

Notice of Annual Meeting of Stockholders and PROXY STATEMENT 2018



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Valleybrooke Corporate Center
300 Lindenwood Drive
Malvern, Pennsylvania 19355-1740

April 5, 2018

Dear Stockholder:

We cordially invite you to attend our 2018 Annual Meeting of Stockholders on Friday, May 4, 2018, at 10:00 a.m. (Eastern Time), to be held at our offices at Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355.

The proxy statement accompanying this letter describes the business we will consider at the annual meeting. Your vote is important regardless of the number of shares you own. Whether or not you plan to attend the annual meeting, we encourage you to consider the matters presented in the proxy statement and vote as soon as possible. Instructions for Internet and telephone voting are attached to your proxy card. If you prefer, you can vote by mail by completing and signing your proxy card and returning it in the enclosed envelope.

We hope that you will be able to join us on May 4th.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Gentilcore', with a long horizontal flourish extending to the right.

James F. Gentilcore

Chairman, President and Chief Executive Officer



Valleybrooke Corporate Center
300 Lindenwood Drive
Malvern, Pennsylvania 19355-1740

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The 2018 Annual Meeting of Stockholders (the “Annual Meeting”) of PQ Group Holdings Inc. (the “Company”) will be held at our offices at Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355 on Friday, May 4, 2018, at 10:00 a.m. (Eastern Time) for the following purposes as further described in the proxy statement accompanying this notice:

- To elect the three Class I director nominees specifically named in the proxy statement, each to serve for a term of three years.
- To hold an advisory vote on the compensation paid by the Company to its named executive officers (the “say-on-pay proposal”).
- To hold an advisory vote on the frequency of the say-on-pay proposal in the future.
- To ratify the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2018.
- To consider any other business properly brought before the Annual Meeting.

Stockholders of record at the close of business on March 29, 2018 are entitled to notice of, and entitled to vote at, the Annual Meeting and any adjournments or postponements thereof.

To attend the Annual Meeting, you must demonstrate that you were a PQ stockholder as of the close of business on March 29, 2018, or hold a valid proxy for the Annual Meeting from such a stockholder. The proxy card includes an admission ticket to attend the Annual Meeting. You may alternatively present a brokerage statement showing proof of your ownership of PQ stock as of March 29, 2018. **All stockholders must also present a valid form of government-issued picture identification in order to attend.** Please allow additional time for these procedures.

By Order of the Board of Directors,

A handwritten signature in black ink, appearing to read 'J. Koscinski', with a horizontal line extending to the right.

Joseph S. Koscinski
Secretary

Malvern, Pennsylvania
April 5, 2018

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PQ GROUP HOLDINGS INC.

PROXY STATEMENT

2018 ANNUAL MEETING OF STOCKHOLDERS

May 4, 2018

10:00 a.m. (Eastern Time)

INTRODUCTION

This Proxy Statement provides information for stockholders of PQ Group Holdings Inc. (“we,” “us,” “our,” “PQ” and the “Company”), as part of the solicitation of proxies by the Company and its board of directors (the “Board”) from holders of the outstanding shares of the Company’s common stock, par value \$0.01 per share (“Common Stock”), for use at the Company’s annual meeting of stockholders to be held at our offices at Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355 on Friday, May 4, 2018 at 10:00 a.m. (Eastern Time), and at any adjournments or postponements thereof (the “Annual Meeting”).

At the Annual Meeting, stockholders will be asked to vote either directly or by proxy on the following matters discussed herein:

1. To elect the three Class I director nominees specifically named in this Proxy Statement, each to serve for a term of three years (Proposal 1).
2. To hold an advisory vote on the compensation paid by the Company to its named executive officers (the “say-on-pay proposal”) (Proposal 2).
3. To hold an advisory vote on the frequency of the say-on-pay proposal in the future (Proposal 3).
4. To ratify the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2018 (Proposal 4).
5. To consider any other business properly brought before the Annual Meeting.

This Proxy Statement, the proxy card and the Annual Report to stockholders for the fiscal year ended December 31, 2017 are being first mailed to stockholders on or about April 5, 2018.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING TO BE HELD ON MAY 4, 2018: THIS PROXY STATEMENT AND ANNUAL REPORT AND FORM 10-K FOR FISCAL 2017 ARE AVAILABLE AT WWW.PROXYVOTE.COM.

INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Although we encourage you to read this Proxy Statement in its entirety, we include this Q&A section to provide some background information and brief answers to several questions you might have about the Annual Meeting.

Why are we providing these materials?

Our Board is providing these materials to you in connection with our Annual Meeting, which will take place on May 4, 2018 at our offices at Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355 at 10:00 a.m. (Eastern Time). Stockholders are invited to participate in the Annual Meeting and are requested to vote on the proposals described herein.

What information is contained in this Proxy Statement?

This Proxy Statement contains information relating to the proposals to be voted on at the Annual Meeting, the voting process, the compensation of our directors and most highly paid officers, and other required information.

What proposals will be voted on at the Annual Meeting?

There are four proposals scheduled to be voted on at the Annual Meeting:

- the election of the three Class I director nominees specifically named in this Proxy Statement, each to serve for a term of three years;
- an advisory vote on the say-on-pay proposal;
- an advisory vote on the frequency of the say-on-pay proposal in the future; and
- the ratification of PricewaterhouseCoopers LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2018.

We will also consider other business properly brought before the Annual Meeting.

What shares can I vote?

You may vote all shares of Common Stock that you owned as of the close of business on the record date, March 29, 2018. You may cast one vote per share, including shares (i) held directly in your name as the stockholder of record and (ii) held for you as the beneficial owner through a broker, bank, or other nominee. The proxy card will indicate the number of shares that you are entitled to vote.

As of March 29, 2018, there were 135,240,866 shares of Common Stock outstanding, all of which are entitled to be voted at the Annual Meeting.

A list of stockholders will be available at our headquarters at Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355 for a period of at least ten days prior to the Annual Meeting and at the Annual Meeting for examination by any stockholder.

What is the difference between being a stockholder of record and a beneficial owner of shares held in street name?

Many of our stockholders hold their shares through brokers, banks, or other nominees, rather than directly in their own names. As summarized below, there are some differences between being a stockholder of record and a beneficial owner of shares held in street name.

Stockholder of record: If your shares are registered directly in your name with PQ's transfer agent, American Stock Transfer and Trust Company, LLC, you are the stockholder of record with respect to those shares and the proxy materials were sent directly to you. As the stockholder of record, you have the right to grant your voting proxy directly to the individuals named on the proxy card and to vote at the Annual Meeting.

Beneficial owner of shares held in street name: If your shares are held in a brokerage account or by a bank or other nominee, then you are the “beneficial owner of shares held in street name” and the proxy materials were forwarded to you by your broker, bank or other nominee, who is considered to be the stockholder of record. As a beneficial owner, you have the right to instruct the broker, bank or other nominee holding your shares how to vote your shares.

How do I vote?

There are four ways to vote:

- **In Person.** You may vote in person at the Annual Meeting by requesting a ballot from an usher. If you are a beneficial owner of shares held in street name and wish to vote in person at the Annual Meeting, you must obtain a “legal proxy” from the broker, bank or other nominee that holds your shares. A legal proxy is a written document that authorizes you to vote your shares held in street name at the Annual Meeting. Please contact the broker, bank or other nominee that holds your shares for instructions regarding obtaining a legal proxy. You must bring a copy of the legal proxy to the Annual Meeting. In order for your vote to be counted, you must hand both the copy of the legal proxy and your completed ballot to an usher to be provided to the inspector of election.
- **Online.** You may vote by proxy by visiting www.proxyvote.com and entering the control number found on your proxy card. The availability of online voting may depend on the voting procedures of the broker, bank or other nominee that holds your shares.
- **Phone.** You may vote by proxy by calling the toll free number found on your proxy card. The availability of phone voting may depend on the voting procedures of the broker, bank or other nominee that holds your shares.
- **Mail.** You may vote by proxy by filling out your proxy card and returning it in the envelope provided.

All shares represented by valid proxies received prior to the taking of the vote at the Annual Meeting will be voted and, where a stockholder specifies by means of the proxy a choice with respect to any matter to be acted upon, the shares will be voted in accordance with the stockholder’s instructions. Even if you plan on attending the Annual Meeting in person, we encourage you to vote your shares in advance online, by phone, or by mail to ensure that your vote will be represented at the Annual Meeting.

Can I change my vote or revoke my proxy?

You may revoke your proxy and change your vote at any time before the taking of the vote at the Annual Meeting.

- **In Person.** You may revoke your proxy and change your vote by attending the Annual Meeting and voting in person. However, your attendance at the Annual Meeting will not automatically revoke your proxy unless you properly vote at the Annual Meeting or specifically request that your prior proxy be revoked by delivering a written notice of revocation prior to the Annual Meeting to PQ’s Secretary at Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355.
- **Online.** You may change your vote using the online voting method described above, in which case only your latest internet proxy submitted prior to the Annual Meeting will be counted.
- **Phone.** You may change your vote using the phone voting method described above, in which case only your latest telephone proxy submitted prior to the Annual Meeting will be counted.
- **Mail.** You may revoke your proxy and change your vote by signing and returning a new proxy card dated as of a later date, in which case only your latest proxy card received prior to the Annual Meeting will be counted.

What happens if I do not instruct how my shares should be voted?

Stockholders of record. If you are a stockholder of record and you:

- indicate when voting online or by phone that you wish to vote as recommended by the Board; or
- sign and return a proxy card without giving specific instructions,

then the persons named as proxy holders, Joseph S. Koscinski and William J. Sichko, Jr., will vote your shares in the manner recommended by the Board on all matters presented in this Proxy Statement and as they may determine in their best judgment with respect to any other matters properly presented for a vote at the Annual Meeting.

Beneficial owners of shares held in street name. If you are a beneficial owner of shares held in street name and do not provide the broker, bank or other nominee that holds your shares with specific voting instructions, then the broker, bank or other nominee that holds your shares may generally vote your shares in their discretion on “routine” matters, but cannot vote on “non-routine” matters.

What are routine and non-routine proposals?

The following proposal is considered a routine matter:

- The ratification of the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2018 (Proposal 4).

A broker, bank or other nominee may generally vote in their discretion on routine matters, and therefore no broker non-votes are expected in connection with Proposal 4.

The following proposals are considered non-routine matters:

- Election of directors (Proposal 1);
- Advisory vote on the say-on-pay proposal (Proposal 2); and
- Advisory vote on the frequency of the say-on-pay proposal in the future (Proposal 3).

If the broker, bank or other nominee that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, that broker, bank or other nominee will inform the inspector of election that it does not have the authority to vote on the matter with respect to your shares. This is generally referred to as a “broker non-vote.” Therefore, broker non-votes may exist in connection with Proposals 1 through 3.

What constitutes a quorum for the Annual Meeting?

The presence at the meeting, in person or by proxy, of the holders of Common Stock representing a majority of the shares outstanding and entitled to vote for the election of directors is necessary to constitute a quorum for all purposes.

What vote is required to approve each proposal?

Proposal 1: Election of directors. Directors are elected by a plurality of the votes cast. Therefore, if you do not vote for a nominee, or you “withhold authority to vote” for a nominee, your vote will not count either “for” or “against” the nominee.

Proposal 2: Advisory vote on the say-on-pay proposal. Generally, approval of any matter presented to stockholders (other than the election of directors) requires the affirmative vote of a majority of the votes cast on the matter. However, because this proposal asks for a non-binding, advisory vote, there is no “required” vote that would constitute approval.

Proposal 3: Advisory vote on the frequency of the say-on-pay proposal in the future. Because this proposal also calls for a non-binding, advisory vote, there is no “required” vote that would constitute approval. If none of the frequency options receives the vote of a majority of the votes cast on the matter, the option receiving the greatest number of votes will be considered the frequency recommended by the Company’s stockholders.

Proposal 4: Ratification of PwC. The affirmative vote of a majority of the votes cast is required to ratify the selection of PricewaterhouseCoopers LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2018.

What effect will broker non-votes and abstentions have?

Broker non-votes and abstentions are counted as present and entitled to vote for purposes of determining whether a quorum is present. Broker non-votes and abstentions will have no effect on the outcome of each proposal.

Who pays for costs relating to the proxy materials and Annual Meeting?

The costs of preparing, assembling and mailing this Proxy Statement, the proxy card and the Annual Report, along with the cost of posting the proxy materials on a website, are to be borne by us. In addition to the use of mail, our directors, officers and employees may solicit proxies personally and by telephone, facsimile and other electronic means. They will receive no compensation in addition to their regular salaries. We may request banks, brokers and other custodians, nominees and fiduciaries to forward copies of the proxy materials to their principals and to request authority for the execution of proxies. We may reimburse these persons for their expenses in doing so.

Who should I call if I have any questions?

If you have any questions about the Annual Meeting, voting or your ownership of our Common Stock, please call us at (610) 651-4216 or send an email to PQGIR@pqcorp.com.

BOARD OF DIRECTORS

PROPOSAL 1

ELECTION OF DIRECTORS

PQ has a classified Board currently consisting of three directors with terms expiring in 2018 (Class I), four directors with terms expiring in 2019 (Class II), and four directors with terms expiring in 2020 (Class III). At each annual meeting of stockholders, directors in one class are elected for a full term of three years to succeed those directors whose terms are expiring. Greg Brenneman, Jonny Ginns and Kyle Vann are the Class I directors whose terms expire at the Annual Meeting. Our Board has nominated, and stockholders are being asked to re-elect, Messrs. Brenneman, Ginns and Vann for three-year terms expiring at our 2021 annual meeting of stockholders. If elected, the nominees will each hold office until our 2021 annual meeting of stockholders and a successor is duly elected and qualified or until earlier death, resignation, or removal.

Each of the above nominees has indicated his willingness to serve, if elected. However, if a nominee should be unable to serve, the shares of Common Stock represented by proxies may be voted for a substitute nominee designated by the Board. Management has no reason to believe that any of the above-mentioned persons will not serve his term as a director.

All of our nominees have served previously on our Board, which has provided them with significant exposure to both our business and the industry in which we compete. We believe that all our nominees possess the professional and personal qualifications necessary for board service, and we have highlighted particularly noteworthy attributes for each director in the individual biographies below.

The Board recommends a vote FOR the election of each of the director nominees.

The following table sets forth the name, age, and position, as of April 1, 2018, of individuals who currently serve as directors on our Board.

Name	Age	Position
James F. Gentilcore	65	Chairman of the Board, President and Chief Executive Officer
Greg Brenneman	56	Director
Timothy Walsh	54	Director
Mark McFadden	40	Director
Robert Toth	57	Director
Robert Coxon	70	Director
Andrew Currie	62	Director
Jonny Ginns	44	Director
Kyle Vann	70	Director
Martin Craighead	58	Director
Kimberly Ross	52	Director

Class I – Directors with Terms Expiring in 2018



GREG BRENNEMAN

Age: 56

Independent Director

Greg Brenneman has served on our Board since 2014. Mr. Brenneman is the Executive Chairman of CCMP Capital Advisors, LP (“CCMP”) and is a member of the firm’s Investment Committee. Prior to joining CCMP in October 2008, Mr. Brenneman served as the Chief Executive Officer of QCE Holdings LLC (“Quiznos”), a U.S. quick service restaurant chain, from January 2007 until September 2008 and as the President of Quiznos from January 2007 until November 2007. He also served as the Executive Chairman from 2008 to 2009. Prior to joining Quiznos, Mr. Brenneman was the Chairman and Chief Executive Officer of Burger King Corporation from 2004 to 2006. Prior to joining Burger King, Mr. Brenneman was named the President and Chief Executive Officer of PwC Consulting in June 2002. Mr. Brenneman joined Continental Airlines in 1995 as the President and Chief Operating Officer and as a member of its board of directors. In 1994, Mr. Brenneman founded Turnworks, Inc., his personal investment firm that focuses on corporate turnarounds. Prior to founding Turnworks, Mr. Brenneman was a Vice President for Bain and Company. Mr. Brenneman currently serves on the board of directors of The Home Depot, Inc. and Baker Hughes, a GE Company. Mr. Brenneman previously served on the board of directors of Milacron Holdings Corp. from 2012 until 2017, Automatic Data Processing, Inc. from 2001 until 2014 and Francesca’s Holding Corporation from 2010 until 2015. Because of his leadership experience, over 20 years of business experience and extensive experience serving as a public company director, we believe Mr. Brenneman is well qualified to serve on our Board.



JONNY GINNS

Age: 44

Independent Director

Jonny Ginns has served on our Board since 2010. Mr. Ginns joined INEOS Group, an affiliate of INEOS Investments Partnership (“INEOS”) in 2006 as the Group General Counsel, having worked as an external lawyer for a number of years before that. He has experience across a wide range of fields, including mergers & acquisitions, disposals, joint ventures, litigation, finance and employee benefits, and acts as a director for a number of INEOS entities. Because of his significant core business skills, including financial and strategic planning, we believe Mr. Ginns is well qualified to serve on our Board.



