ROCKWOOD HOLDINGS, INC.
CORPORATE GOVERNANCE GUIDELINES

(As adopted on October 27, 2010)

I. INTRODUCTION

The Board of Directors (the "Board") of Rockwood Holdings, Inc. (the "Company") has adopted these corporate governance principles to promote the effective functioning of the Board and to assist the Board in fulfilling its responsibilities. The Board will review and amend these guidelines from time to time as it deems necessary and appropriate.

II. DIRECTOR QUALIFICATION STANDARDS

A. Selection of Directors

1. In nominating candidates to serve as a slate of directors, the Board's objective, with the assistance of the Corporate Governance and Nominating Committee, is to select individuals with skills and experience that can be of assistance to management in operating the Company's business.

2. When evaluating the recommendations of the Corporate Governance and Nominating Committee, the Board should consider whether individual directors possess the following personal characteristics: integrity, accountability, informed judgment, financial literacy, mature confidence and high performance standards.

3. The Board as a whole should possess all of the following core competencies, with each candidate contributing knowledge, experience and skills in at least one domain: accounting and finance, business judgment, management, industry knowledge, leadership and strategy/vision. While the Company does not have a formal policy on the consideration of diversity in evaluating new director candidates, the Board will consider the benefits to the Company of national origin, gender, race, global business experience and cultural diversity in Board composition.

4. If the Company is legally required by contract or otherwise to provide third parties with the ability to nominate directors (for example, preferred stock rights to elect directors upon a dividend default, stockholder agreements, such as the Stockholders Agreement, dated as of July 29, 2004, and management agreements), the Board may exempt the selection and nomination of such directors from the Board selection, composition and evaluation process set forth in the charter of the Corporate Governance and Nominating Committee.

5. In connection with the Company’s annual meeting of stockholders, the Board, with the assistance of the Corporate Governance and Nominating Committee, shall propose a slate of nominees to the stockholders for election to the Board.

B. Independent Directors

1. The Board shall have a majority of “independent” directors.

C. Board Determination of Independence

1. No director will be considered “independent” unless the Board affirmatively determines that the director has no material relationship with the Company (directly or indirectly as a partner, stockholder or officer of an organization that has a relationship with the Company).

2. When making “independence” determinations, the Board shall broadly consider all relevant facts and circumstances, as well as any other facts and considerations specified by the New York Stock Exchange, by law or by any rule or regulation of any other regulatory body or self-regulatory body applicable to the Company. When assessing the materiality of a director’s relationship with the Company, the Board shall consider the issue not merely from the standpoint of the director, but also from that of persons or organizations with which the director has an affiliation. Material relationships can include, among others, commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships.

3. When making “independence” determinations, the Board will annually review all commercial, industrial, banking, consulting, legal, accounting, charitable, familial and other relationships of directors.

4. The Board has established the following guidelines to assist it in determining director “independence”:

(a). A director will not be independent if:

(i) *Employment*: the director is or has been within the last three years employed by the Company, or an immediate family member of the director is or has been within the last three years employed by the Company as an executive officer;

(ii) *Compensation*: the director or an immediate family member of the director received, during any twelve-month period within the last three years, more than $120,000 in direct compensation from the Company, other than for board service or pursuant to pension or other forms of deferred compensation for prior service (provided that such compensation is not contingent in any way on continued service); *provided that* compensation received by an immediate family member of the director for services as a non-executive employee of the Company need not be considered in determining independence under this test;

(iii) *Auditor Affiliation*: (A) The director or an immediate family member of the director is a current partner of a firm that is the Company's internal or external auditor; (B) the director is a current employee of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and who personally works on the Company's audit; or (D) the director or an immediate family member of the director was within the last three years a partner or employee of such a firm and personally worked on the Company's audit within that time;

(iv) *Compensation Committee Interlock*: the director or an immediate family member of the director is or has been within the last three years employed as an executive officer of another company where any of the Company's present executive officers serves or served at the same time on that company's compensation committee; or

(v) *Business Affiliation*: The director is a current employee, or an immediate family member of the director is a current executive officer, of another company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1,000,000 or 2% of such other company's consolidated gross revenues; *provided that* the look-back provision for this test applies solely to the financial relationship between the Company and the current employer of the director or immediate family member of the director.

