

# Board of Directors Governance Committee Charter

## Purposes

The purposes of the Governance Committee of the Board of Directors shall include (a) identifying individuals qualified to become Board members, consistent with the criteria approved by the Company's Board of Directors, (b) recommending to the Board of Directors qualified potential director nominees for election at each of the Company's Annual Shareholders' Meetings, (c) developing and recommending to the Board of Directors the Company's corporate governance principles and (d) overseeing the evaluation of the Board of Directors.

## Membership

The Governance Committee shall consist of not less than three members, including the chair, who meet the independence requirements of the New York Stock Exchange.

The Board of Directors will annually appoint the members of the Governance Committee and select the chair. Members of the Governance Committee may be removed only by the affirmative vote of a majority of the Board of Directors.

## Responsibilities

The Governance Committee believes the policies and procedures by which it carries out its responsibilities should remain flexible, to best react to changing conditions and to be in the best position to ensure to the Board of Directors and shareholders of the Company that the Company's governance principles, procedures and practices continue to assist the Board of Directors and the Company's management to effectively and efficiently promote the best interests of the Company's shareholders. The Governance Committee may not delegate any of its responsibilities to management, but may delegate with Board approval to the extent required by law any of its responsibilities to subcommittees consisting solely of one or more members of the Governance Committee.

In carrying out its responsibilities, the Governance Committee will:

## **Board of Directors Candidates and Nominees**

1. Establish a policy with regard to the consideration of any director candidates recommended by shareholders and communicate to shareholders a method for shareholders to recommend potential director nominees for the Governance Committee's consideration.
2. Develop criteria for selection of director nominees for approval by the Board of Directors, including any minimum qualifications that the Governance Committee believes must be met by a nominee recommended by the Governance Committee for a position on the Board of Directors or any specific qualities or skills that the Governance Committee believes are necessary for one or more of the Company's directors to possess. The Governance Committee shall be responsible for assessing the appropriate balance of skills and characteristics required of Board members.
3. Conduct appropriate inquiries into the backgrounds and qualifications of potential director nominees.
4. Identify and recommend to the Board of Directors qualified potential director nominees, consistent with the criteria approved by the Company's Board of Directors, who bring knowledge, experience and expertise that would strengthen the Board of Directors. When formulating such recommendations, the Governance Committee shall consider any advice and recommendations offered by the Chief Executive Officer or shareholders of the Company or any outside advisors the Governance Committee may retain.

## **Board of Directors and Committees**

1. Plan for continuity on the Board of Directors as directors are scheduled to retire from the Board of Directors.
2. Review and recommend to the Board of Directors an appropriate course of action with

respect to or upon the resignation, retirement or removal of any director, including whether a new director should be appointed by the Board of Directors prior to the Company's next Annual Shareholders' Meeting.

3. From time to time as the Governance Committee determines it to be necessary or appropriate, review and recommend to the Board of Directors changes to the size of the Board of Directors and its committees.
4. From time to time as the Governance Committee determines it to be necessary or appropriate, review and recommend to the Board of Directors changes to policy matters pertaining to the roles, responsibilities, retirement age, term limits and removal of directors.
5. Review and reassess from time to time the standards to determine director independence and recommend any proposed changes to the Board for approval.
6. Oversee management's establishment of and, from time to time as the Governance Committee determines it to be necessary or appropriate, review the effectiveness of the Company's new director orientation program and continuing director education program.
7. From time to time as the Governance Committee determines it to be necessary or appropriate and at least on an annual basis, review all Board of Directors committees and their charters taking into consideration input from such committees and, as necessary, recommend to the Board of Directors changes in the committee charters or the responsibilities or number of committees.
8. From time to time as the Governance Committee determines it to be necessary or appropriate, recommend that the Board of Directors establish a new or special committee of the Board of Directors that may be necessary to properly address ethical, legal or other matters that may arise.
9. On an annual basis and after consultation with the Chief Executive Officer and Chair of the

Board, determine and propose to the Board of Directors which directors should serve as members and chairs of the Board of Directors committees and consider the rotation of committee chairs and members.

- In making its determinations, the Governance Committee should consider
  - (a) balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints that may result from the rotation of committee members and chairs; (b) subject matter expertise; (c) applicable legal or other requirements; (d) tenure; (e) the desires of individual members of the Board of Directors; (f) as applicable, the independence standards applicable to the members of such committees; (g) whether at least one of the members of the Audit Committee is a “audit committee financial expert” as defined by the Securities and Exchange Commission (the “SEC”); and (h) such criteria, factors and circumstances as it determines to be appropriate.

10. From time to time as the Governance Committee determines it to be necessary or appropriate, review the qualifications and performance of any members of the Board of Directors. On an annual basis, consider whether to recommend each incumbent director for re-election.