KYLE VANN

Age: 70

Independent Director

Kyle Vann has served on our Board since 2014. Mr. Vann is an Executive Advisor to CCMP since October 2012 and has provided consulting services to Entergy Corporation since 2005. He served for 25 years in various senior leadership positions at Koch Industries including as the Chief Executive Officer of Entergy-Koch LP, a joint venture between Koch Industries and Entergy Corporation. Before joining Koch Industries, Mr. Vann worked at Humble Oil and Refining Company (which later became part of Exxon) as a refinery engineer. Mr. Vann currently serves on the board of directors of EnLink Midstream Partners LP and Legacy Reserves LP. Because of his extensive experience in exploration and production, midstream, energy services and trading, we believe Mr. Vann is well qualified to serve on our Board.

Class II – Directors with Terms Expiring in 2019



ROBERT COXON

Age: 70

Independent Director

Robert Coxon has served on our Board since 2007. Mr. Coxon was previously a Senior Advisor to The Carlyle Group, assisting buyout teams in Europe, the United States, the Middle East and Asia until 2013. In that role, he advised Carlyle in making and managing investments in the chemicals sector and was based in London. Prior to joining Carlyle, Mr. Coxon was the Senior Vice President of ICI and the Chief Executive Officer of Syntex, a world leading catalyst company. From 2003 until 2017, Mr. Coxon served as the Chairman of the UK Center for Process Innovation, an international research center in printable electronics, bio-processing and low carbon energy. Mr. Coxon previously served on the board of directors of AZ Electronic Materials SA, Jiangsu Sinorgchem Technology Co., Ltd., Ensus Ltd. and Stahl Holdings BV. Because of his extensive experience in the chemicals sector, we believe Mr. Coxon is well qualified to serve on our Board.



MARK MCFADDEN

Age: 40

Independent Director

Mark McFadden has served on our Board since 2016. Mr. McFadden is a Managing Director of CCMP and focuses on making investments in the industrial sector. Prior to joining CCMP upon its formation in August 2006, Mr. McFadden was with J.P. Morgan Partners, LLC between 2002 and 2006. Prior to that, Mr. McFadden was an investment banking analyst at Credit Suisse First Boston and Bowles Hollowell Conner. Mr. McFadden currently serves on the board of directors of Milacron Holdings Corp. Because of his extensive experience in the industrial sector and his significant experience in, and knowledge of, corporate finance and strategic development, we believe Mr. McFadden is well qualified to serve on our Board.



KIMBERLY ROSS

Age: 52

Independent Director

Kimberly Ross has served on our Board since 2017. Ms. Ross served as the Senior Vice President and Chief Financial Officer of Baker Hughes Incorporated, a supplier of oilfield services from 2014 to 2017. Prior to joining Baker Hughes Incorporated in November 2014, Ms. Ross served as the Executive Vice President and Chief Financial Officer of Avon Products Incorporated, a manufacturer of beauty products, from 2011 to 2014. Prior to joining Avon Products, Ms. Ross was an Executive Vice President and the Chief Financial Officer of Royal Ahold N.V., a food retailer, from 2007 to 2011 and held various other finance positions with Royal Ahold N.V. from 2001 to 2007. Ms. Ross serves on the board of directors and the audit committee of Chubb Limited. Because of her extensive financial expertise and experience, we believe Ms. Ross is well qualified to serve on our Board.

**ROBERT TOTH**

Age: 57

Independent Director

Robert Toth has served on our Board since 2016. Mr. Toth is a Managing Director of CCMP. Prior to joining CCMP in 2016, Mr. Toth served as the Chief Executive Officer and President of Polypore International, Inc., a leading global high technology filtration company specializing in microporous membranes, since 2005, during which time Polypore transitioned from a private to a public company via a successful IPO in 2007 and was ultimately acquired in 2015. Mr. Toth was previously the President and Chief Executive Officer and a member of the board of directors of CP Kelco ApS, a global leader in the specialty hydrocolloids market. Prior to joining CP Kelco in 2001, Mr. Toth spent 19 years at Monsanto Company and Solutia Inc. where he held a variety of managerial and executive roles. Mr. Toth currently serves on the board of directors of Materion Corporation and SPX Corporation. Mr. Toth previously served on the board of directors of Polypore International, Inc. from 2005 until 2015. Because of his extensive leadership experience and past service as a public company director, we believe Mr. Toth is well qualified to serve on our Board.

Class III – Directors with Terms Expiring in 2020

**JAMES F. GENTILCORE**

Age: 65

Director, Chairman,
President and CEO

James F. Gentilcore became a director and our President and Chief Executive Officer in July 2016 and became our chairman of the Board in December 2017. Mr. Gentilcore most recently served as an Executive Advisor to CCMP from April 2014 to June 2016. He previously served as Chief Executive Officer of Edwards Group Limited, a developer and manufacturer of vacuum products, abatement systems and related services, from March 2013 to January 2014, and as a director from December 2007 until January 2014. Prior to that, he was the Chief Executive Officer of EPAC Technologies Inc., a logistics technology solutions company, from January 2009 until March 2011. Mr. Gentilcore also served as Chief Operating Officer of Brooks Automation Inc., a position he held from November 2005 until November 2007, after leading the merger between Brooks and Helix Technology Corp., where he had been the Chief Executive Officer from December 2002 until October 2005. Prior to that, Mr. Gentilcore was the Chief Operating Officer of Advanced Energy Industries, Inc. Earlier in his career, he spent 10 years in the electronics materials industry with Air Products Inc., serving in various business development and operational roles. Mr. Gentilcore currently serves on the board of directors of Entegris, Inc. and Milacron Holdings Corp. and previously served as a member of the board of directors of KMG Chemicals Inc. from May 2014 to December 2016. Because of his more than 40 years of management experience and his current leadership of the company as our President and Chief Executive Officer, we believe Mr. Gentilcore is well qualified to serve on our Board.

**MARTIN CRAIGHEAD**

Age: 58

Independent Director

Martin Craighead has served on our Board since 2017. Mr. Craighead served as the Chief Executive Officer of Baker Hughes Incorporated, a supplier of oilfield services, from 2012 to 2017. He has also served as Chairman of the board of directors of Baker Hughes Incorporated from 2013 to 2017 and was a member of their board of directors from 2011 until 2017. Mr. Craighead currently serves on the board of directors of Baker Hughes, a GE company, following the combination of Baker Hughes with GE's oil and gas business. He first joined Baker Hughes Incorporated in 1986 and was its Chief Operating Officer from 2009 to 2012 and Group President of drilling and evaluation from 2007 to 2009. He also served as President of INTEQ from 2005 to 2007 and President of Baker Atlas from February 2005 to August 2005. Because of his industry expertise in the energy sector and extensive management experience, we believe Mr. Craighead is well qualified to serve on our Board.

**ANDREW CURRIE**

Age: 62

Independent Director

Andrew Currie has served on our Board since 2008. Mr. Currie has been a director of INEOS since 1999, a partner of INEOS since 2000 and a director of INEOS AG since March 2010 when the ownership of the INEOS business was transferred to Switzerland. He was previously a Managing Director of Laporte Performance Chemicals, having served as a director of the Inspec Group from 1994 until the Laporte acquisition of Inspec in 1998. Mr. Currie spent the first 15 years of his career with BP Chemicals in various technical and business management functions. Because of his experience in the chemicals sector and his significant core business skills, including financial and strategic planning, we believe Mr. Currie is well qualified to serve on our Board.

**TIMOTHY WALSH**

Age: 54

Independent Director

Timothy Walsh has served on our Board since 2014. Mr. Walsh is the President and Chief Executive Officer of CCMP and is a member of the firm's Investment Committee. Mr. Walsh focuses on making investments in the industrial sector. Prior to joining CCMP upon its formation in August 2006, Mr. Walsh was with J.P. Morgan Partners, LLC and its predecessors from 1993 until 2006. Prior to that, Mr. Walsh worked on various industry-focused client teams within The Chase Manhattan Corporation. Mr. Walsh currently serves on the board of directors of Milacron Holdings Corp. and previously served as a member of the board of directors of Generac Holdings Inc. from 2006 until 2016. Because of his knowledge of the industrial sector and his extensive experience in business and finance, we believe Mr. Walsh is well qualified to serve on our Board.

DIRECTOR COMPENSATION

Director Compensation

In connection with our initial public offering, we adopted a non-employee director compensation policy setting forth the compensation of our independent non-employee directors effective beginning immediately following our initial public offering. Pursuant to such policy, each of our non-employee directors who is not an employee of CCMP or INEOS is compensated as follows:

- Each eligible non-employee director receives an annual cash retainer of \$50,000.
- The chairperson of the audit committee receives an additional annual cash retainer of \$20,000.
- The chairperson of each other committee, to the extent eligible for compensation under the policy, receives an additional annual cash retainer of \$15,000. Each annual retainer is paid quarterly in arrears.
- Each eligible non-employee director receives an annual equity grant in the form of restricted stock units with a grant date fair value of \$200,000. The terms of each such award are set forth in a written award agreement between each director and us, which generally provides for vesting after one year of continued service as a director or upon an earlier occurrence of a change in control.

All cash and equity awards granted under the non-employee director compensation policy are granted under, and subject to the limits of, the PQ Group Holdings Inc. 2017 Omnibus Incentive Plan (the “2017 Plan”).

In 2017, prior to our initial public offering, Mr. Coxon, as an independent non-employee director, was paid an annual cash fee and an additional fee for his service as chairperson of the Health, Safety and Environment Committee of our Board in the amounts set forth above.

Other than to Mr. Boyce, in 2017 we did not pay any additional remuneration for director service to any of our directors who were either our officers or who were employees of CCMP or employees of INEOS. However, all directors were reimbursed for reasonable travel and lodging expenses incurred to attend meetings of our Board or a committee thereof.

On August 15, 2017, the Company granted to each of our two newly appointed directors, Mr. Craighead and Ms. Ross, 12,375 restricted shares. Each award vests subject to the continued service of the director through the first anniversary of his or her appointment to our Board on July 12, 2017.

In connection with our initial public offering, Mr. Coxon and Mr. Vann were each awarded 11,786 restricted stock units, which awards vest on the first anniversary of the date of grant, subject to continued service as a director, and Mr. Boyce received a grant of 21,607 shares that was fully vested on the date of grant.

Retirement of Mr. Boyce

Mr. Boyce retired as the Chairman of our Board at the conclusion of our December 2017 Board meeting.

Prior to his retirement, Mr. Boyce had been party to an agreement with the Company pursuant to which he received an annual base salary of \$357,500, which was equal to 50% of the annual base salary he received at the time of his resignation as Chief Executive Officer, as well as an annual incentive bonus with a target of 100% of his annual base salary, based on the Company’s achievement of financial performance goals established by our Board or the Compensation Committee. As a member of our Board, Mr. Boyce participated in the determination of the objective financial targets upon which payments under the PQIP, our annual incentive plan, were based, but Mr. Boyce did not otherwise participate in the determination of the level of compensation he was awarded. Until his retirement, Mr. Boyce remained eligible to participate in any employee benefit plans and programs maintained by the Company, to the extent permitted under the applicable plans. Any equity awards he held at the time he ceased to be our Chief Executive Officer continued to vest based on his services as Chairman.

On August 31, 2017, Mr. Boyce entered into a severance and release agreement with us setting forth the terms and conditions of his retirement in December 2017. Subject to his continued compliance with the restrictive covenants set forth in his agreement, upon his retirement, Mr. Boyce received a lump sum severance payment equal to \$1,430,000, which represents two times the amount of his base salary and target annual incentive bonus, and he will receive his 2017 annual incentive bonus of \$223,438 in accordance with the terms of the PQIP. Mr. Boyce is also entitled to continued participation in the Company's health plan at active employee rates for 24 months. In addition, for the period January 1, 2018 through and including December 31, 2019, all unvested equity awards held by Mr. Boyce will continue to be eligible to vest pursuant to the terms of the award agreements and equity incentive plans governing such unvested awards.

Director Compensation Table

The following table sets forth certain information with respect to cash compensation and stock awards granted to our directors in 2017. Mr. Gentilcore does not receive any additional compensation for his services as a director and his compensation as an employee is reflected in the 2017 Summary Compensation Table. Directors who are employees of CCMP or INEOS do not receive compensation.

Name	Fees Earned or Paid in Cash (\$) ⁽²⁾	Stock Awards (\$) ⁽³⁾⁽⁴⁾	Non-Equity Incentive Plan Compensation (\$) ⁽⁵⁾	All Other Compensation (\$) ⁽⁶⁾	Total (\$)
Michael Boyce ⁽¹⁾	357,500	357,507	223,438	86,186	1,024,631
Christopher Behrens ⁽¹⁾	—	—	—	—	—
Greg Brenneman	—	—	—	—	—
Robert Coxon	65,000	200,008	—	—	265,008
Martin S. Craighead	25,000	200,211	—	—	225,211
Andy Currie	—	—	—	—	—
Jonny Ginns	—	—	—	—	—
Mark McFadden	—	—	—	—	—
Kimberly Ross	35,000	200,211	—	—	235,211
Robert Toth	—	—	—	—	—
Kyle Vann	50,000	200,008	—	—	250,008
Timothy Walsh	—	—	—	—	—

(1) Mr. Behrens resigned as a member of our Board on September 18, 2017. Mr. Boyce resigned as a member of our Board on December 12, 2017.

(2) Mr. Boyce received compensation for his service as Chairman pursuant to the agreement described above. Mr. Coxon and Ms. Ross received an additional annual retainer for their services as committee chairs. Mr. Coxon served as the chair of the Health, Safety and Environment Committee, and Ms. Ross served as chair of the Audit Committee beginning on July 12, 2017.

(3) As required by SEC rules, amounts shown present the aggregate grant date fair value of restricted share and restricted stock unit awards granted to our non-employee directors during 2017, calculated in accordance with FASB ASC Topic 718, excluding the effect of any estimated forfeitures.

(4) As of December 31, 2017, the following directors held outstanding stock options: Mr. Boyce, 380,765, and Mr. Vann, 7,618; the following directors held outstanding restricted shares: Mr. Boyce 12,375, Mr. Coxon, 25,476, Mr. Craighead, 12,375, and Ms. Ross, 12,375; and the following directors held outstanding restricted stock units: Mr. Coxon, 11,786, and Mr. Vann, 11,786.

(5) Represents amounts paid to Mr. Boyce under the Company's performance-based annual incentive plan, the PQIP. Pursuant to the terms of his agreement described above, Mr. Boyce's target annual bonus for 2017 was 100% of his 2017 base salary. The actual award payable for 2017 to Mr. Boyce was based on the achievement of the EBITDA targets for the two operating segments: 50% Performance Materials & Chemicals Group and 50% Environmental Catalysts & Services Group pursuant to the same formula and based on the same financial targets and achievement levels under which the named executive officers earned their PQIP awards, all as discussed above under "Annual Performance-Based Cash Award – The PQIP".

(6) Includes the Company's matching contribution under the 401(k) plan (\$8,100), the Company's 4% contribution under the 401(k) plan (\$10,800), the Company's contribution to the PRA SERP (\$21,579), and amounts in respect of tax preparation services (\$44,676).

CORPORATE GOVERNANCE

Board Meetings and Executive Sessions

Our Board and its committees meet periodically throughout the year, as needed, to oversee management of the Company's business and affairs for the benefit of its stockholders. During 2017, our Board held five meetings and acted by written consent ten times. During 2017, each director attended at least 75% of the Board meetings and the total meetings held by all of the committees on which he or she served during the periods that he or she served. We encourage, but do not require, our directors to attend annual meetings of stockholders.

Periodically throughout the year, the non-employee directors meet in executive session without members of management present. These meetings allow non-employee directors to discuss issues of importance to the Company, including the business and affairs of the Company as well as matters concerning management, without any member of management present. The Board has not formally selected a director to preside at all meetings of non-management directors. Instead, at meetings of the non-management directors, the attendees designate a chairperson for each meeting.

In addition, the Corporate Governance Guidelines provide that the independent members of the Board meet in executive session at least once per year at which only independent directors are present.

Committees and Committee Composition

During fiscal 2017, the Board had four standing committees: the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, and the Health, Safety and Environment Committee. The members of each committee are appointed by the Board and serve until their successor is elected and qualified, unless they are earlier removed or resign. In addition, from time to time, special committees may be established under the direction of the Board when necessary to address specific issues. The table below provides information about the membership of these committees during fiscal 2017:

Name	Audit	Compensation	Nominating and Corporate Governance ⁽¹⁾	Health, Safety and Environment
Kimberly Ross	*			
Mark McFadden	X			
Jonny Ginns ⁽²⁾⁽³⁾	X			X
Timothy Walsh		*		
Andrew Currie ⁽³⁾		X	X	X
Greg Brenneman			*	
Martin Craighead			X	X
Kyle Vann				X
Robert Coxon ⁽²⁾	X			*
Robert Toth				X
Michael Boyce ⁽⁴⁾		X		
Number of meetings during fiscal 2017	8	2	0	1

* Committee Chairperson

(1) The Nominating and Corporate Governance Committee was formed in September 2017 in connection with our initial public offering.

(2) Mr. Ginns served on the Audit Committee until December 2017. At that time, Mr. Coxon joined the committee.