(b). The following relationships will not be considered to be material relationships that would impair a director's independence:

(i) the director beneficially owns, or is an employee or affiliate of another company or entity that beneficially owns, less than 10% of the Company's common stock;

(ii) the director is a current employee, or an immediate family member of the director is a current executive officer, of another company that makes payments to, or receives payment from, the Company for property or services in an amount which does not exceed, and has not for each of the last three years exceeded, the greater of $1,000,000 or 2% of the consolidated gross revenues of such other company; and

(iii) the director serves as an executive officer, director or trustee of a tax exempt organization, and the Company's contributions to such tax exempt organization does not exceed, and has not for each of the last three years exceeded, the greater of $1,000,000 or 2% of such tax exempt organization's consolidated gross revenues.

(c). The term "immediate family member" shall include a person's spouse, parents, children, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, siblings and anyone (other than domestic employees) who shares such person's home. When applying the three-year look back provisions, the Board need not consider individuals who are no longer immediate family members as a result of legal separation or divorce, or those who have died or become incapacitated.

D. Additional Requirements for Audit Committee Membership

1. No director may serve on the Audit Committee of the Board unless such director also satisfies the independence criteria set forth in Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and any other applicable criteria established for audit committee service by the New York Stock Exchange and any law, rule or regulation of any other regulatory body or self-regulatory body applicable to the Company.

2. In addition, all audit committee members must be financially literate and one member must qualify as an "audit committee financial expert" (as such term is defined under Item 407(d)(5) of Regulation S-K). The Company shall identify the "audit committee financial expert" in its Annual Report on Form 10-K or its proxy statement, as the case may be.

3. See also Section F.3. below.

E. Additional Requirements for Compensation Committee Membership

1. No director may serve on the Compensation Committee of the Board unless such director also satisfies the criteria for (1) a "non-employee director" for purposes of Rule 16b-3 of the Exchange Act and (2) an "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended.

F. Additional Director Qualifications

1. It is the policy of the Board to avoid term limits which have the disadvantage of discontinuing the availability and contributions of directors who have developed experience with, and insight into, the Company and its needs over a period of time.

2. It is the policy of the Board to avoid a mandatory retirement age for directors which would have the disadvantage of discontinuing the availability and contributions of directors who are otherwise capable and valuable members of the Board.

3. The Board values the experience directors bring from other boards on which they serve but recognizes that those boards may also present demands on a director's time and availability and may present conflicts or

legal issues. Directors who also serve as CEOs or in equivalent positions should not serve on more than two boards of public companies in addition to the Company's board. All other directors should not serve on more than five boards of public companies in addition to the Company's board. Directors should obtain the consent of the Chairperson of the Corporate Governance and Nominating Committee and the CEO before accepting membership on other public company boards. In addition, if a director serving on the Audit Committee simultaneously serves on the audit committee of more than three public companies, the Board must determine that such simultaneous service would not impair the ability of such member to effectively serve on the Audit Committee and disclose such determination in the Company's annual proxy statement.

4. Service on boards and/or committees of other organizations should be consistent with the Company's conflict of interest policy set forth in the Code of Business Conduct and Ethics and, if applicable, the Code of Ethics for Executive Officers and Financial Officers. Regardless, the Chairperson of the Board (the "Chairperson") and the Chairperson of the Corporate Governance and Nominating Committee should be informed of any invitation to serve on another board before the appointment is accepted.

G. Disclosure of Independence Determinations

1. The Company shall disclose in its annual proxy statement the Board's independence determination, including the basis for determining that a relationship is not material, with respect to each director standing for election and each continuing director.

2. The Company shall promptly disclose the independence of any director elected by the Board.

III. Director Responsibilities

A. Board Meetings

1. The Board shall meet as frequently as needed for directors to discharge properly their responsibilities. Without limiting the foregoing, the Board shall hold at least four regular meetings per year and special meetings as required.

2. Every effort should be made to schedule meetings sufficiently in advance to ensure maximum attendance at each meeting. All directors are expected to participate, whether telephonically or in person, in all Board meetings, review relevant materials and prepare appropriately for meetings and for discussions with management. In addition, all independent directors are expected to serve on Board committees.