11. On an annual basis and after consultation among the Chair of the Governance Committee and each director regarding the performance of the Chairman of the Board and the subject of succession planning therefor, determine and propose to the Board of Directors which member of the Board of Directors should serve as Chairman of the Board.

12. Review and recommend to the Board of Directors an appropriate course of action with respect to or upon a Change in Circumstances (as defined in the Company’s Corporate Governance Guidelines) of any director. As and to the extent required by Section 3.03 of the Company’s By-laws, consider any resignation tendered under such section and recommend to the Board of Directors whether to accept or reject the tendered resignation.

13. Establish the evaluation criteria and implement the process for the Board of Directors’

annual self-evaluation.

14. On an annual basis, conduct a self-assessment of its performance during the previous year.

The purpose of these assessments is to increase the effectiveness of the Governance Committee and its members. Compliance with the responsibilities listed in this Charter shall form the principal criteria for such assessments, as well as such other factors and circumstances as are determined appropriate by the Governance Committee.

15. On an annual basis, conduct a review of each Board committee's contribution to the Company. In such review, the Governance Committee should review each Board committee's objectives, as stated at the beginning of each fiscal year, and compare those stated objectives to the results and time expended to achieve such results at the end of that year.

## **Corporate Governance Guidelines**

1. Develop and recommend to the Board of Directors a set of corporate governance guidelines that complies with NYSE standards.
2. At least annually, review the Company's corporate governance guidelines, procedures and practices and take such actions as the Governance Committee deems necessary or appropriate.
3. Review and make recommendations to the Board of Directors regarding shareholders' proposals that relate to corporate governance.
4. Establish and communicate to shareholders a process for shareholders to send communications to the Board of Directors.
5. Establish a policy with respect to Board member attendance at annual meetings of shareholders.

## Codes of Ethics and Conduct

1. Develop and recommend to the Board of Directors one or more codes of ethics and conduct that comply with NYSE standards and SEC rules.
2. At least annually, review the codes of ethics and conduct and take such actions as the Governance Committee deems necessary or appropriate.

## General

1. From time to time as the Governance Committee determines it to be necessary or appropriate, select and retain independent counsel or other advisors, including a search firm to help identify new potential director nominees, to provide independent advice to the Governance Committee. The Governance Committee shall have the authority to retain (on terms established by the Governance Committee), terminate and approve the fees of any such counsel and advisors. The Governance Committee may meet with any such counsel or advisors without management present. The Company will bear the cost of such counsel and advisors.
2. Meet at least two times annually and otherwise as the members of the Governance Committee deem appropriate.
3. Consider and approve or disapprove all transactions involving the Company and any director, executive officer, senior financial officer or any related party and other questions of actual and potential conflicts of interest or appearances of impropriety of or involving the Company's directors, executive officers or senior financial officers or any related party as they may arise and, when determined necessary or appropriate, to issue to a director, executive officer or senior financial officer instructions on how to conduct himself/herself in such matters so as to ensure that the best interests of the Company are protected.
  - In considering such matters, the Governance Committee should consider, among other factors or circumstances, whether or not the relationship or transaction is on

terms and conditions not materially less favorable to the Company than could be obtained from an independent third party (including obtaining independent support for such conclusion); the reasons for and the benefits obtainable by the Company from such relationship or transaction; the impact of such relationship or transaction on the director's or officer's ability to continue to serve the best interests of the Company; and anticipated shareholder reaction to such relationship or transaction. The Governance Committee shall ensure that all approved related party transactions or other actual and potential conflicts of interest or appearances of impropriety, to the extent determined material, are properly disclosed to the Company's shareholders in accordance with applicable requirements.

4. From time to time as the Governance Committee determines it to be necessary or appropriate, consult with the Company's general counsel and outside legal counsel, if determined necessary or appropriate, with respect to the terms and conditions of the Company's Articles of Incorporation and Bylaws as they relate to corporate governance matters and take such actions as the Governance Committee deems necessary or appropriate, subject to Board of Directors and shareholder approval, if applicable, in accordance with the Company's Bylaws and applicable law.
5. Promptly make available the minutes of all meetings of the Governance Committee to the Board of Directors and report the Governance Committee's activities to the Board of Directors at the Board of Directors' meeting next following each Governance Committee meeting so that the Board of Directors is kept fully informed of the Governance Committee's activities on a current basis.
6. From time to time as the Governance Committee determines it to be necessary or appropriate, conduct such reviews, investigations and surveys and take such action as the Governance Committee may consider necessary or appropriate in the exercise of its duties and responsibilities.
7. From time to time as the Governance Committee determines it to be necessary or

appropriate, and at least on an annual basis, review the goals and objectives of the Corporation relating to sustainability and corporate social responsibility and recommend to the Board of Directors or management, as appropriate, such measures and actions that the Committee believes may be appropriate related to these matters.