(3) Mr. Currie served on the Health, Safety and Environment Committee until December 2017. At that time, Mr. Ginns joined the committee.

(4) Mr. Boyce resigned from the Board and from the Compensation Committee in December 2017.

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Audit Committee — The Audit Committee’s purpose, roles and responsibilities are set forth in a written charter adopted by our Board, which can be found in the Investors section of our website at www.pqcorp.com under “Corporate Governance.” The Audit Committee’s primary duties and responsibilities are to:

- appoint or replace, compensate and oversee the outside auditors, who will report directly to the Audit Committee, for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for us;
- pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for us by our outside auditors, subject to de minimis exceptions that are approved by the Audit Committee prior to the completion of the audit;
- review and discuss with management and the outside auditors the annual audited and quarterly unaudited financial statements, our disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the selection, application and disclosure of critical accounting policies and practices used in such financial statements; and
- discuss with management and the outside auditors any significant financial reporting issues and judgments made in connection with the preparation of our financial statements, including any significant changes in our selection or application of accounting principles, any major issues as to the adequacy of our internal controls and any special steps adopted in light of material control deficiencies.

The Audit Committee currently consists of Kimberly Ross, Mark McFadden and Robert Coxon, with Ms. Ross serving as chairperson of the committee. Our Board has determined that Ms. Ross and Mr. Coxon each meet the independence requirements of Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the governance and listing standards of the New York Stock Exchange. We intend to maintain compliance with the audit committee requirements of the Sarbanes-Oxley Act and the governance and listing standards of the New York Stock Exchange. Pursuant to such requirements, the Audit Committee must be composed of at least three members, all of whom must be independent within one year of September 28, 2017, the date of the prospectus used in our initial public offering. All of the members of the Audit Committee are financially literate and Ms. Ross is also considered an “audit committee financial expert” within the meaning of the applicable rules of the Securities and Exchange Commission.

Compensation Committee — The purpose of the Compensation Committee is to assist the Board in fulfilling its responsibilities relating to oversight of the compensation of our directors, executive officers and other employees and the administration of our benefits and equity-based compensation programs. The Compensation Committee reviews and recommends to our Board compensation plans, policies and programs and approves specific compensation levels for all executive officers. The Compensation Committee currently consists of Timothy Walsh, Andrew Currie and Kyle Vann, with Mr. Walsh serving as the chairperson of the committee. Our Board has determined that each member of the Compensation Committee meets the independence requirements under the governance and listing standards of the New York Stock Exchange and are “outside directors” pursuant to Section 162(m) of the Internal Revenue Code of 1986, as amended. The Compensation Committee’s purpose, roles and responsibilities are set forth in a written charter adopted by our Board, which can be found in the Investors section of our website at www.pqcorp.com under “Corporate Governance.”

Nominating and Corporate Governance Committee — The purpose of the Nominating and Corporate Governance Committee is to identify individuals qualified to become members of the Board, recommend to the Board director nominees for the next annual meeting of stockholders, develop and recommend to the Board a set of corporate governance principles applicable to the Company, oversee the evaluation of the Board and its dealings with management as well as appropriate committees of the Board and review and approve all related party transactions. The Nominating and Corporate Governance Committee currently consists of Greg Brenneman, Andrew Currie and Martin Craighead, with Mr. Brenneman serving as the chairperson of the committee. Our Board has determined that each member of the Nominating and Corporate Governance Committee is independent as defined under the governance and listing standards of the New York Stock Exchange. The Nominating and Corporate Governance Committee’s purpose, roles and responsibilities are set forth in a written charter adopted by our Board, which can be found in the Investors section of our website at www.pqcorp.com under “Corporate Governance.”

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Health, Safety and Environment Committee — The purpose of the Health, Safety and Environment Committee is to assist the Board in fulfilling its responsibilities to provide global oversight of the Company's health, safety, environment and security policies, processes and initiatives. The Health, Safety and Environment Committee currently consists of Robert Coxon, Jonny Ginns, Martin Craighead, Kyle Vann and Robert Toth, with Mr. Coxon serving as chairperson of the committee. The Health Safety and Environment Committee's purpose, roles and responsibilities are set forth in a written charter adopted by our Board, which can be found in the Investors section of our website at www.pqcorp.com under "Corporate Governance."

Compensation Committee Interlocks and Insider Participation

None of our executive officers serves as a member of the board of directors or compensation committee, or other committee serving an equivalent function, of any other entity that has one or more of its executive officers serving as a member of our Board or Compensation Committee. Mr. Walsh is employed by CCMP and Mr. Currie is employed by INEOS. For additional information regarding transactions between CCMP and its affiliates and us and between INEOS and its affiliates and us, see "Transactions with Related Persons."

Our Board's Role in Risk Oversight

It is management's responsibility to manage risk and bring to the Board's attention risks that are material to PQ. The Board has oversight responsibility for the systems established to report and monitor the most significant risks applicable to PQ. The Board believes that evaluating the executive team's management of the various risks confronting PQ is one of its most important areas of oversight.

In accordance with this responsibility, the Board administers its risk oversight role directly and through its committee structure and the committees' regular reports to the Board at Board meetings. The Board reviews strategic, financial and execution risks and exposures associated with the annual plan and long-term plans, major litigation and other matters that may present material risk to the Company's operations, plans, prospects or the Company's reputation, acquisitions and divestitures, senior management succession planning and enterprise risk management. The Audit Committee oversees the Company's internal audit function and reviews risks associated with financial and accounting matters, including financial reporting, accounting, disclosure, internal controls over financial reporting, ethics and compliance programs, and regulatory compliance. The Compensation Committee reviews risks related to executive compensation and the design of compensation programs, plans and arrangements.

Board Independence

Our Corporate Governance Guidelines provide that our Board shall consist of such number of directors who are independent as is required and determined in accordance with applicable laws and regulations and requirements of the New York Stock Exchange and Securities and Exchange Commission rules. Under our Corporate Governance Guidelines, an "independent" director is one who meets the qualification requirements for being an independent director under applicable laws and the corporate governance listing standards of the New York Stock Exchange. Our Board evaluates any relationships between each director or nominee and PQ and makes an affirmative determination whether or not such director or nominee is independent. As a result of this review, our Board has affirmatively determined that each current member of our Board, with the exception of Mr. Gentilcore, our Chairman, President and Chief Executive Officer, is independent under the corporate governance listing standards of the New York Stock Exchange.

Diversity and Board Expertise

We seek to have a Board that represents diversity as to experience, gender and ethnicity/race, but we do not have a formal policy with respect to diversity. We also seek a Board that reflects a range of talents, ages, skills, character and expertise, particularly in the areas of leadership, operations, risk management, accounting and finance, strategic planning and the industries in which we operate, sufficient to provide sound and prudent guidance with respect to our operations and interests.

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Board and Committee Annual Performance Reviews

Our Corporate Governance Guidelines provide that the Nominating and Corporate Governance Committee is responsible for reporting annually to the Board an evaluation of the overall performance of the Board. In addition, the written charters of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee provide that each such committee shall evaluate its performance on an annual basis using criteria that it has developed and shall report to the Board on its findings.

Director Nominations

Criteria and Process of Identifying and Evaluating Candidates for Consideration as a Director Nominee

Under its charter, our Nominating and Corporate Governance Committee is responsible for recommending to the Board candidates to stand for election to the Board at the Company's annual meeting of stockholders and for recommending candidates to fill vacancies on the Board that may occur between annual meetings of stockholders. The Nominating and Corporate Governance Committee may receive suggestions for new directors from a number of sources, including Board members and our Chief Executive Officer, and may also, in its discretion, employ a third-party search firm to assist in identifying candidates for director. The Corporate Governance Guidelines provide that each director should possess a combination of skills, professional experience and diversity of viewpoints necessary to oversee the Company's business. It is the policy of the Board that directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the Company's stakeholders. Board members are expected to become and remain informed about the Company, its business and its industry and rigorously prepare for, attend and participate in all Board and applicable committee meetings. The Nominating and Corporate Governance Committee evaluates each individual in the context of the skills, character, diversity and expertise of the Board as a whole, with the objective of recommending a group that can best perpetuate the success of our business and represent stockholder interests through the exercise of sound judgment using its diversity of experience. In addition, the Nominating and Corporate Governance Committee considers, in light of our business, each director nominee's experience, qualifications, attributes and skills that are identified in the biographical information contained in this Proxy Statement.

Procedures for Recommendation of Director Nominees by Stockholders

The Nominating and Corporate Governance Committee considers properly submitted recommendations for candidates to the Board from stockholders in accordance with our Bylaws. Any stockholder may submit in writing a candidate for consideration for each stockholder meeting at which directors are to be elected by (i) no later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the anniversary date of the prior year's annual meeting or (ii) if there was no annual meeting in the prior year or if the date of the current year's annual meeting is more than 30 days before or after the anniversary date of the prior year's annual meeting, on or before 10 days after the day on which the date of the current year's annual meeting is first disclosed in a public announcement. Any stockholder recommendations for consideration by the Nominating and Corporate Governance Committee should include the candidate's name, biographical information, and the information required by Section 1.2 of our Bylaws. Recommendations should be sent to c/o Secretary, PQ Group Holdings Inc., Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355. The Nominating and Corporate Governance Committee evaluates candidates for the position of director recommended by stockholders in the same manner as candidates from other sources. The Nominating and Corporate Governance Committee will determine whether to interview any candidates and may seek additional information about candidates from third-party sources.

Board Leadership Structure

Under our Corporate Governance Guidelines, our Board may select a Chairperson at any time, who may also be an executive officer of the Company. Michael Boyce, our former non-executive Chairperson, retired from the Board in December 2017. At that time, James Gentilcore, our President and Chief Executive Officer, assumed the additional role of Chairman of the Board. Given Mr. Gentilcore's extensive experience and deep knowledge of our Company and our industry, the Board believes that combining the Chairperson and Chief Executive Officer positions is currently the most effective leadership structure for PQ. As Chief Executive Officer, Mr. Gentilcore is intimately involved in the day-to-day operations of our Company and is best positioned to lead the Board in setting the strategic focus and direction for our Company.

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Succession Planning

The Chief Executive Officer reviews succession planning and management development with the Board and the Nominating and Corporate Governance Committee on an annual basis. This succession planning includes the development of policies and principles for selection of the Chief Executive Officer, including succession in the event of an emergency or retirement.

Majority Voting Guidelines

Our Corporate Governance Guidelines provide that in an uncontested election of directors, any nominee for director who receives a greater number of votes “withheld” from his or her election than votes “for” such election shall promptly tender his or her resignation following certification of the stockholder vote. The Board shall determine whether or not to accept such resignation within a period of 120 days following the stockholder vote, and will promptly publicly disclose its decision to accept or reject the resignation and the reasons for doing so.

Policies Relating to Directors and Service

It is our policy that a director, other than the Chief Executive Officer, who is also an employee of the Company, shall offer his or her resignation from the Board to the Nominating and Corporate Governance Committee at the same time he or she retires or resigns from employment with the Company. In addition, it is our policy that directors who retire or otherwise change from the principal occupation or background association they held when they were originally invited to the Board should provide notice to the Nominating and Corporate Governance Committee or the Board and offer to resign from the Board. The Board does not believe that such directors should necessarily leave the Board, but it is our policy that there should be an opportunity for the Board to review the continued appropriateness of such director’s membership under these circumstances. The Board also believes that each director should advise the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve as a member on another board of directors.

In general, the Board does not have a policy limiting the number of other public company boards of directors upon which a director may sit. However, the Nominating and Corporate Governance Committee shall consider the number of other boards of directors (or comparable governing bodies), particularly with respect to public companies, on which a prospective nominee is a member. Although the Board does not impose a limit on outside directorships, it does recognize the substantial time commitments attendant to membership on the Board and expects that directors devote all such time as is necessary to fulfill their accompanying responsibilities, both in terms of preparation for, and attendance and participation at, meetings.

Pursuant to our Audit Committee charter and the New York Stock Exchange listing rules, members may serve on no more than three separate public company audit committees simultaneously without prior review and determination by the Board that such simultaneous service would not impair the ability of such member to effectively serve on the Company’s Audit Committee.

Communications with Directors

Stockholders and other interested parties may communicate directly with the Board, the non-employee directors or the independent directors as a group, or specified individual directors by writing to such individual or group c/o Secretary, PQ Group Holdings Inc., Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355. The Secretary will forward such communications to the relevant group or individual at or prior to the next meeting of the Board.

Code of Conduct

We have adopted a written Code of Conduct applicable to all employees and a written Code of Ethics for Senior Executive and Financial Officers, which are designed to ensure that our business is conducted with integrity. These codes cover, among other things, professional conduct, conflicts of interest, accurate recordkeeping and reporting, public communications and the protection of confidential information, as well as adherence to laws and regulations applicable to the conduct of our business. We intend to disclose any future amendments to, or waivers from, these codes of ethics for PQ executive officers within four business days of the waiver or amendment through a website posting or by filing a Current Report on Form 8-K with the Securities and Exchange Commission.

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Online Availability of Information

The current versions of our Corporate Governance Guidelines, Code of Conduct, Code of Ethics for Senior Executive and Financial Officers and charters for our Audit Committee, Compensation Committee, Nominating and Corporate Governance Committee and Health, Safety and Environment Committee are available by clicking on “Corporate Governance” in the Investors section of our website, www.pqcorp.com. These materials are also available in print free of charge to stockholders, upon written request to c/o Secretary, PQ Group Holdings Inc., Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355.

EXECUTIVE OFFICERS

The following table sets forth the name, age, and position, as of April 1, 2018, of our current executive officers.

Name	Age	Position
James F. Gentilcore	65	Chairman of the Board, President and Chief Executive Officer
Michael Crews	51	Executive Vice President and Chief Financial Officer
Scott Randolph	55	Executive Vice President and Group President—Performance Materials and Chemicals
David J. Taylor	61	Executive Vice President and Group President—Environmental Catalysts and Services
John Lau	63	Vice President, Chief Technology Officer
Joseph S. Koscinski	52	Vice President, Secretary and General Counsel
William J. Sichko, Jr.	64	Vice President, Chief Administrative Officer
Paul Ferrall	61	Senior Vice President—Strategic Development

Biographical information concerning our President and Chief Executive Officer, James F. Gentilcore, who also serves as Chairman of our Board, is set forth above under “Board of Directors.”

Michael Crews became our Executive Vice President and Chief Financial Officer in August 2015. From 2008 to 2015, Mr. Crews was Executive Vice President and Chief Financial Officer at Peabody Energy Corporation. From 1998 to 2008, Mr. Crews held various management positions at Peabody Energy Corporation including Vice President—Operations Planning, Assistant Treasurer and Director—Financial and Capital Planning. Mr. Crews began his career in KPMG’s audit function.

Scott Randolph became Executive Vice President and Group President—Performance Materials and Chemicals in December 2016. From March 2016 to December 2016, Mr. Randolph served as Vice President and President—Global Performance Chemicals after previously serving as Vice President and President—Performance Chemicals Americas and Australia and Performance Materials. From April 2005 to May 2016, Mr. Randolph served as President of Performance Materials. Mr. Randolph originally joined us as Senior Vice President Strategic Planning in February 2005. From 2000 to 2005, Mr. Randolph held the position of Chief Financial Officer with Peak Investments, LLC. From 1990 to 2000, Mr. Randolph held a number of management positions with Harris Chemical Group and IMC Global following IMC Global’s acquisition of Harris Chemical Group. Mr. Randolph’s last position with IMC Global was General Manager of the Worldwide Boron Business. From 1989 to 1990, Mr. Randolph held management positions with General Chemical. Prior to that, Mr. Randolph served as a nuclear trained naval officer from 1984 to 1989.

David J. Taylor became our Executive Vice President and Group President—Environment Catalysts and Services in April 2018. From September 2017 through March 2018, Mr. Taylor served as our Senior Vice President—Strategic Development. Prior to joining us, Mr. Taylor served in several senior management positions with Air Products and Chemicals, Inc., a global industrial gas and chemicals supplier. From 2014 to 2016, he was Vice President, Energy from Waste and from 2005 to 2014 he was Vice President, Energy Business. Mr. Taylor served as Vice President, Large Air Separation Units from 2003 to 2005 and Vice President, Industrial Chemicals Division from 2002 to 2003. Prior to that, Mr. Taylor held several operational and business development roles with Air Products in the industrial gas and energy businesses.

John Lau became Vice President, Chief Technology Officer in January 2016. Dr. Lau joined us in July 1996 to lead our Exploratory Research department with the mission to develop new growth opportunities. Dr. Lau was appointed Vice President of Research and Development in 1998 and Vice President of Strategic Planning in 2005. In November 2006,

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Dr. Lau became Vice President and General Manager of Silica Catalysts and Zeolyst International and, in January 2011, became President of the Catalysts business. Prior to joining us, Dr. Lau held various research and management positions at W.R. Grace & Co. from 1984 to 1996. From 1982 to 1984, Dr. Lau was a research fellow at the University of California, Los Angeles.