3. Each director is expected to devote the time and attention necessary to properly discharge his or her responsibilities as director.

B. Conduct of Meetings

1. Board meetings shall be run by the Chairperson or, when the Chairperson is not present, by the Lead Director, if one has been elected, and shall be conducted in accordance with customary practice in a manner that ensures open communication, meaningful participation and timely resolution of issues.

2. The Chairperson shall set the agenda for each meeting together with the Lead Director, if one has been elected, and management. All directors should be given the opportunity to raise items for consideration to be placed on the agenda.

3. Management and any committees of the Board should provide directors with materials concerning matters to be acted upon in advance of the applicable meeting. Directors should review such materials carefully prior to the applicable meeting.

C. Lead Director

1. Whenever the Chairperson is also the Chief Executive Officer or is a director who does not otherwise qualify as an "independent director", the independent directors will elect from among themselves a lead director of the Board (the "Lead Director"). The Corporate Governance and Nominating Committee shall recommend, from among the independent directors, the nominees for Lead Director. Following such nomination by the Corporate Governance and Nominating Committee, each independent director will be given the opportunity, by secret ballot, to vote in favor of a Lead Director nominee or to write in a candidate of his or her own. The Lead Director will be elected by a plurality and will serve until the Board meeting immediately following the next annual meeting of stockholders, unless otherwise determined by the Board. No director shall serve as Lead Director for more than five consecutive years, subject to the Board's discretion to set other guidelines in specific instances. A description of the position of Lead Director is set forth in Annex A to these guidelines.

D. Executive Sessions of Non-Management Directors

1. Those directors of the Company who are not officers of the Company (as such term is defined under Rule 16a-1(f) under the Exchange Act) shall hold regular executive sessions at which management, including the Company's Chief Executive Officer, is not present. These sessions shall be scheduled in advance and shall occur, at a minimum, in connection with each regularly scheduled meeting of the Board.

2. The Lead Director shall preside at all non-management executive sessions, and the Company shall identify such Lead Director in the Company's annual proxy statement. If the Lead Director is not available to preside at a non-management executive session, the Board may choose to rotate directors who will lead the non-management executive sessions.

3. In order that interested parties may be able to make their concerns known to the non-management directors, the Company shall disclose in its annual proxy statement a means for its stockholders, its employees and other interested parties to communicate directly with the Lead Director or with all non-management directors of the Company as a group.

4. If the group of non-management directors include a director who is not "independent" as described in Section II.C. above, the independent directors shall hold at least one non-management executive session a year that includes only them, which shall be presided by the Lead Director.

E. Notification of Change in Independence or Occupation or Business Association

1. If any independent director becomes aware of the occurrence of an event that would likely cause, or has caused, such director to be disqualified as an independent director pursuant to the criteria set forth in Section II.C., such director shall promptly notify the Board and the Company's Senior Vice President, Law & Administration of such event and/or such disqualification.

2. When a director's principal occupation or business association changes substantially from the position he or she held when originally invited to join the Board, the director shall offer to resign from the Board. The Corporate Governance and Nominating Committee shall recommend to the Board the action, if any, to be taken with respect to the resignation.

IV. Director Access to Management and Independent Advisors

A. Board Access to Management

1. The Board shall have complete access to the Company's management in order to become and remain informed about the Company's business and for such other purposes as may be helpful to the Board in fulfilling its responsibilities. Directors may initiate any meetings or contacts directly or through the Company's Chief Executive Officer or Senior Vice President, Law & Administration. Directors are expected to use judgment to be sure that this contact is not distracting to the business operations of the Company and that the Chief Executive Officer is appropriately informed of significant contacts between the Board members and management.

2. The Board encourages management to, from time to time, invite to Board meetings managers who (i) can provide additional insight into the matters being discussed because of responsibility for and/or personal involvement in such matters, and/or (ii) are managers with future potential that the senior management believes should be given exposure to the Board.

