



## **GOVERNANCE COMMITTEE CHARTER**

### **Membership and Organization**

The members of the Governance Committee shall be comprised of not less than three directors. The Committee members shall meet the independence and other requirements established by law, the rules and regulations of the Securities and Exchange Commission, and the New York Stock Exchange listing standards. The members of the Governance Committee shall be appointed by the Board. Governance Committee members may be replaced by the Board. The Committee may form and delegate authority to subcommittees as it deems appropriate.

### **Authority and Responsibilities**

The Governance Committee shall meet regularly and have the following duties and authority:

- (1) Review and recommend to the Board of Directors with regard to policies for the composition of the Board, including such criteria as:
  - (a) size of the Board;
  - (b) diversity of gender, race, ethnicity, experience, employment, background and other relevant factors of Board members;
  - (c) the proportion of the Board to be comprised of non-management directors;
  - (d) qualifications for new or continued membership on the Board, including experience, employment, background and other relevant considerations; and
  - (e) director retirement requirements or standards;
- (2) Review any director nominee candidates recommended by shareholders in accordance with the Certificate of Incorporation and By-Laws;
- (3) Identify, interview and evaluate director nominee candidates and have sole authority to (a) retain and terminate any search firm to be used to assist the Committee in identifying director candidates and (b) approve the search firm's fees and other retention terms. The Board of Directors is committed to actively seeking out highly-qualified women and minority candidates for each search the Board undertakes. In identifying, evaluating and

recommending director nominee candidates, the Committee will consider diversity of gender and ethnicity within the Board, the criteria set forth in (1) above, and such other factors as the Committee deems appropriate;

- (4) Recommend to the Board (a) the slate of director nominees to be presented by the Board for election at the Annual Meeting of Stockholders, (b) the director nominees to fill vacancies on the Board, and (c) the members of each Board Committee;
- (5) Lead the annual review of Board performance and effectiveness and make recommendations to the Board as required;
- (6) Review and recommend to the Board concerning the Board's organizational structure and operations, including with respect to the appointment of a lead director in accordance with the Corporation's Corporate Governance Principles, and its relationship to senior management;
- (7) Review and recommend to the Board concerning issues of senior management succession;
- (8) Lead the annual Chief Executive Officer performance review and oversee the evaluation process for senior management;
- (9) Review and recommend to the Board with regard to Certificate of Incorporation, By-Law or stockholder rights plan issues or changes in fundamental corporate charter provisions;
- (10) Review and recommend to the Board with respect to various corporate governance matters (including any necessary modifications to the Corporate Governance Principles);
- (11) Review and recommend to the Board with respect to independence determinations of the members of the Board and review, approve or ratify reportable related person transactions by use of the following procedures:
  - (a) The Corporation's Law Department will evaluate the disclosures provided in the director and officer questionnaires and from data obtained from the Corporation's records for potential independence issues or related person transactions.
  - (b) At the Board's February meeting, Management will report to the Governance Committee on all related person transactions that occurred since the beginning of the prior fiscal year. Such report should include information as to: (i) the related person's relationship to the Corporation and interest in the transaction; (ii) the material facts of the transaction, including the proposed aggregate value of such transaction or, in the case of indebtedness, the amount of principal that would be involved; (iii) the benefits to the Corporation

of the proposed related person transaction; (iv) if applicable, the availability of other sources of comparable products or services; and (v) an assessment of whether the proposed related person transaction is on terms that are comparable to the terms available to an unrelated third party or to employees generally.

- (c) At the Board's February meeting, Management will also report to the Governance Committee on related person transactions it believes will occur in the next year. If during the course of the year additional reportable transactions occur or are expected to occur, Management will report such transactions at the next regularly scheduled Governance Committee meeting.
  - (d) Taking into account the factors listed above, and such other factors and information as the Governance Committee may deem appropriate, the Governance Committee will make a determination as to whether to approve or ratify (as the case may be) all related party transactions so identified.
- (12) Receive reports from management with regard to relevant social responsibility issues and report to the Board as appropriate;
  - (13) Review with management, and report to the Board, with respect to the Corporation's efforts to achieve its affirmative action and diversity goals;
  - (14) Review the Corporation's policies and procedures for corporate political contributions and corporate political contribution reports;
  - (15) Review and recommend to the Board with respect to director orientation, training and continuing education; and
  - (16) At the request of the Board or the Chief Executive Officer, undertake special projects which do not fall within the jurisdiction of other committees of the Board.

### **Reports to Board**

The Committee shall make regular reports to the Board.

### **Outside Advisors and Access to Management**

The Committee may, as it deems necessary or appropriate and at the Corporation's expense, obtain advice and assistance from internal or external legal or other advisors. The Committee shall have unrestricted access to Management.

### **Charter Recommendation**

Annually review and assess the adequacy of the Committee Charter and make recommendations to the Board of Directors relating to the Committee's Charter and the Committee's core meeting agenda for the upcoming year.

### **Performance Review**

The Committee shall perform an annual review of the performance of the Committee.