Joseph S. Koscinski became Vice President, Secretary and General Counsel in November 2015. From August 1995 to October 2015, Mr. Koscinski was an attorney in the Business Services Group of Babst, Calland, Clements and Zomnir, P.C., a law firm in Pittsburgh, Pennsylvania, where he was named a shareholder in 2003 and where his corporate practice included mergers and acquisitions, real estate matters and commercial contracts. While in private practice, Mr. Koscinski served as outside corporate counsel to PQ Corporation since 2005.

William J. Sichko, Jr. became Vice President, Chief Administrative Officer in 2005. Mr. Sichko served as our Secretary from 2005 to November 2015, and is currently an Assistant Secretary. From 1998 through 2005, Mr. Sichko was Chief Administrative Officer with Peak Investments, LLC. From 1991 through 1998, he held management positions with Harris Chemical Group and IMC Global following IMC Global's acquisition of Harris Chemical, including serving as Senior Vice President of Human Resources from 1996 to 1998. From 1987 to 1991, Mr. Sichko was a manager with General Chemical.

Paul Ferrall became Senior Vice President—Strategic Development in April 2018. From December 2016 through March 2018, Mr. Ferrall served as our Executive Vice President and Group President—Environmental Catalysts and Services. Mr. Ferrall joined us in July 2005 as Senior Vice President of Global Plant Operations for the performance chemicals business and served as Vice President and President—Performance Chemicals Americas and Australia from November 2006 to August 2015, prior to transitioning to President of Refining Services in August 2015. Prior to joining us, Mr. Ferrall had been the president of Peak Chemical and Sulfur and, from 1995 to 2000, held several management positions with Harris Chemical Group and IMC Global, including Vice President of its Soda Products business. From 1978 to 1995, Mr. Ferrall held various positions of responsibility in engineering, operations, finance, sales and business management with Allied Chemical.

STOCKHOLDER INFORMATION

STOCK OWNERSHIP

The following table sets forth information regarding the beneficial ownership of our Common Stock as of March 29, 2018 by:

- each person or group of affiliated persons known by us to be the beneficial owner of more than 5% of our Common Stock;
- each of our named executive officers, directors and director nominees; and
- all of our directors, director nominees and executive officers as a group.

The percentage ownership information shown in the table below is based upon 135,240,866 shares of Common Stock outstanding as of March 29, 2018.

Information with respect to beneficial ownership has been furnished by each director, officer or beneficial owner of more than 5% of our Common Stock. We have determined beneficial ownership in accordance with the rules of the Securities and Exchange Commission. These rules generally attribute beneficial ownership of shares to persons who possess sole or shared voting or investment power with respect to such shares. The information does not necessarily indicate beneficial ownership for any other purpose. Under these rules, the number of shares of Common Stock deemed outstanding includes shares issuable upon exercise of options and held by the respective person or group which may be exercised or converted within 60 days after March 29, 2018 as well as shares of restricted stock of which a respective person has voting power. These shares are deemed to be outstanding and beneficially owned by the person holding those options for the purpose of computing the percentage ownership of that person or entity, but they are not treated as outstanding for the purpose of computing the percentage ownership of any other person or entity.

Unless otherwise indicated below, the address for each listed director, officer and stockholder is c/o PQ Group Holdings Inc., Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355. The inclusion in the following table of those shares, however, does not constitute an admission that the named stockholder is a direct or indirect beneficial owner. Unless otherwise indicated and subject to applicable community property laws, to our knowledge, each stockholder named in the following table possesses sole voting and investment power over the shares listed, except for those jointly owned with that person's spouse.

Name	Number of Shares	Percentage
<i>Beneficial holders of 5% or more of our outstanding Common Stock:</i>		
CCMP Capital Investors III, L.P. and related investment funds ⁽¹⁾	61,962,767	45.8%
INEOS Investments Partnership ⁽²⁾	32,909,062	24.3%
<i>Directors and named executive officers:</i>		
James F. Gentilcore ⁽³⁾	319,641	*
Greg Brenneman ⁽⁴⁾	—	—
Timothy Walsh ⁽⁴⁾	—	—
Mark McFadden ⁽⁴⁾	—	—
Robert Toth ⁽⁴⁾	—	—
Robert Coxon ⁽⁵⁾	76,410	*
Andrew Currie ⁽⁶⁾	—	—
Jonny Ginns	10,699	*
Kyle Vann ⁽⁷⁾	70,189	*

Name	Number of Shares	Percentage
Martin Craighead ⁽⁸⁾	29,515	*
Kimberly Ross ⁽⁹⁾	12,375	*
Michael Crews ⁽¹⁰⁾	187,739	*
Scott Randolph ⁽¹¹⁾	255,141	*
Paul Ferrall ⁽¹²⁾	809,849	*
Joseph S. Koscinski ⁽¹³⁾	47,049	*
All executive officers and directors as a group (18 persons) ⁽¹⁴⁾	4,441,145	3.3%

* Indicates less than 1%

- (1) Includes 29,370,897 shares of our Common Stock held by CCMP Capital Investors III, L.P. ("CCMP Capital Investors"), 2,977,037 shares of our Common Stock held by CCMP Capital Investors III (Employee), L.P. ("CCMP Employee"), 8,954,565 shares of our Common Stock held by CCMP Capital Investors III (AV-7), L.P. ("CCMP AV-7"), 506,610 shares of our Common Stock held by CCMP Capital Investors III (AV-8), L.P. ("CCMP AV-8"), 10,127,880 shares of our Common Stock held by CCMP Capital Investors III (AV-9), L.P. ("CCMP AV-9"), 663,600 shares of our Common Stock held by CCMP Capital Investors III (AV-10), L.P. ("CCMP AV-10" and, together with CCMP Capital Investors, CCMP Employee, CCMP AV-7, CCMP AV-8 and CCMP AV-9, the "CCMP Capital Funds") and 9,362,178 shares of our Common Stock held by Quartz Co-Invest, L.P. ("Quartz" and, together with the CCMP Capital Funds, the "CCMP Investors"). The general partner of the CCMP Capital Funds is CCMP Capital Associates III, L.P. ("CCMP Capital Associates"). The general partner of CCMP Capital Associates is CCMP Capital Associates III GP, LLC ("CCMP Capital Associates GP"). The general partner of Quartz is CCMP Co-Invest III A GP, LLC ("CCMP Co-Invest GP"). CCMP Capital Associates GP and CCMP Co-Invest GP are each wholly owned by CCMP Capital, LP. The general partner of CCMP Capital, LP is CCMP Capital GP, LLC ("CCMP Capital GP"). CCMP Capital GP ultimately exercises voting and investment power over the shares of our Common Stock held by the CCMP Investors. As a result, CCMP Capital GP may be deemed to share beneficial ownership with respect to the shares of our Common Stock held by the CCMP Investors. The investment committee of CCMP Capital GP with respect to the shares of our Common Stock consists of Christopher Behrens and Messrs. Brenneman and Walsh. Messrs. Brenneman and Walsh each serve as a director of the Company. Each of the CCMP entities has an address of c/o CCMP Capital Advisors, LP, 277 Park Avenue, New York, New York 10172.
- (2) The partners of INEOS Investments Partnership are James A. Ratcliffe, John Reece, Andrew Currie and INEOS Silicas Holdings Limited. Mr. Ratcliffe, as the majority owner of INEOS Investments Partnership, has the power to control the voting and disposition of the shares of our Common Stock held by INEOS Investments Partnership. The address of INEOS Investments Partnership is Avenue des Uttins, 3, CH-1180, Rolle Switzerland.
- (3) Includes 39,406 shares of our Common Stock held by Mr. Gentilcore that can be acquired upon the exercise of outstanding options and 170,300 shares of our Common Stock and 109,935 shares of our restricted Common Stock subject to vesting conditions held by a trust for which Mr. Gentilcore is the grantor.
- (4) Does not include shares of our Common Stock held by the CCMP Investors. The address of each of Messrs. Brenneman, McFadden, Toth and Walsh is c/o CCMP Capital Advisors, LP, 277 Park Avenue, New York, New York 10172.
- (5) Includes 25,476 shares of our restricted Common Stock subject to vesting conditions.
- (6) Does not include shares of our Common Stock held by INEOS Investments Partnership.
- (7) Includes 22,854 shares of our Common Stock that can be acquired upon the exercise of outstanding options.
- (8) Includes 12,375 shares of our restricted Common Stock subject to vesting conditions.
- (9) Includes 12,375 shares of our restricted Common Stock subject to vesting conditions.
- (10) Includes 28,859 shares of our Common Stock that can be acquired upon the exercise of outstanding options and 100,320 shares of our restricted Common Stock subject to vesting conditions held by Mr. Crews and 28,005 shares of our Common Stock held by a revocable trust for which Mr. Crews is the grantor.
- (11) Includes 114,238 shares of our Common Stock that can be acquired upon the exercise of outstanding options and 31,125 shares of our restricted Common Stock subject to vesting conditions held by Mr. Randolph, 30,334 shares of our Common Stock held by a revocable trust for which Mr. Randolph is the grantor and 30,334 shares of our Common Stock held by investment corporation.
- (12) Includes 114,238 shares of our Common Stock that can be acquired upon the exercise of outstanding options and 116,028 shares of our restricted Common Stock subject to vesting conditions.
- (13) Includes 4,965 shares of our Common Stock that can be acquired upon the exercise of outstanding options and 14,070 shares of our restricted Common Stock subject to vesting conditions.
- (14) Includes 330,254 shares of our Common Stock that can be acquired upon the exercise of outstanding options and 936,780 shares of our restricted Common Stock subject to vesting conditions.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors, executive officers and holders of more than 10% of our Common Stock to file reports of holdings and transactions in our Common Stock with the Securities and Exchange Commission. Specific due dates for these reports have been established and we are required to report any failure to file by such dates during fiscal year 2017. Based on our review of filings made with the Securities and Exchange Commission and representations made by our directors and executive officers, we believe that all of our directors, executive officers and greater than 10% holders timely filed all reports that were required to be filed under Section 16(a).

TRANSACTIONS WITH RELATED PERSONS

CCMP Consulting Agreement

In December 2014, PQ Holdings Inc. and PQ Corporation entered into a consulting agreement with CCMP, pursuant to which CCMP agreed to provide PQ Holdings Inc. and its subsidiaries with certain financial advisory, consulting and other services in exchange for its pro rata portion of a \$1.25 million quarterly consulting fee to be shared with INEOS AG, an affiliate of INEOS, pursuant to the INEOS AG consulting agreement described below under “INEOS Consulting Agreement,” and the reimbursement of reasonable out-of-pocket expenses incurred in connection with the performance of services under the agreement. The agreement also provided for payment to CCMP of a transaction fee to be shared on a pro rata basis with INEOS AG in connection with any merger, recapitalization, reorganization or other similar transaction in an amount calculated based on the total transaction value.

We paid advisory fees totaling approximately \$1.8 million and expense reimbursement payments totaling approximately \$0.1 million during the year ended December 31, 2017.

The consulting agreement provided for customary exculpation and indemnification provisions in favor of CCMP and its affiliates. The consulting agreement was terminated in September 2017 in connection with our initial public offering. The indemnification and exculpation provisions in favor of CCMP and its affiliates survived such termination.

INEOS Consulting Agreement

In December 2014, PQ Holdings Inc. and PQ Corporation entered into an amended and restated consulting agreement with INEOS AG, an affiliate of INEOS, pursuant to which INEOS AG agreed to provide PQ Holdings Inc. and its subsidiaries with certain financial advisory, consulting and other services in exchange for its pro rata portion of a \$1.25 million quarterly consulting fee to be shared with CCMP pursuant to the CCMP consulting agreement described above under “CCMP Consulting Agreement,” and the reimbursement of reasonable out-of-pocket expenses incurred in connection with the performance of services under the agreement. The agreement also provided for payment to INEOS AG of a transaction fee to be shared on a pro rata basis with CCMP in connection with any merger, recapitalization, reorganization or other similar transaction in an amount calculated based on the total transaction value. The amended and restated consulting agreement with INEOS AG amended and restated the prior consulting agreement with INEOS Capital Partners, an affiliate of INEOS, which was entered into in July 2008 on substantially similar terms.

We paid advisory fees totaling approximately \$1.7 million during the year ended December 31, 2017.

The amended and restated consulting agreement provided for customary exculpation and indemnification provisions in favor of INEOS AG and its affiliates. The amended and restated consulting agreement was terminated in September 2017 in connection with our initial public offering. The indemnification and exculpation provisions in favor of INEOS AG and its affiliates survived such termination.

Amended and Restated Stockholders Agreement

In May 2016 we entered into an amended and restated stockholders agreement with certain of our stockholders, including investment funds affiliated with CCMP, INEOS, our directors and officers who held shares of our Common Stock and certain other investors. In connection with our initial public offering, the stockholders agreement was further amended and restated.

The stockholders agreement, as amended and restated, provides affiliates of CCMP with certain demand registration rights, including shelf registration rights, in respect of shares of our Common Stock held by them and also provides that, in the event that we register additional shares of our Common Stock for sale to the public, we will be required to give notice of such registration to such affiliates of CCMP and certain other stockholders, and, subject to certain limitations, include shares of our Common Stock held by them in such registration. In addition, we will be required to bear the registration expenses, other than underwriting discounts and commissions and transfer taxes, associated with any registration of shares described above and to indemnify such stockholders and certain other persons against certain liabilities that may arise under the Securities Act in connection with any such offering and sale of our shares.

Floating Rate Senior Unsecured Notes Investment

In connection with the offering by PQ Corporation of \$525.0 million aggregate principal amount of Floating Rate Senior Unsecured Notes due 2022 (the “Floating Rate Senior Unsecured Notes”) in May 2016, Andrew Currie, a member of our Board, purchased \$4 million in principal amount of such notes. Interest accrued on the notes at an annual rate equal to three-month LIBOR plus 10.75%, with a 1.0% LIBOR floor, payable and reset quarterly. Mr. Currie received interest payments in respect of the notes totaling approximately \$0.4 million during the year ended December 31, 2017. On October 3, 2017, all of the net proceeds from our initial public offering were used to redeem \$446.2 million in aggregate principal amount of the Floating Rate Senior Unsecured Notes, together with accrued and unpaid interest, and applicable redemption premiums. As a result, Mr. Currie received a portion of the net proceeds from our initial public offering. On December 11, 2017, a portion of the net proceeds from our issuance of \$300 million in aggregate principal amount of 5.750% Senior Unsecured Notes due 2025 were used to redeem the remaining Floating Rate Senior Unsecured Notes. As a result, Mr. Currie received a portion of the net proceeds from the issuance.

INEOS Silicas Purchase Agreement

In July 2008, PQ Corporation entered into a purchase agreement with certain affiliates of INEOS pursuant to which PQ Corporation acquired certain assets and liabilities from, and certain stock of, the entities that comprised INEOS Silicas. In connection with such acquisition, PQ Corporation agreed to make certain future payments to INEOS Silicas Limited, an affiliate of INEOS, in an amount based on PQ Corporation’s U.K. taxable results. PQ Corporation paid INEOS Silicas Limited approximately \$1.8 million during the year ended December 31, 2017. INEOS Silicas Limited is not entitled to any additional payments under the agreement.

Policies and Procedures for Related Party Transactions

Our Board has adopted a policy with respect to the review, approval and ratification of related party transactions. Under the policy, the Nominating and Corporate Governance Committee is responsible for reviewing and approving related party transactions. The policy applies to transactions, arrangements and relationships (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships in which the aggregate amount involved will, or may be expected to, exceed \$120,000 with respect to any fiscal year, and where we (or one of our subsidiaries) are a participant and in which a related party has or will have a direct or indirect material interest. In the course of reviewing potential related party transactions, the Nominating and Corporate Governance Committee will consider the nature of the related party’s interest in the transaction; the presence of standard prices, rates or charges or terms otherwise consistent with arms-length dealings with unrelated third parties; the materiality of the transaction to each party; the reasons for the Company entering into the transaction with the related party; the potential effect of the transaction on the status of a director as an independent, outside or disinterested director or committee member; and any other factors the Nominating and Corporate Governance Committee may deem relevant.

EXECUTIVE COMPENSATION

REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis section set forth below with our management. Based on this review and discussion, the Compensation Committee recommended to our Board that the Compensation Discussion and Analysis section be included in this Proxy Statement which will be incorporated by reference in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017.

Respectfully submitted by the Compensation Committee of our Board

Timothy Walsh, Chair

Andrew Currie

Kyle Vann

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

This section discusses the principles underlying the material components of our executive compensation program for our executive officers who are named in the Summary Compensation Table and the factors relevant to an analysis of our executive compensation policies and decisions. For the year ended December 31, 2017 our named executive officers included our principal executive officer, our principal financial officer, and our next three most highly compensated executive officers.

Executive	Title
James Gentilcore ⁽¹⁾	Chairman, President and Chief Executive Officer
Michael Crews	EVP and Chief Financial Officer
Scott Randolph	EVP and Group President Performance Materials & Chemicals
Paul Ferrall ⁽²⁾	Senior Vice President, Strategic Development
Joseph S. Koscinski	Vice-President, Secretary and General Counsel

(1) Mr. Gentilcore became Chairman of our Board following Mr. Boyce's retirement at the conclusion of our December 2017 Board meeting.

