

## **ADVANSIX INC.**

### **AUDIT COMMITTEE CHARTER**

(Effective September 8, 2016)

#### **Purpose**

The primary function of the audit committee (the “Committee”) of the board of directors (the “Board”) of AdvanSix Inc. (the “Company”) is assisting the Board in fulfilling its responsibility for independently and objectively overseeing (i) the integrity of the Company’s financial statements and the Company’s accounting and financial reporting practices and internal control system, (ii) compliance with legal and regulatory requirements, (iii) the qualifications, independence and performance of the Company’s independent accountants, (iv) performance of the Company’s internal audit staff and independent accountants, (v) the Company’s guidelines and policies with respect to risk assessment and risk management, (vi) preparation of the internal control report and audit committee report as required by the U.S. Securities Exchange Commission (the “SEC”) and (vii) the communications concerning the company’s financial affairs among the Board and the company’s independent accountants, finance department, management and internal audit staff.

The Committee is to exercise its business judgment in carrying out the responsibilities described in this charter in a manner the Committee members believe to be in the best interests of the Company and its stockholders. The Committee must regularly report to the Board regarding the execution of its duties and recommendations.

#### **Membership**

The Committee shall consist of at least three directors, who shall be appointed by the Board from among its members in accordance with the by-laws of the Company and any other applicable laws or regulations and who shall be subject to removal by the Board. Each director who serves on the Committee must meet the criteria for independence established by Section 303A of the New York Stock Exchange Listed Company Manual (the “NYSE Manual”) as well as the provisions of Rule 10A-3(b)(1) under the Securities Exchange Act of 1934. Each member of the Committee shall be “financially literate” or will become “financially literate” within a reasonable period of time after his or her appointment to the Committee. At least one member of the Committee shall have accounting and related financial management expertise, and satisfy the criteria to be an “audit committee financial expert” under the rules and regulations of the SEC. The determination of any member’s qualifications to serve on the Committee shall be made by the Board in keeping with the applicable requirements of the NYSE Manual and other applicable rules and regulations.

Committee members may not simultaneously serve on the audit committees of more than three public companies, including the Company, unless the Board determines that such simultaneous service does not impair their service to the Board.

#### **Advisors**

The Committee may obtain advice, assistance and investigative support from outside legal, accounting or other advisors as it deems appropriate to perform its duties and the Company shall

provide appropriate funding, as determined by the Committee, for any such advisors. The Committee may request any officer or employee of the Company, including its subsidiaries, or the Company's outside counsel or independent accountants to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. In fulfilling its responsibilities, the Committee shall have full access to all books and records of the Company and its subsidiaries. The Company shall also provide funding for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

### **Meetings**

The Board shall designate one person of the Committee to act as its chairperson. If no chairperson is designated or present, the members of the Committee may designate a chairperson by majority vote. The Committee shall meet in person or telephonically at least quarterly at such times and places determined by the Committee chairperson, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its chairperson. A majority of members present in person or by telephone at any meeting shall constitute a quorum.

The Committee may, in its discretion, except as prohibited by law or the regulations of the New York Stock Exchange, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

### **Compensation**

No member of the Committee may receive, directly or indirectly, any compensation from the Company other than (i) fees paid to directors for service on the Board, (ii) fees paid to directors for service on a committee of the Board (including the Committee) and (iii) a pension or other deferred compensation for prior service that is not contingent on future service on the Board.

### **Duties and Responsibilities**

Among its activities, the Committee shall undertake the following:

#### *Independent Accountants*

- Have sole authority and direct responsibility for the appointment (subject to ratification by the Company's stockholders), compensation, retention, termination and oversight of the Company's independent accountants. The independent accountants shall report directly to the Committee and are accountable to the Committee and the Board. The Committee shall pre-approve any non-audit services to be provided by the independent accountants.
- Review and discuss with the Company's independent accountants the accountants' responsibilities under generally accepted auditing standards and the responsibilities of the Company's management in the audit process, the overall audit strategy, the scope and timing of the annual audit, any significant risks identified during the independent accountants' risk assessment procedures and, when completed, the results, including significant findings, of the annual audit.
- Review with the independent accountants any material written communications between

the independent accountants and management, including any audit problems or difficulties and management's response.

- Evaluate, at least annually, the qualifications, performance and independence of the Company's independent accountants, including an evaluation of the lead audit partner and take appropriate action.
- Ensure that rotation of the independent accountants' audit partners satisfies regulatory requirements and set policies about hiring current or former employees of the independent accountants.
- At least annually, discuss with the independent accountants their written report describing (i) their internal quality control procedures, (ii) any material issues raised by the most recent internal quality control review, Public Company Accounting Oversight Board (the "PCAOB") review, peer review or governmental or regulatory inquiry or investigation within the preceding five years and steps taken to address any such issues and (iii) all relationships between the independent accountants and the Company.
- Meet regularly and separately with the independent accountants in executive sessions.

#### *Financial Statements*

- Review and discuss with management and the independent accountants the annual audited financial statements and quarterly financial statements prior to filing, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", the Company's earnings announcements prior to release, the results of the independent accountants' audit and reviews and any accompanying certification, report or opinion and the types of financial information provided to analysts and rating agencies to the extent required by the rules of the NYSE.
- Recommend to the Board that the audited financial statements and the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" be included in the Company's Form 10-K.
- Review the Company's financial reporting process, including disclosure controls and procedures, internal controls and procedures, any significant control deficiencies or material weaknesses and any fraud involving management or others significantly involved in the Company's internal controls and procedures.
- Review other matters related to the conduct of the audit or otherwise which are communicated or required to be communicated under generally accepted auditing standards.

#### *Internal Audit*

- Meet regularly and separately with the internal audit department to review its performance, proposed audit plans for the coming year and the results of internal audits.
- Review the qualifications of the head of the Company's internal audit department, who shall report directly to the Committee, and the experience and qualifications of the other

internal audit staff.

- Inquire of management, the internal audit department and the independent accountants as to the areas of significant risk and/or exposure faced by the Company and review and discuss the steps taken by management to minimize such risk and/or exposure.

#### *Communications*

- Obtain reports from management and the Company's head of internal audit relating to the compliance of the Company, its subsidiaries and foreign affiliates with applicable legal requirements and the Company's Code of Business Conduct and Ethics.
- Review and discuss with management the Company's policies with respect to risk assessment and risk management, as well as the Company's major risk exposure and the steps management has taken to control such exposure.
- Meet regularly and separately with the management of the Company.
- Establish procedures for (i) the receipt, retention, and treatment of complaints or concerns received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by the Company's employees of complaints or concerns regarding questionable accounting or auditing matters.
- Reassess annually the adequacy of this charter, evaluate the Committee's performance and report these and other actions to the Board with any recommendations. The format of the self-assessment shall be determined by the Committee.
- Maintain minutes or other records of its meetings.

#### *Legal and Compliance*

- Review processes and matters pertaining to the Company's legal and regulatory compliance.
- Prepare the report required by the rules of the U.S. Securities and Exchange Commission to be included in the Company's annual proxy statement.

#### **Committee Authority**

The Committee may exercise such other powers and authority as the Board may, from time to time, confer upon it. The Committee may diverge from the above list of responsibilities, as appropriate, if circumstances or regulatory requirements change. In addition to these activities, the Committee will perform such other functions as necessary or appropriate under applicable law, the NYSE rules, the Company's certificate of incorporation and by-laws and the resolutions and other directives of the Board.