At least one member of the Audit Committee shall be a financial expert as defined by the Securities and Exchange Commission. Audit Committee members shall generally not serve simultaneously on the audit committees of more than two other public companies; exceptions shall be reviewed and approved by the Board of Directors, and disclosed as required.

The Chairman and other members of the Audit Committee shall be appointed by the Board of Directors on the recommendation of the Nominating and Corporate Governance Committee. Audit Committee members may be replaced by the Board, subject to new members satisfying the independence, experience and financial expertise requirements referred to above.

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Committee shall meet periodically with management, internal auditors and the independent auditor in separate executive sessions. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

A number of directors equal to 33% or more of the Committee (but in no event fewer than two) shall constitute a quorum of the Committee for the transaction of business. A majority of members present may adjourn the meeting from time to time until a quorum is present. In his absence, the Chairman of the Committee may designate a member of the Committee to serve as chairman for the meeting or, in the absence of such designation, a majority of the members present at the meeting shall appoint a chairman for the meeting.

### III. Authority, Duties and Responsibilities

#### Review Procedures

The Audit Committee shall:

1. Meet to review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made in Management's Discussion and Analysis and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
2. Meet to review and discuss with management and the independent auditor the Company's quarterly financial statements prior to the filing of its Form 10-Q, including disclosures made in Management's Discussion Analysis, and the results of the independent auditor's review of the quarterly financial statements.
3. In connection with the reviews of the Form 10-K's and Form 10-Q's above, review and discuss with management and the independent auditor the following matters, as applicable:
  - Significant issues regarding accounting principles, financial reporting, financial statement presentation, and judgments made in the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles;
  - Significant issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies;
  - The independent auditor's report on:
    - a) All critical accounting policies and practices to be used;
    - b) Alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor;
    - c) Other material written communication between the independent auditor and management, such as any management letter or schedule of unadjusted differences;
  - Matters required to be discussed by Auditing Standards 1301 ("Communications with Audit Committees") relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, and any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

- Disclosures made to the Audit Committee by the Company's CEO and CFO regarding compliance with their certification obligations as required under the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder, including the Company's disclosure controls and procedures and internal controls over financial reporting and evaluations thereof.
  - The effect of regulatory and accounting initiatives, as well as off-balance sheet structures on the Company's financial statements.
4. Discuss with management the Company's policies with respect to risk assessment and risk management, including the Company's major financial risk exposures and steps management has taken to monitor and control such exposures, as well as significant estimates affecting the Company's financial statements, such as litigation, tax and environmental matters.
  5. Review with management the Company's earnings press releases, including the use of "pro-forma" or "non-GAAP" information, as well as information and earnings guidance provided to analysts and ratings agencies. Such discussions may be done generally, consisting of discussing the types of information to be disclosed and the types of presentations to be made.
  6. Review and reassess the adequacy of this Charter at least annually and recommend any proposed changes to the Board for approval.

#### Independent Auditors

1. The Audit Committee has sole authority to appoint or replace the independent auditor, subject to shareholder ratification. The independent auditor shall report directly to the Audit Committee.
2. The Audit Committee shall be directly responsible for the compensation and oversight of the work of the independent auditors, including the resolution of disagreements between management and the independent auditor regarding accounting and financial reporting, for the purpose of preparing or issuing an audit report or related work.
3. The Audit Committee shall pre-approve all audit and permitted non-audit services to be performed for the Company by the independent auditor, as described in the Audit Committee Pre-Approval Policy.
4. Obtain and review a report from the independent auditor at least annually regarding the following:
  - The independent auditor's internal quality-control procedures;
  - Material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more

independent audits carried out by the firm and any steps taken to deal with any such issues.

- All relationships between the independent auditor and the Company.

Evaluate the qualifications, performance and independence of the independent auditor, including considering whether the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and internal auditors. The Audit Committee shall present its conclusions with respect to the independent auditor to the Board of Directors.

5. Review and evaluate the lead partner of the independent audit team. Ensure the rotation of the lead audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit, as required by law. Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis.
6. Establish and review policies for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company.
7. Discuss with the independent auditor any communications between the audit team and the audit firm's national office respecting auditing and accounting issues presented by management.
8. Discuss with the independent auditor the annual audit plan, including scope, staffing, locations to visit, key risk areas, and general audit approach.
9. Discuss with the independent auditor and internal auditors the effectiveness of the Company's finance and accounting organization.

#### Internal Audit Department

1. Discuss the internal audit plan with the director of internal audit, including the scope, budget and qualifications of the internal audit staff, as deemed necessary.
2. Approve the appointment, performance and replacement of the director of internal audit.
3. Review significant internal audit findings with the director of internal audit, along with management's responses and follow-up to the findings, together with explanations for any significant deviations from the original plan.

### Compliance and Other Matters

1. Review annually the travel and entertainment expenses of the Chairman and President and Chief Executive Officer, and a summary of all other corporate officers' travel and entertainment expenses.
2. Review and discuss any reports from the Corporate Responsibility Committee, management, internal auditors and independent auditor regarding the Company's (including its subsidiary/foreign affiliated entities) conformity with applicable legal requirements and the Company's Code of Ethics and Business Conduct.
3. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports, which raise material issues regarding the Company's financial statements or accounting policies.
4. Establish and review procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
5. Conduct or authorize investigations into any matters within the Committee's scope of responsibilities. For that purpose, the Committee shall be empowered to retain independent counsel, accountants, or other advisors to assist in the conduct of such investigations and shall advise the Board as to the nature and extent of such investigations. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report and to any advisors employed by the Audit Committee. The Committee may delegate its authority to subcommittees or the Chair of the Committee when it deems appropriate and in the best interests of the Company.
6. Otherwise retain (without seeking approval from the Board of Directors) special legal, accounting or other advisers to assist the Audit Committee in the performance of its duties and may request any officer or employee of the Company or the Company's outside counsel or independent auditor to meet with any members of, or advisers to, the Audit Committee. In addition, the Audit Committee shall have the sole authority to approve the fees of any outside advisor and other retention terms. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of reasonable compensation to any outside advisor retained by the Audit Committee.
7. Perform a self-assessment of the Audit Committee's performance annually.
8. Maintain appropriate minutes of meetings and report regularly to the Board of Directors on significant results of the Committee's activities.

#### **IV. Limitation of Audit Committee Role**

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent auditor.