(2) From December 2016 until March 2018 Mr. Ferrall served as EVP and Group President—Environmental Catalysts & Services.

Executive Summary

2017 Compensation Decisions

In connection with the Company's initial public offering in September 2017, we made certain changes to our executive compensation programs as follows:

- **Base salary:** Consistent with our compensation philosophy of providing competitive levels of executive compensation, each of our named executive officers received base salary increases after we reviewed market pay levels.
- **Long-Term Incentive Awards:** Each of our named executive officers received a grant of time-vesting options and restricted stock units shortly after our initial public offering. These grants were made in part as a retention vehicle to keep our team intact during the critical period of time following the offering, and also to recognize the significant contributions that each of our named executive officers made to the success of our offering. We expect that no additional long-term incentive awards will be made in 2018, and that in 2019 we will again grant long-term incentive awards to our executive officers.

In addition, with respect to 2017, an annual incentive payment was made to each of our named executive officers under the PQIP, our annual incentive plan, described below, based on the Company's achievement of specific financial performance metrics.

Corporate Governance and Best Practices

What We Do	
Pay for performance	Consistent with our goal of creating a performance-oriented environment, a substantial portion of pay is based on the achievement of specific strategic and financial goals or the performance of our Common Stock.
Stock ownership guidelines	Our Chief Executive Officer must hold shares of Company stock having a value of at least 5X base salary, and the other named executive officers must hold shares of Company stock having a value of at least 3X base salary. Our named executive officers have five years to comply with our stock ownership guidelines and are required to retain at least 50% of after-tax shares received from equity awards until the required ownership levels are achieved.
Clawback	Our named executive officers, in certain circumstances, would be required to return the value of equity awards if our financial statements are restated as a result of their wrongdoing. Additionally, our named executive officers would be required to return any gain received in connection with the exercise, vesting, payment or other realization of income related to an award in the event of a breach of any non-solicitation, non-interference or confidentiality obligations or violation of our Code of Conduct.
Independent Compensation Consultant	The Compensation Committee retains an independent compensation consultant that provides no other services to the Company.

What We Don't Do	
No rich supplemental retirement plan benefits are offered	We provide a modest supplemental retirement opportunity tied to the statutory caps in our 401(k) plan.
No change in control excise tax gross ups	In accordance with good governance best practices, we provide no change in control excise tax gross-ups.
No short-term trading, short sales, hedging or pledging	As part of our policy on insider trading and communications with the public, all of our employees, including our named executive officers, as well as directors and consultants, are prohibited from engaging in speculative transactions in our stock, including short sales, puts/calls, hedging transactions and margin accounts or pledges.
No annual incentives for named executive officers not funded by financial performance	Minimum financial hurdles must be satisfied before our named executive officers can earn any annual incentive compensation.

Say on Pay Advisory Vote

The Compensation Committee takes seriously the ability of stockholders to weigh in on our compensation decisions through a “say on pay” advisory vote. At this Annual Meeting, which will be our first as a public company, we will ask stockholders to (1) approve, on an advisory basis, a voting cycle whereby say on pay is on the ballot every year and (2) consider the Company’s financial performance and pay structure and provide us with a favorable advisory vote on 2017 compensation for named executive officers.

Executive Compensation Program Philosophy and Overview

Our compensation philosophy is to provide pay that:

- Aligns the interests of our named executive officers with our stockholders' interests by rewarding performance that is tied to creating shareholder value; and
- Provides an amount and mix of total compensation for each of our named executive officers that we believe is competitive.

We seek to implement our pay philosophy by providing a total compensation package that includes three main components: base salary, annual performance-based bonus and long-term equity-based awards. The Compensation Committee takes into account individual performance and competitive market practice in determining the compensation package for each named executive officer. A compensation peer group has been formed with the assistance of our independent compensation consultant, and this peer group is referenced in the discussion below. We utilized the peer group as a tool in making compensation decisions for 2017, and we expect to continue to utilize one when making compensation decisions going forward.

Base salary has been set with a view toward attracting and retaining executive officer talent.

Our annual incentive plan (the "PQIP") is a broad-based plan under which annual performance-based cash opportunities are awarded to our named executive officers and other employees, and which, for 2017, paid based on the achievement of annual EBITDA goals.

Our long-term equity-based awards consist of stock options, restricted shares, and restricted stock units that are subject to time and/or performance vesting conditions. The long-term equity-based awards made prior to our September 2017 initial public offering were made in amounts intended to be competitive for private equity backed ventures in the specialty chemicals space. The size of grants made immediately following our initial public offering was determined with reference to peer group data, as well as other relevant factors, including the need to keep our executive team together following the offering.

Each of these elements of compensation is discussed in more detail, below.

We believe that our executive compensation program is strongly aligned with the interests of our stockholders:

- For several years before our September 2017 initial public offering, our named executive officers and senior leadership team have been significant owners of the Company, and we expect this to continue.
- Our named executive officers and senior leadership team have been offered the opportunity to purchase equity in the Company over the last several years, in addition to receiving equity as a form of incentive compensation.
- By providing a substantial portion of our named executive officers' total compensation package in the form of equity-based awards, we have been able to create an incentive to build shareholder value over the long-term.
- By weighting our named executive officers' compensation more heavily in favor of long-term incentive compensation, including time- and performance-vesting stock options, restricted shares, and restricted stock units, we have built a strong "pay for performance" culture.
- Our annual performance-based bonus is contingent upon the achievement of financial performance metrics and the amount of bonus compensation ultimately received varies with our annual financial performance, thereby providing an additional incentive to maximize shareholder value.

We will continue to promote share ownership and a strong pay for performance culture. We believe that this philosophy has been successful in motivating, retaining and incentivizing our named executive officers and providing value to our stockholders.

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Compensation Decision Making Process

Role of the Compensation Committee and Management

Our executive compensation programs are determined and approved by the Compensation Committee. During 2017, the Compensation Committee was responsible for the oversight, implementation and administration of all our executive compensation plans and programs. None of the named executive officers had any role in approving the compensation of the other named executive officers. However, the Compensation Committee does consider the recommendations of our Chief Executive Officer in setting compensation levels for our named executive officers other than our Chief Executive Officer. The Compensation Committee determined all components of the compensation of our Chief Executive Officer.

On an annual basis the Compensation Committee reviews compensation for the named executive officers in conjunction with performance evaluations, salary increase recommendations, determination of bonus payouts, and deliberations regarding long-term incentive grants. The Compensation Committee has conducted and will continue to conduct annual reviews of our executive compensation program to ensure that it remains aligned with our compensation philosophy. The Compensation Committee will make decisions taking into account good governance best practices regarding compensation, including reliance on market data for the chemical and specialty chemical industry and the other considerations mentioned in this Compensation Discussion and Analysis.

Compensation Consultant; Review of Relevant Compensation Data

The Compensation Committee engaged Compensation & Benefit Solutions, LLC (“CBS”) as the independent advisor to the Compensation Committee effective in 2017. CBS reviewed the Company's overall executive officer and director compensation in comparison to comparably-sized public companies in industries similar to the Company's. In addition, CBS helped the Compensation Committee identify the appropriate mix of compensation components for compensating our executive officers, and facilitated the Compensation Committee's determination of our executive officers' performance-based compensation. CBS did not provide any other services to the Company or our management or have any other direct or indirect business relationships with us or our management. The Compensation Committee has assessed the independence of CBS and concluded that its work in 2017 did not raise any conflicts of interest.

Compensation Peer Group Data and Pay Mix

For 2017, the Compensation Committee selected a peer group for purposes of assessing market levels of compensation. As noted above, the Compensation Committee also considered other market data, including practices in private equity owned portfolio companies (with respect to the period prior to our initial public offering). The companies below were selected because they are in the chemical and specialty chemical space and have revenues ranging from approximately 50% to 200% of the Company's revenues.

Albermarle Corporation	International Flavors & Fragrances, Inc.	Quaker Chemical Corporation
Cabot Corporation	Kraton Corporation	A. Schulman, Inc.
FMC Corporation	Lanxess Solutions US, Inc.	Sensient Technologies Corporation
GCP Applied Technologies, Inc.	Minerals Technologies, Inc.	Stepan Company
H.B. Fuller Company	MPM Holdings, Inc.	W.R. Grace & Co.
Innophos Holdings, Inc.	Platform Specialty Products Corporation	Westlake Chemical Corporation
Innospec, Inc.	PolyOne Corporation	

In 2017, the Compensation Committee reviewed competitive compensation practices, including peer group compensation data and a variety of other factors, to confirm that the structure of our cash compensation and equity-based awards was consistent with our compensation philosophy. In addition, the Compensation Committee used this peer group data provided by CBS in order to determine the appropriate mix between cash compensation and equity-based awards and the appropriate size of equity-based awards in light of the need to retain the key leadership team following the Company's initial public offering.

Elements of Compensation in 2017

For 2017, our compensation program for the named executive officers consisted of:

- Base salary;
- Annual performance-based cash awards;
- Long-term equity incentive awards; and
- Other benefits (retirement, health, perquisites, etc.).

Base Salary

We provide an annual base salary to our named executive officers to induce talented executives to join or remain with our Company, to compensate them for their services during the year and to provide them with a stable source of income.

The base salary levels of our named executive officers are reviewed annually by the Compensation Committee to determine whether an adjustment is warranted. The Compensation Committee may take into account numerous factors in making its base salary determination, none of which are dispositive or individually weighted, including our financial performance, the state of our industry and local economies in which we operate, the named executive officer's relative importance and responsibilities, the named executive officer's performance and periodic reference to comparable salaries paid to other executives of similar experience in our industry in general, based on the Compensation Committee's expertise as well as market data drawn from our peer group, referenced above.

The annual base salary rates paid to our named executive officers for the years ended December 31, 2016 and 2017 are reported below. Because changes were made in late 2017 in connection with our initial public offering, the actual base salary paid in 2017 as reflected in the Summary Compensation Table is different than the amounts reported below.

Executive	2016	2017
James Gentilcore (1)	\$825,000	\$880,000
Michael Crews (2)	\$425,000	\$480,000
Scott Randolph (3)	\$425,000	\$480,000
Paul Ferrall (4)	\$425,000	\$480,000
Joseph S. Koscinski (5)	\$360,000	\$400,000

(1) In connection with our initial public offering, for the reasons described above, the Compensation Committee decided to increase Mr. Gentilcore's base salary to \$880,000.

(2) (3) (4) (5) In connection with our initial public offering, for the reasons described above, the Compensation Committee decided to increase the base salaries of each of Messrs. Crews, Randolph and Ferrall to \$480,000, and Mr. Koscinski to \$400,000.

Annual Performance-Based Cash Awards – The PQIP

We provide our named executive officers with annual performance-based cash award opportunities linked to our annual financial performance. For 2017, the Compensation Committee chose adjusted EBITDA as the measure of our financial performance under the PQIP. The Compensation Committee chose adjusted EBITDA as the performance metric under the PQIP because it believes that adjusted EBITDA is an important measure of financial performance and reflects our goal of increasing profitability. For purposes of the PQIP, adjusted EBITDA is defined as earnings before interest and taxes with depreciation and amortization added back and adjusted for the following items as set forth in the Term Loan Credit Agreement, dated May 4, 2016, with our lenders: purchase accounting (or similar); losses (gains) on sale of or disposal of long-lived assets; foreign exchange (gains) losses; revaluation of inventory, including LIFO adjustments; management advisory fees; transaction and other related costs; equity based and other non-cash compensation; restructuring, integration and business optimization expenses; and extraordinary, unusual and non-recurring expenses. These are referred to below as "EBITDA targets."

The target annual performance-based cash award opportunity for each eligible executive was set as a percentage of annualized base salary (i.e., actual base salary paid during 2017). The target award percentages for each of our named executive officers remained the same for 2017 as in 2016. For 2017, the target award percentages were as follows:

Executive	FYE Target Award
James Gentilcore	100%
Michael Crews	75%
Scott Randolph	75%
Paul Ferrall	75%
Joseph S. Koscinski	55%

For 2017, the PQIP was structured to base the award on the performance of our two operating segments:

- Performance Materials & Chemicals Group
- Environmental Catalysts & Services Group

For Messrs. Gentilcore, Crews and Koscinski, awards under the PQIP were based on the achievement of the annual EBITDA targets for the two operating segments:

- Performance Materials & Chemicals Group – 50%
- Environmental Catalysts & Services Group – 50%

For Messrs. Randolph and Ferrall, awards under the PQIP were based on the achievement of the EBITDA target for their respective operating segment:

- Mr. Randolph – 100% Performance Materials & Chemicals Group
- Mr. Ferrall – 100% Environmental Catalysts & Services Group

To the extent that an operating segment achieved at least 95% of its annual EBITDA target, a threshold bonus of 25% of the target bonus attributable to that operating segment was earned. To the extent that an operating segment achieved at least 99% of its annual EBITDA target, the full portion of the named executive officer's target bonus attributable to that operating segment was earned.

To the extent that the Company exceeded 100% of its annual EBITDA target (set forth below), an above-target pool was created. The above target pool was a dollar amount equal to 25% of the Company's EBITDA above target.

Executives who were eligible to participate in the above target pool were allocated a portion of the above target pool as follows:

Dollar value of executive's target bonus _____ X The above target pool = Executive's share
 Dollar value of all participants' target bonuses

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Depending on achieved performance levels, Messrs. Gentilcore, Crews and Koscinski could earn zero bonus for below threshold performance, 25% of their target bonus opportunity for achievement of threshold performance, and 100% of their target bonus opportunity for achievement of 99% target performance, with no cap for the achievement of above target performance. There was no adjustment of the objectively determined bonus payout based on individual performance. Actual bonus payouts were based on the below formula:

$$\begin{array}{c} \text{Salary} \\ \text{actually} \\ \text{paid in} \\ \text{year} \end{array} \times \begin{array}{c} \text{Target Bonus} \\ \% \text{ divided} \\ \text{equally for} \\ \text{each operating} \\ \text{segment} \end{array} \times \begin{array}{c} \text{EBITDA} \\ \text{performance} \\ \text{percentage for} \\ \text{each operating} \\ \text{segment} \end{array} = \begin{array}{c} \text{Bonus for} \\ \text{performance} \\ \text{up to target} \end{array} + \begin{array}{c} \$ \text{ value of exec's target} \\ \text{bonus} \\ \$ \text{ value of all} \\ \text{participants' target} \\ \text{bonuses} \\ \times \\ \text{The above target pool} \end{array} = \begin{array}{c} \text{Actual} \\ \text{Bonus} \end{array}$$

Depending on achieved performance levels, Messrs. Randolph and Ferrall could earn zero bonus for below threshold performance, 25% of their target bonus opportunity for achievement of threshold performance, and 100% of their target bonus opportunity for achievement of 99% target performance, with no cap for the achievement of above target performance. There was no adjustment of the objectively determined bonus payout based on individual performance. Actual bonus payouts for Messrs. Randolph and Ferrall were based on the below formula:

$$\begin{array}{c} \text{Salary} \\ \text{actually} \\ \text{paid in} \\ \text{year} \end{array} \times \begin{array}{c} \text{Target} \\ \text{Bonus} \\ \text{of 75\%} \end{array} \times \begin{array}{c} \text{EBITDA} \\ \text{performance} \\ \text{percentage for} \\ \text{the relevant} \\ \text{operating} \\ \text{segment} \end{array} = \begin{array}{c} \text{Bonus for} \\ \text{performance} \\ \text{up to target} \end{array} + \begin{array}{c} \$ \text{ value of exec's target} \\ \text{bonus} \\ \$ \text{ value of all participants'} \\ \text{target bonuses} \\ \times \\ \text{The above target pool} \end{array} = \begin{array}{c} \text{Actual} \\ \text{Bonus} \end{array}$$

Annual performance award targets were based upon the EBITDA targets for 2017 as set forth below. Actual adjusted EBITDA for 2017 is also set forth below.

	(Thousands)		
Measurement Group	Target	Actual	Achievement As a % of Target
Performance Materials & Chemicals Group	\$248,995	\$240,128	96.44%
Environmental Catalysts & Services Group	\$245,340	\$243,516	99.26%
Company	\$460,794	\$453,223	98.36%

Actual bonus payouts for each of our named executive officers by operating segment were as follows. As a result of the Company's level of achievement of the Company's EBITDA target, no outperformance bonus was awarded for 2017.

Operating Segment	Percentage Earned	James Gentilcore	Michael Crews	Scott Randolph	Paul Ferrall	Joseph S. Koscinski
Performance Materials & Chemicals Group	25%	\$104,844	\$ 41,133	\$82,266	N/A	\$ 25,438
Environmental Catalysts & Services Group	100%	\$419,375	\$164,531	N/A	\$329,062	\$101,750
Total Bonus Earned		\$524,219	\$205,664	\$82,266	\$329,062	\$127,188

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Long-Term Equity Based Incentive Awards

In connection with our initial public offering, our Board adopted the 2017 Plan. Since the time of the offering, all of our equity-based awards have been, and going forward will continue to be, granted under the 2017 Plan. Our equity incentive awards currently consist of restricted shares, restricted stock units, and options to purchase shares of our Common Stock.