B. Board Access to Independent Advisors

1. The Board shall, at the Company's expense, have the autonomy to retain such outside professionals to act as advisors to the Board and/or management as may be deemed necessary or appropriate in the discharge of their duties.

2. Board committees may wish to retain their own outside counsel, consultants and other professionals to advise them in the discharge of their duties. The parameters for any such retention shall be set forth in the respective committee charters.

C. Funding for Committee Advisors

1. The Company shall provide appropriate funding as determined by the Audit Committee, for payment of compensation: (i) to the registered public accounting firm employed by the Company for the purposes of rendering an audit report; and (ii) to any other advisers employed by the Audit Committee.

2. The Company shall provide appropriate funding as determined by the Corporate Governance and Nominating Committee and the Compensation Committee, respectively, and to any Board committee which is permitted under its charter to employ outside advisors, to any advisers employed by such committees.

V. Director Compensation

A. Compensation Generally

1. The Board, with the assistance of the Compensation Committee, shall periodically review director compensation (including additional compensation for the Chairperson, committee members and committee chairpersons) in comparison to companies that are similarly situated to ensure that such compensation is reasonable, competitive and customary. Directors and chairpersons may be awarded compensation sufficient to compensate them for the time and effort they expend to fulfill their duties.

2. The Company shall disclose its policy regarding compensation for directors in its annual proxy statement.

B. Other Compensation

The Board shall review any charitable contributions to be made by the Company to organizations with which any director is affiliated. In addition, the Board shall review all consulting contracts with, or other arrangements that provide other indirect forms of compensation to, any director or former director.

VI. Director Orientation and Continuing Education

A. Orientation

1. To the extent requested, the Company shall make available an orientation program for all newly elected directors so that they may be fully informed as to their responsibilities and the means at their disposal for the effective discharge of such responsibilities.

2. The new directors shall be introduced to such management and other personnel, as well as representatives of the Company's outside legal, accounting and other advisors as is appropriate to familiarize them with the resources available to them.

B. Continuing Education

Each director shall be entitled to attend any continuing education program for directors which have been identified and approved by the Chairperson of the Corporate Governance and Nominating Committee at the Company's expense.

VII. Management Succession

A. Chief Executive Officer Succession

1. The Corporate Governance and Nominating Committee will review succession plans for the Chief Executive Officer position. The Corporate Governance and Nominating Committee will periodically report on this subject to the Board. The Chief Executive Officer will also recommend to the Corporate Governance and Nominating Committee one or more individuals to fulfill those responsibilities on an interim basis in the event that the Chief Executive Officer is disabled or otherwise incapacitated. The Board will be responsible for selecting the Chief Executive Officer, whether on a permanent or interim basis.

B. Management Succession Planning

1. The Board, with the assistance of the Corporate Governance and Nominating Committee, shall review annually with the Chief Executive Officer management succession planning.

VIII. Annual Performance Evaluations

A. Board Evaluation

1. The Board shall evaluate annually the effectiveness of the Board and its committees. The purpose of this evaluation is to increase the effectiveness of the Board as a whole, and specifically review areas in which the Board and/or management believes a better contribution could be made from the Board.

2. The Corporate Governance and Nominating Committee shall establish policies, principles and procedures for such evaluation.

3. In addition to other matters as determined by the Corporate Governance and Nominating Committee, the evaluations should address fiduciary oversight; Board governance and process; strategic planning and business decisions; and financial matters.

4. As appropriate, the Board shall then meet in executive session to discuss these assessments.

B. Evaluation of Chief Executive Officer

1. The Compensation Committee shall establish policies, principles and procedures for the evaluation of the Chief Executive Officer. Such evaluation shall be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives and development of management.

2. This evaluation shall be made annually under the oversight of the Compensation Committee.

IX. BOARD COMMITTEES

A. Number and Independence of Committees

1. The Board shall have at least three committees: the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee (each, a "Committee"). Each Committee shall have a written charter and shall be composed of the number of independent directors as set forth in the charter of each committee.

2. The Board may have such additional committees as the Board determines in accordance with the by-laws of the Company.

3. Each committee of the Board shall comply with any applicable director independence requirements of the New York Stock Exchange, the Securities and Exchange Commission and any other applicable law or any rule or regulation of any other regulatory body or self-regulatory body applicable to the Company.

