



HUMAN RESOURCE AND COMPENSATION COMMITTEE CHARTER

Purpose

The Human Resource and Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) to discharge the Board’s responsibilities relating to compensation of the Company’s Chair and Chief Executive Officer (the “CEO”) and the Company’s other executive officers¹ (collectively, and including the CEO, the “Executive Officers”). The Committee has overall responsibility for approving and evaluating all compensation plans, policies and programs of the Company as they affect the Executive Officers. The Committee also advises management regarding strategic human resources initiatives, including leadership succession.

The Committee is also responsible for producing an annual report on executive compensation for inclusion in the Company’s proxy statement.

While the Committee has the responsibilities set forth in this Charter, it is not the duty of the Committee to administer the Company’s compensation or human resources plans, policies or programs. These are the responsibilities of management.

Committee Membership

The Committee shall consist of no fewer than three members. The members of the Committee shall meet the independence requirements of the New York Stock Exchange (the “NYSE”). At least two members of the Committee shall also qualify as “outside” directors within the meaning of Internal Revenue Code §162(m) and as “non-employee” directors within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended.

The members of the Committee shall be appointed annually by the Board on the recommendation of the Nominating and Corporate Governance Committee. One member of the Committee shall be appointed as its Chair by the Board. Committee members may be replaced by the Board at any time. A Committee member may resign by giving written notice to the Board and may resign Committee membership without resigning from the Board.

Meetings

The Committee shall meet as often as necessary or appropriate to carry out its responsibilities, but not less than three times per year, either in person or telephonically (or by similar means where all participants can hear each other and participate), and at such times and places as the Committee determines. The Chair shall preside at each meeting. In the event the Chair is not present at a meeting, the Committee members present at that meeting shall designate one of its members as the acting chair of such meeting. Written minutes of each meeting, in the form

¹ Includes any “officer” of the Company, as defined pursuant to Rule 16a-1(f) under the Securities Exchange Act of 1934.

approved at the immediately following meeting, shall be duly filed in the Company records. A majority of the members of the Committee shall constitute a quorum.

Committee Authority and Responsibilities

The Committee, to the extent it deems necessary or appropriate, shall:

1. Annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives and determine and approve the CEO's compensation level based on this evaluation. In determining the incentive components of CEO compensation, the Committee may consider a number of factors deemed appropriate by the Committee, including, but not limited to, the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, the awards given to the CEO in past years and current ownership of the Company's equity.
2. At least annually, review and approve the annual base salaries, annual incentive opportunities and achievement of performance targets with respect to any variable compensation of the Executive Officers.
3. Review and recommend to the Board the establishment of the criteria by which bonuses to the Company's employees are determined, including under the Company's Leadership Performance Plan (formerly, the Management Incentive Plan).
4. Periodically and as and when appropriate, review and approve the following as they affect the Executive Officers: (a) all other incentive awards and opportunities, including both cash-based and equity-based awards and opportunities; (b) any employment agreements and severance arrangements; (c) any change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits; and (d) any special or supplemental compensation and benefits for the Executive Officers and individuals who formerly served as Executive Officers, including supplemental retirement benefits and the perquisites provided to them during and after employment.
5. Review and discuss the Compensation Discussion and Analysis (the "CD&A") required to be included in the Company's proxy statement and annual report on Form 10-K by the rules and regulations of the Securities and Exchange Commission (the "SEC") with management, and, based on such review and discussion, determine whether or not to recommend to the Board that the CD&A be so included.
6. Produce the annual Report of the Compensation Committee on Executive Compensation for inclusion in the Company's proxy statement in compliance with the rules and regulations promulgated by the SEC.
7. Review and discuss with the CEO as appropriate the succession plans relating to the positions held by the executive officers of the Company at least annually. Make recommendations and provide periodic updates to the Board with respect to succession planning and the selection of individuals for executive officer positions.

8. Oversee the adoption and administration of the Company's key human resources processes and programs.
9. Oversee the Company's compliance with applicable laws affecting employee compensation and benefits.
10. Administer the Company's 1989 Employee Stock Purchase Plan, Global Employee Stock Purchase Plan, 1999 Stock Incentive Plan and such other stock option or equity participation plans as may be adopted by the shareholders or the Board of Directors from time to time within the authority delegated by the Board of Directors.
11. Review and recommend to the Board all major compensation or benefit programs involving commitments beyond one year (*e.g.*, pension, profit-sharing, etc.).
12. Oversee the Company's compliance with SEC rules and regulations regarding shareholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under NYSE rules that, with limited exceptions, shareholders approve equity compensation plans.
13. Receive periodic reports on the Company's compensation programs as they affect all employees.
14. Consult with and seek advice from appropriate management personnel.
15. (A) In its sole discretion, retain or obtain the advice of a compensation consultant, independent legal counsel or other adviser (an "adviser"), (B) be directly responsible for the appointment, compensation and oversight of the work of the adviser, and (C) assess the performance and independence of the adviser and take into consideration all factors relevant to that adviser's independence from management in accordance with NYSE listing rules before selecting the adviser. The Company shall provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any adviser retained by the Committee.
16. Make regular reports to the Board, including with respect to CEO compensation, and such additional reports and recommendations to the Board as the Committee may see fit within the scope of its functions.
17. Annually review its own performance and the adequacy of the Committee Charter.
18. May form and delegate authority to subcommittees as it deems appropriate.
19. Perform such other duties and responsibilities as may be assigned to the Committee, from time to time, by the Board and/or the Chair of the Board.