In keeping with our pay for performance culture, the options and restricted shares granted prior to our initial public offering partially vest based on time, partially vest based on performance and partially vest on both time and performance. The performance vesting terms are described in more detail below.

Of the time-vested restricted shares and stock options issued prior to our initial public offering under the PQ Group Holdings, Inc. Stock Incentive Plan (the predecessor plan to the 2017 Plan), most of the awards vest ratably over a period of three years. Several awards vest in 50% increments in two and four years. All of these awards are subject to accelerated vesting upon a change in control.

The performance-based stock options and performance-based restricted shares currently outstanding are all unvested and will only vest on the achievement with respect to shares of Company Common Stock of an average closing trading price equal or exceeding, in any 10 trading day period, the lowest amount which, when multiplied by the number of shares of Company Common Stock then held by investment funds affiliated with CCMP and added to the aggregate net proceeds received by investment funds affiliated with CCMP with respect to their shares of capital stock of the Company, would yield a quotient of equal or greater than two when divided by the equity investment in the Company by investment funds affiliated with CCMP. The quotient described above is referred to in this Compensation Discussion and Analysis as the “MOI Target.”

Grants in 2017

Long-term equity-based incentive awards were made to Mr. Gentilcore in January 2017 to correct a shortfall in the initial new hire grants that were made to him when he commenced employment with us (the grant date value of which had been initially determined using a target value that assumed a lower base salary than Mr. Gentilcore actually receives). The Company granted Mr. Gentilcore an option to purchase 21,494 shares of Common Stock and 6,090 restricted shares. A portion of these awards vest ratably over three years, and a portion only vests on the achievement of the MOI Target described above, as further detailed in the notes to the Grants of Plan Based Awards table below.

In addition, shortly after our initial public offering in September, the Company made equity awards to our named executive officers, which are subject to time-based vesting, and designed to encourage their retention. Those grants were as follows:

Executive	Number of Options	Strike Price	Number of Restricted Stock Units
James Gentilcore (1) (2)	255,576	\$16.97	324,101
Michael Crews (1) (2)	87,361	\$16.97	110,784
Scott Randolph (3)	55,762	\$16.97	70,713
Paul Ferrall (3)	55,762	\$16.97	70,713
Joseph S. Koscinski (1) (2)	55,762	\$16.97	70,713

- (1) Approximately one-third of Messrs. Gentilcore's, Crews', and Koscinski's grants will vest fifty percent on June 30, 2018 and fifty percent on June 30, 2019, generally subject to continued service through each such date.
- (2) Approximately two-thirds of Messrs. Gentilcore's, Crews', and Koscinski's grants will vest one third per year on October 2, 2018, October 2, 2019 and October 2, 2020, generally subject to continued service through each such date.
- (3) Messrs. Randolph's and Ferrall's grants will vest one third per year on October 2, 2018, October 2, 2019 and October 2, 2020, generally subject to continued service through each such date.

Changes to Our Annual Plan Structure for 2018; 2018 Equity Awards

PQIP

The Company has decided to make several changes to the PQIP in 2018, consistent with its status as a publicly traded business. Some of the important changes are:

- All of our named executive officers' awards will be based on the Company's performance as a whole, versus operating segment performance
- Performance will be based on Company adjusted EBITDA goals and, in addition, a cash flow goal and a leadership goal
- A minimum adjusted EBITDA threshold must be met before any component amounts will be paid out under the PQIP
- Amounts above target may be earned in each of the three categories of goals

2018 Long-Term Incentive Grants

No additional equity grants have been or are expected to be made to our named executive officers in 2018.

Other Elements of Compensation

Additional Executive Benefits and Perquisites

We provide our named executive officers with certain executive benefits that the Compensation Committee believes are reasonable and in the best interests of the Company and our stockholders. To the extent our named executive officers received these benefits in 2017, they are described in the footnotes to our 2017 Summary Compensation Table below. Consistent with our compensation philosophy, and subject to any revisions discussed below, we currently intend to continue to maintain our current benefits for our named executive officers, including executive physicals, life insurance, relocation assistance, and the other benefits described below. The Compensation Committee, in its discretion, may revise, amend or add to a named executive officer's executive benefits if it deems it advisable. We believe these benefits are generally equivalent to benefits provided by comparable companies based on our expertise and knowledge of general industry practices.

Health and Welfare Benefits

Our named executive officers have the option to participate in various employee welfare benefit programs, including medical, dental and life insurance benefits. These benefit programs are generally available to all employees.

Relocation Assistance

The Company's business needs require it on occasion to relocate certain employees. To meet this need, we may, on a case by case basis, cover certain relocation related expenses, including temporary housing, living and travel expenses that are incurred by our employees, including our named executive officers.

Severance and Change in Control Benefits

Prior to 2017 the Company entered into employment agreements or offer letters with our named executive officers. In connection with our initial public offering in September 2017, we entered into individual severance agreements with each of our named executive officers to provide them with severance protections and benefits in the event of certain qualifying terminations of their employment. The material terms of these agreements are described below under "Potential Payments Upon Termination or Change in Control—Severance Agreements." None of our named executive officers is party to an employment agreement with the Company.

Stock Ownership Guidelines for Executive Officers and Non-Employee Directors

In connection with our initial public offering, the Compensation Committee adopted stock ownership guidelines applicable to our executive officers, including our named executive officers, and our non-employee directors. Under our stock ownership guidelines, each of our named executive officers, other than our Chief Executive Officer, is expected to have ownership of Company stock in an amount equal to at least three times the executive's annualized base salary and our Chief Executive Officer is expected to have ownership of Company stock in an amount equal to at least five times his annualized base salary. Under our stock ownership guidelines, each of our non-employee directors is expected to have ownership of Company stock in an amount equal to at least three times the annual cash retainer paid to the director. Executive officers and non-employee directors subject to the guidelines will have five years to achieve the required ownership levels and, until they satisfy their ownership requirements, will be subject to a holding requirement with respect to 50% of the shares they acquire upon the vesting or exercise of shares or stock options (on an after-tax basis).

Tax Considerations

Section 162(m) of the Internal Revenue Code ("Section 162(m)") generally limits the deductibility of compensation paid to our named executive officers to \$1 million during any fiscal year. However, under a Section 162(m) transition rule for compensation plans or agreements of corporations which are privately held and which become publicly held in an initial public offering, compensation paid under a plan or agreement that existed prior to the initial public offering will not be subject to Section 162(m) until the earliest of (1) the expiration of the plan or agreement, (2) a material modification of the plan or agreement, (3) the issuance of all employer stock and other compensation that has been allocated under the plan, or (4) the first meeting of stockholders at which directors are to be elected that occurs after the close of the third calendar year following the year of the initial public offering (the "Transition Date").

Prior to January 1, 2018, certain compensation that qualified as "performance-based" was exempted from the above deductibility limits under Section 162(m). However, the Tax Cuts and Jobs Act of 2017 generally eliminated the performance-based compensation exception, with certain limited grandfathering provisions, the exact application of which will not be clear until guidance is issued. When the Company becomes subject to Section 162(m) after the Transition Date, it will determine whether a grandfathering provision will enable it to take advantage of the performance-based exception.

The Compensation Committee may consider the impact of Section 162(m), to the extent it is expected to apply, when structuring our executive compensation arrangements with our named executive officers, and will continue to monitor guidance and developments in this area. However, the Compensation Committee believes that its primary responsibility is to provide a compensation program in accordance with its overall compensation philosophy and policies described above, and it retains flexibility to approve compensation arrangements that may not be deductible under Section 162(m).

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2017 Summary Compensation Table

The following table sets forth certain information with respect to compensation earned by or paid to our named executive officers for the year ended December 31, 2017, and where applicable, the year ended December 31, 2016.

Name and Principal Position	Year	Salary (\$)	Bonus \$(⁽¹⁾)	Stock Awards \$(⁽²⁾)	Option Awards \$(⁽²⁾)	Non-Equity Incentive Plan Compensation \$(⁽³⁾)	All Other Compensation \$(⁽⁴⁾⁽⁵⁾)	Total (\$)
James Gentilcore, <i>Chairman, President and Chief Executive Officer</i>	2017	838,750	—	5,578,348	1,382,560	524,219	63,950	8,387,827
	2016	412,500	—	1,750,056	716,618	521,511	17,940	3,418,625
Michael Crews, <i>EVP and Chief Financial Officer</i>	2017	438,750	—	1,880,004	442,511	205,664	62,549	3,029,478
	2016	425,000	—	318,780	304,568	402,986	94,924	1,546,258
Scott Randolph, <i>EVP and Group President Perf. Materials & Chemicals</i>	2017	438,750	150,000	1,200,000	300,000	82,266	56,573	2,227,589
	2016	425,000	200,000	—	507,813	—	232,853	1,365,666
Paul Ferrall, <i>Senior Vice President, Strategic Development</i>	2017	438,750	—	1,200,000	300,000	329,063	59,529	2,327,342
	2016	425,000	—	—	507,813	472,947	217,696	1,623,456
Joseph S. Koscinski, <i>Vice President, General Counsel and Secretary⁽⁶⁾</i>	2017	370,000	—	1,200,000	283,829	127,188	33,950	2,014,967

- (1) Our Board awarded special bonuses to Mr. Randolph. In 2017, a \$150,000 special bonus was awarded for successfully integrating the Sovitec acquisition and, in 2016, a \$200,000 special bonus was awarded for successfully combining Performance Chemicals Worldwide.
- (2) The amounts shown reflect the aggregate grant date fair value of time- and performance-based stock options and restricted shares granted in 2017 and 2016 to Mr. Gentilcore and in 2016 to Mr. Crews, and of time-based stock options and restricted stock units granted to each of the named executive officers in 2017 and 2016, computed in accordance with FASB ASC Topic 718, in each case, disregarding the effects of estimated forfeitures. These amounts reflect our cumulative accounting expense over the vesting period, disregarding the effects of estimated forfeitures, and do not correspond to the actual value that may be realized by the named executive officers. For information on the valuation assumptions made in the calculation of these amounts, refer to Note 21 to the audited consolidated financial statements in our Form 10-K for the fiscal year ended December 31, 2017 and Note 21 to the audited consolidated financial statements in the prospectus filed in connection with our initial public offering. With respect to stock options and restricted shares that are subject to performance-based vesting conditions, the aggregate grant date fair value was determined based on the probable outcome of the performance conditions associated with such awards at the date of grant. For performance-based stock options, the aggregate grant date fair value of these awards, assuming the maximum level of performance is achieved, is: Mr. Gentilcore's 2017 and 2016 grants, \$43,824 and \$358,311, respectively; and Mr. Crews' 2016 grant, \$152,300. For performance-based restricted shares, the aggregate grant date fair value of these awards, assuming the maximum level of performance is achieved, is: Mr. Gentilcore's 2017 and 2016 grants, \$39,177 and \$374,959, respectively; and Mr. Crews' 2016 grant, \$159,482.
- (3) The amounts reported in this column represent the annual cash performance-based bonuses earned by our named executive officers under the PQIP as a result of the achievement of certain Company performance objectives, as described above.
- (4) In 2016, Mr. Randolph and Mr. Ferrall each received additional cash compensation in the amount of \$176,529 related to an exchange of equity in connection with a corporate reorganization tied to the Company's business combination with Eco Services.

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(5) The amounts shown in the All Other Compensation column for 2017 and 2016 include the following:

Executive	Year	401(k) Plan Company Match (\$)	401(k) Plan Company 4% Contribution (\$)	PRA SERP Company Contribution (\$)	Tax Prep Services (\$)	Relocation Expenses (\$)	Life Insurance (\$)
James Gentilcore	2017	8,100	10,800	43,610	—	—	1,440
	2016	—	10,600	5,900	—	—	1,440
Michael Crews	2017	8,100	10,800	22,869	—	19,556(a)	1,224
	2016	7,950	10,600	7,728	—	67,422	1,224
Scott Randolph	2017	8,100	10,800	14,750	21,699	—	1,224
	2016	7,950	10,600	15,005	21,545	—	1,224
Paul Ferrall	2017	8,100	10,800	25,668	13,737	—	1,224
	2016	7,950	10,600	8,551	12,842	—	1,224
Joseph S. Koscinski	2017	8,100	10,800	14,013	—	—	1,037

(a) The amount reported includes a reimbursement for relocation expenses of \$13,607 plus a reimbursement of \$5,949 for income taxes owed with respect to such reimbursement.

(6) Mr. Koscinski was not a named executive officer of the Company in 2016. Therefore, this table does not provide 2016 data for him.

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2017 Grant of Plan-Based Awards

The following table summarizes plan-based awards granted to our named executive officers for the year ended December 31, 2017.

Executive	Award	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards (#)	All Other Stock Awards: # of Shares of Stock or Units (#)	All Other Option Awards: # of Shares Underlying Options (#)	Exercise or Base Price of Option Awards (\$/SH)	Total Grant Date Fair Value of Stock and Option Awards (\$) ⁽⁶⁾
			Threshold (\$) ⁽⁷⁾	Target (\$) ⁽⁷⁾	Maximum (\$) ⁽⁷⁾					
James Gentilcore	PQIP		209,688	838,750	N/A	—	—	—	—	—
	Option Grant (1)	Jan15	—	—	—	10,747	—	10,747	8.98	87,607
	Res. Stock Grant (2)	Jan 15	—	—	—	3,045	3,045	—	—	78,354
	RSU Grant (3)	Oct 2	—	—	—	—	207,425	—	—	3,520,002
	Option Grant (4)	Oct 2	—	—	—	—	—	163,569	16.97	880,001
	RSU Grant (5)	Oct 2	—	—	—	—	116,676	—	—	1,979,992
	Option Grant (6)	Oct 2	—	—	—	—	—	92,007	16.97	414,952
Michael Crews	PQIP		82,266	329,063	N/A	—	—	—	—	—
	RSU Grant (3)	Oct 2	—	—	—	—	70,713	—	—	1,200,000
	Option Grant (4)	Oct 2	—	—	—	—	—	55,762	16.97	300,000
	RSU Grant (5)	Oct 2	—	—	—	—	40,071	—	—	680,005
	Option Grant (6)	Oct 2	—	—	—	—	—	31,599	16.97	142,511
Scott Randolph	PQIP		82,266	329,063	N/A	—	—	—	—	—
	RSU Grant (3)	Oct 2	—	—	—	—	70,713	—	—	1,200,000
	Option Grant (4)	Oct 2	—	—	—	—	—	55,762	16.97	300,000
Paul Ferrall	PQIP		82,266	329,063	N/A	—	—	—	—	—
	RSU Grant (3)	Oct 2	—	—	—	—	70,713	—	—	1,200,000
	Option Grant (4)	Oct 2	—	—	—	—	—	55,762	16.97	300,000
Joseph S. Koscinski	PQIP		50,875	203,500	N/A	—	—	—	—	—
	RSU Grant (3)	Oct 2	—	—	—	—	47,142	—	—	800,000
	Option Grant (4)	Oct 2	—	—	—	—	—	37,175	16.97	200,002
	RSU Grant (5)	Oct 2	—	—	—	—	23,571	—	—	400,000
	Option Grant (6)	Oct 2	—	—	—	—	—	18,587	16.97	83,827

- (1) Stock option award made to Mr. Gentilcore in 2017, to correct a shortfall in his initial new hire grants (the grant date value of which had been initially determined using a target value that assumed a lower base salary than Mr. Gentilcore actually received). Performance-vesting stock options vest on achievement of the MOI Target, provided Mr. Gentilcore is still employed by us or one of our subsidiaries. Time-vesting stock options vest ratably over three years beginning on the first anniversary of June 30, 2016, generally subject to continued employment.
- (2) Restricted shares granted to Mr. Gentilcore in 2017, to correct a shortfall in his initial new hire grants (the grant date value of which had been initially determined using a target value that assumed a lower base salary than Mr. Gentilcore actually received). Performance-vesting restricted shares will vest on achievement of the MOI Target, provided Mr. Gentilcore is still employed by us or one of our subsidiaries. Time-vesting restricted shares vest ratably over three years beginning on the first anniversary of June 30, 2016, generally subject to continued employment.
- (3) Restricted stock unit awards will vest as to one-third of the award on each of the first three anniversaries of the grant date, generally subject to continued employment.
- (4) Stock option awards will vest as to one-third of the award on each of the first three anniversaries of the grant date, generally subject to continued employment.

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- (5) *Restricted stock unit awards will vest 50% on June 30, 2018 and 50% on June 30, 2019, generally subject to continued employment.*
- (6) *Stock option awards will vest 50% on June 30, 2018 and 50% on June 30, 2019, generally subject to continued employment.*
- (7) *Represents potential payments pursuant to the PQIP, the Company's performance-based annual bonus plan. There is no cap on the amount of bonuses that may be earned under the PQIP. Actual amounts earned by the named executive officer under the PQIP with respect to 2017 are listed in the "Non-Equity Incentive Plan" column of the Summary Compensation Table above.*
- (8) *As required by SEC rules, amounts shown in the column "Grant Date Fair Value of Stock and Option Awards" represent the aggregate grant date fair value of restricted shares, restricted stock unit and stock option awards granted in the fiscal year in accordance with FASB ASC Topic 718, disregarding the effects of estimated forfeitures. See note (2) to the Summary Compensation Table above.*

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2017 Outstanding Equity Awards at Fiscal Year End

The following table sets forth certain information with respect to outstanding equity awards held by our named executive officers as of December 31, 2017.