B. Selection of Committee Members

1. The Board shall select the directors to serve on each committee, giving consideration to the independence and other requirements of the New York Stock Exchange and the Securities and Exchange Commission (and any other applicable law or any rule or regulation of any other regulatory body or self-regulatory body applicable to the Company) and to any recommendations put forth by the Corporate Governance and Nominating Committee.

2. Because of each committee's demanding role and responsibilities, and the time commitment attendant to membership on each committee, each prospective committee member, prior to being nominated, should be encouraged to evaluate carefully the existing demands on his or her time before accepting any nomination.

C. Responsibilities

1. The Board shall adopt a charter for each committee in compliance with all applicable rules and regulations.

2. The charters for each of the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee shall include, at a minimum, those responsibilities required to be set forth therein by the rules of the New York Stock Exchange, by law or by the rules or regulations of any other regulatory body or self-regulatory body applicable to the Company.

X. Further Corporate Governance Guidelines

A. Corporate Objective and Mission of the Board

The Board acts as the ultimate decision-making body of the Company and advises and oversees management, who are responsible for the day-to-day operations and management of the Company. In fulfilling these roles, each director must act in what he or she reasonably believes to be in the best interests of the Company and must exercise his or her business judgment.

B. Chairperson and Chief Executive Officer

The Board shall determine from time to time what leadership works best for the Company. The Board may choose to have the same individual serve as Chairperson and Chief Executive Officer of the Company.

C. Board Size

1. Subject to the Company's by-laws, the Board should determine, with the assistance of the Corporate Governance and Nominating Committee, the appropriate Board size, taking into consideration any parameters set forth

in the Company's by-laws as well as any applicable contractual obligations of the Company, including the Stockholders Agreement, dated as of July 29, 2004, as amended, and periodically assess overall Board composition to ensure the most appropriate and effective Board membership mix.

2. The Board should neither be too small to maintain the needed expertise and independence, nor too large to be efficiently functional. If appropriate, the Board should recommend amendments to the Company's charter or by-laws in order to provide for a different Board size than may be set forth therein.

ANNEX A – POSITION DESCRIPTION FOR LEAD DIRECTOR

When the Chairperson of the Board is also the Chief Executive Officer ("CEO") or is a director who does not otherwise qualify as an "independent director" under the Company's Governance Guidelines, a "Lead Director" shall be elected annually by plurality vote of the independent directors, pursuant to a secret ballot, following nomination by the Nominating and Governance Committee. Although annually elected, the Lead Director is generally expected to serve for more than one year. Service as Lead Director, however, generally should not exceed five consecutive years but is subject to the Board's discretion to set other guidelines in specific instances.

The Lead Director shall help coordinate the efforts of the independent and non-management directors in the interest of ensuring that objective judgment is brought to bear on sensitive issues involving the management of the Company and, in particular, the performance of senior management, and shall have the following authority:

- Preside over all meetings of the Board at which the Chairman is not present, including meetings of the non-management directors which are to be held at least quarterly;
- Communicate to the CEO, together with the Chairperson of the Compensation Committee, the results of the Board's evaluation of CEO performance;
- Collaborate with the CEO on Board meeting agendas (which will include standing items such as financial updates, operating reports of one or more businesses or functions, HSE performance, committee reports, etc.) and in determining the need for special meetings of the Board;
- Provide leadership and serve as temporary Chairperson of the Board or CEO in the event of the inability of the Chairperson of the Board or CEO to fulfill his/her role due to crisis or other event or circumstance which would make leadership by existing management inappropriate or ineffective, in which case the Lead Director shall have the authority to convene meetings of the full Board or management;
- Serve as the liaison for interested parties who request direct communications with the Board;
- Act as the liaison between the non-management directors and the Chairperson of the Board, as appropriate;
- Call meetings of the non-management directors when necessary and appropriate; and
- Recommend to the Board, in concert with the chairpersons of the respective Board committees, the retention of consultants and advisors who directly report to the Board, including such independent legal, financial or other advisors as he or she deems appropriate, without consulting or obtaining the advance authorization of any officer of the Company.