	Grant Date	Option Awards					Stock Awards			
		# of Securities Underlying Unexercised Options (#) Exercisable ⁽¹⁸⁾	# of Securities Underlying Unexercised Options (#) Unexercisable ⁽¹⁸⁾	Equity incentive plan awards: # of Securities Underlying Unexercised Unearned Options (#) ⁽¹⁸⁾	Option Exercise price (\$) ⁽¹⁹⁾	Option Expiration Date	# of Shares or Units of Stock That have Not Vested (#) ⁽²⁰⁾	Market Value of Shares or Units of Stock That Have Not Vested (\$) ⁽²¹⁾	Equity incentive plan awards: # of unearned shares, units or other rights that have not vested(#) ⁽²⁰⁾	Equity incentive plan awards: market or payout value of unearned shares, units or other rights that have not vested (\$) ⁽²¹⁾
Executive	Grant Date									
James Gentilcore										
	6/30/2016 ⁽¹⁾	—	—	—	—	—	54,120	890,274	—	—
	6/30/2016 ⁽¹⁾⁽²⁾	—	—	—	—	—	20,295	333,853	30,435	500,656
	6/30/2016 ⁽³⁾⁽⁴⁾	35,824	179,125	107,475	8.05	6/30/2026	—	—	—	—
	1/15/2017 ⁽¹⁾⁽²⁾	—	—	—	—	—	2,040	33,858	3,045	50,090
	1/15/2017 ⁽³⁾⁽⁴⁾	3,582	17,912	10,747	8.98	1/25/2027	—	—	—	—
	10/2/2017 ⁽⁵⁾	—	—	—	—	—	207,425	3,412,141	—	—
	10/2/2017 ⁽⁶⁾	—	—	—	—	—	116,676	1,919,320	—	—
	10/2/2017 ⁽⁷⁾	—	163,569	—	16.97	10/2/2027	—	—	—	—
	10/2/2017 ⁽⁸⁾	—	92,007	—	16.97	10/2/2027	—	—	—	—
Michael Crews										
	8/1/2015 ⁽⁹⁾⁽¹⁰⁾	—	—	—	—	—	78,750	1,295,438	52,500	863,625
	8/1/2015 ⁽¹¹⁾⁽¹²⁾	13,634	40,902	27,268	6.88	8/1/2025	—	—	—	—
	6/30/2016 ⁽¹⁾⁽²⁾	—	—	—	—	—	21,570	354,827	12,945	212,945
	6/30/2016 ⁽³⁾⁽⁴⁾	15,225	76,130	45,678	8.05	6/30/2026	—	—	—	—
	10/2/2017 ⁽⁵⁾	—	—	—	—	—	70,713	1,163,229	—	—
	10/2/2017 ⁽⁶⁾	—	—	—	—	—	40,071	659,168	—	—
	10/2/2017 ⁽⁷⁾	—	55,762	—	16.97	10/2/2027	—	—	—	—
	10/2/2017 ⁽⁸⁾	—	31,599	—	16.97	10/2/2027	—	—	—	—
Scott Randolph										
	9/19/2007 ⁽²⁾⁽¹⁷⁾	—	—	—	—	—	52,665	866,339	52,665	866,339
	2/24/2010 ⁽²⁾⁽¹⁷⁾	—	—	—	—	—	32,238	530,315	32,238	530,315
	4/30/2015 ⁽¹³⁾	—	—	—	—	—	31,125	512,006	—	—
	5/4/2016 ⁽¹⁴⁾	114,238	38,080	—	8.04	5/4/2026	—	—	—	—
	10/2/2017 ⁽⁵⁾	—	—	—	—	—	70,713	1,163,229	—	—
	10/2/2017 ⁽⁷⁾	—	55,762	—	16.97	10/2/2027	—	—	—	—

Executive	Grant Date	Option Awards					Stock Awards			
		# of Securities Underlying Unexercised Options (#) Exercisable ⁽¹⁸⁾	# of Securities Underlying Unexercised Options (#) Unexercisable ⁽¹⁸⁾	Equity incentive plan awards: # of Securities Underlying Unexercised Options (#) ⁽¹⁸⁾	Option Exercise price (\$) ⁽¹⁹⁾	Option Expiration Date	# of Shares or Units of Stock That have Not Vested (#) ⁽²⁰⁾	Market Value of Shares or Units of Stock That Have Not Vested (\$) ⁽²¹⁾	Equity incentive plan awards: # of unearned shares, units or other rights that have not vested(#) ⁽²⁰⁾	Equity incentive plan awards: market or payout value of unearned shares, units or other rights that have not vested (\$) ⁽²¹⁾
Paul Ferrall										
	9/19/2007 ⁽²⁾	—	—	—	—	—	52,665	866,339	52,665	866,339
	2/24/2010 ⁽²⁾	—	—	—	—	—	32,238	530,315	32,238	530,315
	4/30/2015 ⁽¹³⁾	—	—	—	—	—	31,125	512,006	—	—
	5/4/2016 ⁽¹⁴⁾	114,238	38,080	—	8.04	5/4/2026	—	—	—	—
	10/2/2017 ⁽⁵⁾	—	—	—	—	—	70,713	1,163,229	—	—
	10/2/2017 ⁽⁷⁾	—	55,762	—	16.97	10/2/2027	—	—	—	—
Joseph S. Koscinski										
	11/1/2015 ⁽⁹⁾⁽¹⁶⁾	—	—	—	—	—	14,070	231,452	9,375	154,219
	11/1/2015 ⁽¹¹⁾⁽¹⁷⁾	4,965	14,896	9,931	6.88	11/1/2025	—	—	—	—
	10/2/2017 ⁽⁵⁾	—	—	—	—	—	47,142	775,486	—	—
	10/2/2017 ⁽⁶⁾	—	—	—	—	—	23,571	387,743	—	—
	10/2/2017 ⁽⁷⁾	—	37,175	—	16.97	10/2/2027	—	—	—	—
	10/2/2017 ⁽⁸⁾	—	18,587	—	16.97	10/2/2027	—	—	—	—

- (1) Time-based restricted shares will vest in three equal installments, beginning on the first anniversary of June 30, 2016, provided the named executive officer is still employed on the vesting date by us or one of our subsidiaries.
- (2) Performance-based restricted shares will vest on achievement of the MOI Target.
- (3) Time-based stock options will vest in three equal installments, beginning on the first anniversary of June 30, 2016, provided the named executive officer is still employed on the vesting date by us or one of our subsidiaries.
- (4) Performance-based stock options will vest on the achievement of the MOI Target.
- (5) Time-based restricted stock units will vest in three equal installments, beginning on the first anniversary of the grant date, provided the named executive officer is still employed on the vesting date by us or one of our subsidiaries.
- (6) Time-based restricted stock units will vest in two equal installments, June 30, 2018 and June 30, 2019, provided the named executive officer is still employed on the vesting date by us or one of our subsidiaries.
- (7) Time-based stock options will vest in three equal installments, beginning on the first anniversary of the grant date, provided the named executive officer is still employed on the vesting date by us or one of our subsidiaries.
- (8) Time-based stock options will vest in two equal installments, June 30, 2018 and June 30, 2019, provided the named executive officer is still employed on the vesting date by us or one of our subsidiaries.
- (9) Time-based restricted shares will vest in two equal installments, with 50% vesting on the second anniversary of grant date and 50% vesting on the fourth anniversary of grant date, provided the named executive officer is still employed on the vesting date by us or one of our subsidiaries.
- (10) Performance-based restricted shares will vest on the earlier of the achievement of the MOI Target or August 1, 2019.
- (11) Time-based stock options will vest in two equal installments, with 50% vesting on the second anniversary of grant date and 50% vesting on the fourth anniversary of grant date, provided the named executive officer is still employed on the vesting date by us or one of our subsidiaries.
- (12) Performance-based stock options will vest on the earlier of the achievement of the MOI Target or August 1, 2019.
- (13) Time-based restricted shares will vest in three equal installments, beginning on the first anniversary of April 30, 2015, provided the named executive officer is still employed on the vesting date by us or one of our subsidiaries.
- (14) Time-based stock options will vest in four equal installments, beginning on the grant date and on each December 1 following the grant date, provided the named executive officer is still employed on the vesting date by us or one of our subsidiaries. These options were granted in an exchange of equity in connection with a corporate reorganization tied to the business combination with Eco Services.
- (15) Performance-based restricted shares will vest on the earlier of the achievement of the MOI Target or November 1, 2019.

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- (16) Performance-based stock options will vest on the earlier of the achievement of the MOI Target or November 1, 2019.
- (17) These shares have been assigned to an irrevocable family trust. Mr. Randolph is neither a trustee nor a beneficiary of this trust.
- (18) On September 28, 2017, the numbers of shares underlying outstanding Class A option awards were adjusted to reflect a stock split of 1 Class A share to 8.8275 common share.
- (19) On September 28, 2017, the option exercise prices of outstanding option awards were adjusted to reflect the stock split described in note 18.
- (20) On September 28, 2017, the numbers of restricted shares granted pursuant to outstanding restricted stock agreements were adjusted. The awards granted to Mr. Randolph and Mr. Ferrall on September 19, 2007 and February 24, 2010 were adjusted to reflect a stock split of 1 Class A share to 8.8275 shares of our Common Stock. The restricted shares granted to the named executive officers between April 30, 2015 and January 15, 2017 were adjusted to the conversion of 1 Class B share to 15 shares of our Common Stock.
- (21) The values shown equal the number of shares or units multiplied by \$16.45, the closing price of a share of our Common Stock on December 29, 2017, the last business day of fiscal year 2017, as reported on the NYSE. Performance-based awards have been listed assuming that the performance goals associated with such awards are attained.

Option Exercises and Stock Vested in 2017

The following table shows amounts realized by our named executive officers upon the vesting of restricted shares during the year ended December 31, 2017. No options were exercised by any of our named executive officers in the year ended December 31, 2017.

Executive	Stock Awards	
	Number of shares acquired on vesting (#)	Value realized on vesting(\$) ⁽¹⁾
James Gentilcore	38,205	491,456
Michael Crews	30,555	480,078
Scott Randolph	31,110	400,261
Paul Ferrall	31,110	400,261
Joseph S. Koscinski	4,680	77,126

(1) Amounts reflect the aggregate dollar value realized upon vesting by multiplying the number of shares that vested by the market value of the underlying Common Stock on the applicable vesting date. The market value for the awards held by Messrs. Gentilcore, Crews, Randolph and Ferrall that vested prior to our initial public offering was the fair market value of our Common Stock as of the applicable vesting date as determined in good faith by our Board and for the stock award held by Mr. Koscinski that vested after our initial public offering was the closing price of the Company's stock as reported on the NYSE on the applicable vesting date.

Retirement Plan Benefits

We maintain a tax-qualified 401(k) defined contribution plan in which substantially all of our full-time U.S. employees, including our named executive officers, are eligible to participate. We currently provide an employer contribution equal to 4% of qualifying earnings and an employer matching contribution equal to 50% of a participant's contributions up to 6% of qualifying earnings, subject to limits established by the Internal Revenue Code. As described in more detail below, our named executive officers participate in the PQ Corporation Non-Qualified Personal Retirement Account Excess Savings Plan, an excess benefit plan designed to provide supplemental contributions that cannot be provided under our 401(k) plan due to Internal Revenue Code limits. We believe these plans provide our named executive officers with an opportunity for tax-efficient savings and long-term financial security.

Nonqualified Deferred Compensation

All of our named executive officers participate in the PQ Corporation Non-Qualified Personal Retirement Account Excess Savings Plan, or the PRA SERP. The PRA SERP is an excess benefit plan designed to provide supplemental Personal Retirement Account contributions that cannot be provided under the PQ Corporation Savings Plan (the Company's 401(k) plan) due to Internal Revenue Code limits. The plan is administered by a committee appointed by our Board.

Contributions — There are no executive contributions under the PRA SERP. Each plan year, we credit to participant accounts under the PRA SERP the excess of (a) the amount that would have been credited for that year to the participant's Personal Retirement Account under our 401(k) plan disregarding the dollar limits imposed by the Internal Revenue Code for maximum annual compensation over (b) the amount that was actually so credited. The plan administrator may from time to time also elect to make special contributions to participant accounts.

Earning and losses — Participant accounts are deemed to be invested in Vanguard target retirement funds based on a participant's age. At the end of each calendar quarter, we adjust participant accounts with earnings/losses equal to that calendar quarter's return for the applicable target retirement fund.

Vesting and distributions — Participants vest in their accounts under the PRA SERP upon completion of three years of service or, if earlier, death or disability or a change in control. The value of a participant's vested account balance is paid in a

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lump sum on the first to occur of the participant's separation from service or disability, provided that distributions to "key employees" within the meaning of Section 416(i) of the Internal Revenue Code as of the date of the participant's separation from service will not be made until six (6) months after the participant's separation from service or, if earlier, the participant's death.

The following table provides information regarding participation by our named executive officers in the PRA SERP during the year ended December 31, 2017.

Name	Executive Contributions in Last FY (\$)	Company Contributions in Last FY (\$) ⁽¹⁾	Aggregate Earnings in Last FY (\$) ⁽²⁾	Aggregate Withdrawals/Distributions (\$)	Aggregate Balance at Last FYE (\$) ⁽³⁾
James Gentilcore	—	43,610	464	0	6,364
Michael Crews	—	22,869	913	0	8,641
Scott Randolph	—	14,750	26,311	0	196,077
Paul Ferrall	—	25,668	15,148	0	125,524
Joseph S. Koscinski	—	14,013	488	0	4,618

(1) Represents Company contributions with respect to 2017 that were credited in 2018.

(2) Earnings are credited quarterly, based on the returns of the appropriate Vanguard Retirement Fund.

(3) Represents balances under the PRA SERP plan as of December 31, 2017 and does not include amounts attributable to Company contributions made with respect to 2017 but not credited until 2018.

Potential Payments Upon Termination or Change in Control

Cash Severance

In connection with our initial public offering in September 2017, we entered into severance agreements with Messrs. Gentilcore, Crews, Randolph, Ferrall and Koscinski that superseded the existing employment agreement or offer letter, as applicable, with the respective named executive officer. The severance agreements provide for the severance payments and benefits described below in connection with specified termination events, subject to the named executive officer's execution and non-revocation of a release of claims and continued compliance with the restrictive covenants described below. The terms "cause", "good reason" and "disability" are each defined in the applicable severance agreements.

Under the terms of the severance agreements, in the event of a termination of the named executive officer's employment by the Company without cause or by the named executive officer with good reason, each of Messrs. Gentilcore, Crews, Randolph, Ferrall, and Koscinski will receive: (i) his base salary and target annual incentive bonus for a two-year period following termination paid (A) in the case of Messrs. Gentilcore, Crews, and Koscinski in equal installments over such two-year period in accordance with the normal payroll practices of the Company, and (B) in the case of Messrs. Randolph and Ferrall, in a lump sum following termination in accordance with the terms of the severance agreements; (ii) a pro rata amount of the annual incentive bonus that would have been payable in the year of termination based on the number of days the named executive officer was employed during the calendar year and subject to the Company's achievement of applicable performance goals, which amount will be paid in a lump sum at the time annual bonuses under the PQIP are normally paid; and (iii) continuation of health benefits at active employee rates for 24 months (or until the named executive officer otherwise becomes eligible for health benefits as a result of commencing new employment) to the extent permitted by the applicable benefit plan, or reimbursement of the costs for such coverage under COBRA.

If Mr. Gentilcore's employment is terminated by the Company without cause or by him with good reason, in each case, within the one year following a change in control of the Company, in addition to the severance payments and benefits described above, he will also be entitled to a payment equal to the sum of his base salary and target annual incentive bonus paid in a lump sum on the second anniversary of the date his employment terminates.

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If the named executive officer's employment is terminated due to his death or disability, the named executive officer (or his estate) will receive a pro rata amount of his target annual incentive bonus.

In the event that all or any portion of the payments or benefits provided under the severance agreement would constitute an "excess parachute payment" within the meaning of Section 280G of the Internal Revenue Code, the named executive officer will be entitled to receive an amount equal to the greater of (on an after-tax basis) (i) the amount of such payments or benefits reduced so that no portion of the payments and benefits would fail to be deductible under Section 280G, or (ii) the amount otherwise payable reduced by all taxes, including the excise tax imposed under Section 4999 of the Internal Revenue Code.

The severance agreements with each of Messrs. Gentilcore, Crews, Randolph, Ferrall and Koscinski contain restrictive covenants for the benefit of the Company, including two-year post termination non-compete and non-solicitation covenants, a prohibition of disclosure of confidential information, and an assignment of inventions and patents to the Company.

Equity Awards

Equity awards subject to time vesting will vest and, as applicable, become exercisable upon a change of control of the Company. Equity awards subject to performance vesting based on the MOI Target will vest and, as applicable, become exercisable upon a change of control only if such change of control results in the MOI Target being satisfied. Upon a termination of the named executive officer's employment due to death, disability, retirement, without cause, or for good reason (if applicable), (i) a number of the restricted shares subject to time vesting granted to Messrs. Randolph and Ferrall in 2015 will vest equal to the number that would otherwise have vested on the next vest date, multiplied by a fraction, the numerator of which is the number of days elapsed since the most recent vest date through the termination date, and the denominator of which is the number of dates from the prior vest date to the next succeeding vest date, (ii) all other restricted shares subject to time vesting that would otherwise have vested in the two year period following termination of employment will vest on such termination of employment, and (iii) equity awards subject to performance vesting based on the MOI Target will vest, and as applicable, become exercisable, only if the MOI Target is satisfied on or before the six month anniversary of the termination of employment. With respect to restricted stock units granted in 2017 and outstanding stock options, there would be no acceleration of vesting on a termination of employment prior to the applicable vesting date of the award.

The table below shows the estimated value of the severance benefits that each of our named executive officers would have been entitled to receive if his employment was terminated by us without cause or by the named executive officer for good reason or the termination was due to death, disability or retirement. The table below assumes that such termination occurred on December 31, 2017. The table below also shows the estimated value associated with the acceleration of certain outstanding equity awards upon a change of control of the Company, assuming that such change of control occurred on December 31, 2017. The actual amounts that would be paid to any named executive officer can only be determined at the time an actual termination of employment or change of control occurs and could vary from those listed below.

Executive	Termination without Cause or for Good Reason without a Change in Control			
	Severance Pay \$(⁽¹⁾)	Benefits \$(⁽²⁾)	Equity Acceleration \$(⁽³⁾)	Total (\$)
James Gentilcore	3,520,000	29,634	1,257,685	4,807,319
Michael Crews	1,680,000	42,127	573,694	2,295,821
Scott Randolph	1,680,000	42,127	343,675	2,065,802
Paul Ferrall	1,680,000	29,634	343,675	2,053,309
Joseph S. Koscinski	1,240,000	12,231	77,233	1,329,464

	Change of Control Only			
Executive	Severance Pay \$(⁽¹⁾)	Benefits \$(⁽²⁾)	Equity Acceleration \$(⁽³⁾)	Total (\$)
James Gentilcore	—	—	1,913,059	1,913,059
Michael Crews	—	—	959,968	959,968
Scott Randolph	—	—	831,586	831,586
Paul Ferrall	—	—	831,586	831,586
Joseph S. Koscinski	—	—	124,748	124,748

	Termination due to Death, Disability or Retirement			
Executive	Severance Pay \$(⁽¹⁾)	Benefits \$(⁽²⁾)	Equity Acceleration \$(⁽³⁾)	Total (\$)
James Gentilcore	—	—	1,257,685	1,257,685
Michael Crews	—	—	573,694	573,694
Scott Randolph	—	—	343,675	343,675
Paul Ferrall	—	—	343,675	343,675
Joseph S. Koscinski	—	—	77,233	77,233

- (1) Represents the cash severance amounts that would have been payable as a result of the event described in the table above, based on the named executive officer's base salary and target bonus amount in effect as of December 31, 2017, and without including any accrued but unpaid compensation, paid time-off or any bonus earned with respect to 2017 performance (pro rata or otherwise). The cash severance amounts that would have been payable to each of our named executive officers in connection with a termination of employment under various circumstances are described in more detail above.
- (2) Represents the estimated value of the Company-paid portion of the premium for executive's medical and dental for the applicable period.
- (3) Reflects the accelerated vesting of any unvested stock options and restricted shares that would have vested upon termination or a change of control pursuant to the terms of the award agreements governing such unvested awards outstanding as of December 31, 2017, assuming a price per share of \$16.45, which was the closing price of a share of our Common Stock on December 29, 2017, the last business day of fiscal year 2017, as reported on the NYSE. No amounts have been included in respect of performance-based stock options or restricted shares since the MOI Target associated with such awards would not have been satisfied at these shares prices.

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PROPOSAL 2 — ADVISORY VOTE ON EXECUTIVE COMPENSATION

As required by Section 14A of the Securities Exchange Act of 1934, we are offering our stockholders an opportunity to cast an advisory vote on the compensation of our named executive officers, as disclosed in this proxy statement. Although the vote is non-binding, we value continuing and constructive feedback from our stockholders on compensation and other important matters. Our Board and the Compensation Committee expect to consider the voting results when making future compensation decisions.

As described in the “Compensation Discussion and Analysis” section of this proxy statement, we believe that our executive compensation program enables us to attract, retain, and motivate a high-performing executive management team that improves our fundamental financial performance and provides value to the Company and its stockholders.

We ask for your advisory vote on the following resolution:

“RESOLVED, that the stockholders hereby approve the compensation of PQ Group Holdings, Inc. named executive officers, as described in this proxy statement pursuant to the compensation disclosure rules of the Securities and Exchange Commission.”

Generally, approval of any matter presented to stockholders requires the affirmative vote of the holders of a majority of the shares of Common Stock represented at the Annual Meeting and voting on the matter. However, because this vote is advisory and non-binding there is no “required” vote that would constitute approval.

Your Board unanimously recommends that you vote “FOR” approval of this proposal.

PROPOSAL 3—ADVISORY VOTE ON THE FREQUENCY OF THE VOTE ON EXECUTIVE COMPENSATION

As required by Section 14A of the Securities Exchange Act of 1934, we are offering our stockholders an opportunity to cast an advisory vote on whether a non-binding stockholder advisory vote on the compensation of our named executive officers should occur every one, two or three years. Although the vote is non-binding, we value continuing and constructive feedback from our stockholders on compensation and other important matters. Our Board and the Compensation Committee intend to take into consideration the voting results when determining how often a non-binding stockholder advisory vote on the compensation of our named executive officers should occur.

Our Board has determined that an advisory vote on executive compensation every year is the best approach for the Company based on a number of considerations, including the vote frequency that our Board believes the majority of our investors prefer.

Stockholders are not voting to approve or disapprove of our Board’s recommendation. Instead, the proxy card provides stockholders with four choices with respect to this proposal: (1) one year, (2) two years, (3) three years or (4) abstaining from voting on the proposal. For the reason discussed above, we are asking our stockholders to indicate their support for the non-binding advisory vote on executive compensation to be held every year.

Generally, approval of any matter presented to stockholders requires the affirmative vote of the holders of a majority of the shares of Common Stock represented at the Annual Meeting and voting on the matter. However, because this vote is advisory and non-binding, there is no “required” vote that would constitute approval. If none of the frequency options receives the vote of a majority of shares of Common Stock represented at the Annual Meeting and voting thereon, the option receiving the greatest number of votes will be considered the frequency recommended by the Company’s stockholders.

Your Board unanimously recommends that you vote “One Year” with respect to how frequently a non-binding stockholder vote on executive compensation should occur.

AUDIT COMMITTEE MATTERS

Audit Committee Report

The information contained in this report shall not be deemed to be “soliciting material” or “filed” or incorporated by reference in future filings with the Securities and Exchange Commission, or subject to the liabilities of Section 18 of the Exchange Act, except to the extent that the Company specifically incorporates it by reference into a document filed under the Securities Act or the Exchange Act.

We operate in accordance with a written charter adopted by the Board and reviewed annually by the Committee. We are responsible for overseeing the quality and integrity of PQ’s accounting, auditing and financial reporting practices. In accordance with the rules of the Securities and Exchange Commission for companies who have completed an initial public offering within the past year, the majority of the Audit Committee currently is composed of members who are independent, as defined by the listing standards of the New York Stock Exchange and PQ’s Corporate Governance Guidelines. Further, the Board has determined that one of our members (Ms. Ross) is an audit committee financial expert as defined by the rules of the Securities and Exchange Commission.

The Audit Committee met eight times during fiscal 2017 with PQ’s management and PricewaterhouseCoopers LLP (“PwC”), PQ’s independent registered public accounting firm, including, but not limited to, meetings held to review and discuss the annual audited and quarterly financial statements and the Company’s earnings press releases.

We believe that we fully discharged our oversight responsibilities as described in our charter, including with respect to the audit process. We received the written disclosures and the letter from PwC pursuant to Rule 3526, Communication with Audit Committees Concerning Independence, of the Public Company Accounting Oversight Board (“PCAOB”) concerning any relationships between PwC and PQ and the potential effects of any disclosed relationships on PwC’s independence, and discussed with PwC its independence. We discussed with management, the internal auditors and PwC PQ’s internal control over financial reporting and the internal audit function’s organization, responsibilities, budget and staffing. We reviewed with both PwC and our internal auditors their audit plans, audit scope, identification of audit risks and their audit efforts.

We discussed and reviewed with PwC their communications required by the Standards of the PCAOB and, with and without management present, discussed and reviewed the results of PwC’s examination of PQ’s financial statements. We also discussed the results of the internal audit examinations with and without management present.

We reviewed the audited consolidated financial statements of PQ as of and for the fiscal year ended December 31, 2017 with Management and PwC. Management has the responsibility for the preparation of PQ’s financial statements, and PwC has the responsibility for the audit of those statements.

Based on these reviews and discussions with management and PwC, we approved the inclusion of PQ’s audited financial statements in its Annual Report on Form 10-K for the year ended December 31, 2017 for filing with the Securities and Exchange Commission. We also have selected PwC as the independent registered public accounting firm for the year ended December 31, 2018, subject to ratification by PQ’s stockholders.

Audit Committee

Kimberly Ross, Chairperson

Mark McFadden

Robert Coxon

Audit and Other Fees

The aggregate fees that PQ paid for professional services rendered by PwC for the fiscal year ended December 31, 2017 (fiscal 2017) and the fiscal year ended December 31, 2016 (fiscal 2016) were:

	Fiscal 2017	Fiscal 2016
Audit	\$2,615,000	\$2,259,200
Audit Related	\$1,718,000	\$ 402,000
Tax	\$1,488,536	\$ 378,000
All Other	\$ 2,754	\$ 341,800
Total	\$5,824,290	\$3,381,000

- Audit fees were for professional services rendered for the audit of our annual audited consolidated financial statements and review of our quarterly financial statements, advice on accounting matters directly related to the audit and audit services, and assistance with review of documents filed with the Securities and Exchange Commission.
- Audit related fees were primarily for services related to our initial public offering in fiscal 2017 and debt transactions in both years.
- Tax fees were for professional services related to tax compliance and routine tax advice, including assistance with tax audits and appeals.
- All other fees were for certain due diligence services in fiscal 2016 and licenses of accounting and disclosure software in both years.

The Audit Committee pre-approves all audit services and all permitted non-audit services, including engagement fees and terms, to be provided by the independent auditors. Our policies prohibit PQ from engaging PwC to provide any non-audit services prohibited by applicable Securities and Exchange Commission rules. In addition, we evaluate whether PQ's use of PwC for permitted non-audit services is compatible with maintaining PwC's independence and objectivity. After review of the non-audit services provided, we concluded that PwC's provision of these non-audit services, all of which were approved in advance, is compatible with its independence.

PROPOSAL 4

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of our Board has appointed PricewaterhouseCoopers LLP ("PwC") as our independent registered public accounting firm for the fiscal year ended December 31, 2018. We are asking stockholders to ratify this appointment. PwC has served as our independent registered public accounting firm since 2015. Representatives of PwC will attend the Annual Meeting, where they will have the opportunity to make a statement if they wish to do so and will be available to answer questions from the stockholders.

The Board recommends a vote FOR Proposal 4, Ratification of Appointment of Independent Registered Public Accounting Firm.

OTHER INFORMATION

Stockholder Proposals for the 2019 Annual Meeting

Our stockholders may submit a proposal to be considered for a vote at our 2019 annual meeting of stockholders. If you wish to submit a proposal for consideration, you should adhere to the following procedures as prescribed in our Bylaws or Rule 14a-8 under the Exchange Act (“Rule 14a-8”).

Under Rule 14a-8, a stockholder who intends to present a proposal at the 2019 annual meeting of stockholders and who wishes the proposal to be included in the proxy materials for that meeting must submit the proposal in writing to us so that it is received by our Secretary no later than December 5, 2018. Please refer to Rule 14a-8 for the requirements that apply to these proposals. Any proposals received after this date will be considered untimely under Rule 14a-8. Written proposals may be mailed to us at PQ Group Holdings Inc., Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355, Attn: Secretary.

In addition, a stockholder may nominate a director or present any other proposal at the 2019 annual meeting of stockholders by complying with the requirements set forth in Section 1.2 (Advance Notice of Nominations and Proposals of Business) of our Bylaws by providing written notice of the nomination or proposal to our Secretary no earlier than January 4, 2019 and no later than February 3, 2019. We reserve the right to reject, rule out of order, or take other appropriate action with respect to any proposal that does not comply with these and other applicable requirements. Our Bylaws describe the requirements for submitting proposals at the Annual Meeting. The notice must be given in the manner and must include the information and representations required by our Bylaws.

Annual Report on Form 10-K

Our Annual Report on Form 10-K for the year ended December 31, 2017 is available without charge to each stockholder, upon written request to the Secretary at our principal executive offices at Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355 and is also available by clicking “SEC Filings” in the Investors section of our website, www.pqcorp.com.

Stockholder Account Maintenance

Our transfer agent is American Stock Transfer and Trust Company, LLC (“AST”). All communications concerning accounts of stockholders of record, including address changes, name changes, inquiries as to requirements to transfer PQ stock and similar issues, can be handled by calling AST toll-free at (800) 937-5449 or by accessing AST’s website at www.astfinancial.com.

Householding of Proxy Materials

Like many other companies, brokers, banks, and nominee record holders, PQ participates in a practice commonly known as “householding,” where a single copy of our Proxy Statement and 2017 Annual Report is sent to one address for the benefit of two or more stockholders sharing that address unless we have received contrary instructions. Householding is permitted under rules adopted by the Securities and Exchange Commission as a means of satisfying the delivery requirements for proxy statements and annual reports, potentially resulting in extra convenience for stockholders and cost savings for companies. If you hold your shares through a broker, you may have consented to reducing the number of copies of materials delivered to your address. In the event you wish to revoke your consent provided to a broker, you must contact that broker to revoke your consent. If you are subject to householding, we will promptly deliver a separate copy of either document to you if you contact our Secretary at PQ Group Holdings Inc., Valleybrooke Corporate Center, 300 Lindenwood Drive, Malvern, Pennsylvania 19355 or call us at (610) 651-4400. If you receive multiple copies of our Proxy Statement and 2017 Annual Report at your household and wish to receive only one, please notify your broker or contact our Secretary.

Other Matters

At the time of mailing of this Proxy Statement, we do not know of any other matter that may come before the Annual Meeting and do not intend to present any other matter. However, if any other matters properly come before the meeting or any adjournment, the persons named as proxies will have discretionary authority to vote the shares represented by the proxies in accordance with their own judgment, including the authority to vote to adjourn the meeting.

Directions to Attend the Annual Meeting

300 Lindenwood Dr.
Valleybrooke Corporate Center
Malvern, PA 19355-1740

From Route 202 South:

Take exit toward PA-29 N (0.4m)
Turn left at E. Swedesford Rd. (0.4m)
Turn left at PA-29S (0.2m)
Turn Right at Lindenwood Dr. (0.1m)
Bear left at Valleybrooke Corporate Center main entrance

From Route 202 North:

Take exit toward PA-29 S toward Malvern (0.2m)
Turn Right at Morehall Rd./PA-29S (0.1m)
Turn Right at Lindenwood Dr. (0.1m)
Bear left at Valleybrooke Corporate Center main entrance

From the Schuylkill Expressway (I-76):

Follow I-76 West to Route 202 South exit (26B)
After exiting stay in the left lane until it merges with Route 202 South towards West Chester
Continue on Route 202 South for approximately 5.3 miles, and take exit toward PA-29 N
Turn left at E. Swedesford Rd. (0.4m)
Turn left at PA-29S (0.2m)
Turn Right at Lindenwood Dr. (0.1m)
Bear left at Valleybrooke Corporate Center main entrance

From the Pennsylvania Turnpike:

Exit at Interchange #326, Valley Forge
Take Route 202 South exit
Stay in the left lane until it merges with Route 202 South headed towards West Chester
Continue on Route 202 South for approximately 5.3 miles, and take exit toward PA-29 N
Turn left at E. Swedesford Rd. (0.4m)
Turn left at PA-29S (0.2m)
Turn Right at Lindenwood Dr. (0.1m)
Bear left at Valleybrooke Corporate Center main entrance

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INFORMATIONFrom Philadelphia Airport:

Take I-95 South (towards Delaware) approximately 3 miles

Take I-476 North (towards Plymouth Meeting) approximately 15 miles

Take I-76 West to Valley Forge exit

Follow I-76 West to Valley Forge exit

Follow I-76 West to Route 202 South

Take exit toward PA-29 N (0.4m)

Turn left at E. Swedesford Rd. (0.4m)

Turn left at PA-29S (0.2m)

Turn Right at Lindenwood Dr. (0.1m)

Bear left at Valleybrooke Corporate Center main entrance

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friendlier products
for a cleaner,
safer world



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