



## Compensation, Nominating and Governance Committee ("CNG Charter")

### COMPENSATION CHARTER

#### I. Purpose

The Committee, reporting to the Board of Directors, has responsibility for:

- a. Development of the management succession and leadership capability planning process.
- b. Making recommendations for the compensation of the company's CEO and review and approve compensation for executive officers.
- c. Reviewing the Compensation Discussion and Analysis ("CD&A") with management for inclusion in the company's annual proxy statement, and producing the annual Compensation Committee Report on executive compensation for the company's proxy statement.
- d. Making recommendations for the compensation of the company's non-management directors, including the level of stock awards and stock option grants that should be made annually to such directors.
- e. Administration of executive compensation and benefit plans.

#### II. Structure And Operations

The Committee shall:

- a. Meet at least four times annually.
- b. Meet once a year with the CEO and the company's Chief Human Resources Officer to review performance criteria and compensation of key executive officers. Officers shall not be present when their performance and compensation are being discussed.
- c. Report regularly to the Board of Directors on its activities.
- d. Exercise sole authority to retain, terminate or replace outside counsel, compensation and benefits consultants or other experts ("Compensation Advisers") to provide independent advice to the Committee, including the authority to approve the fees payable and any other terms of retention. In so choosing any Compensation Adviser, the Committee shall consider, among other factors relevant to the Compensation Adviser's independence from management, (i) the provision of other services to the Company by the person that employs the Compensation Adviser; (ii) the amount of fees received from the Company by the person that employs the Compensation Adviser as a percentage of the total revenue of the person that employs the Compensation Adviser; (iii) the policies and procedures of the person that employs the Compensation Adviser that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the Compensation Adviser with a member of the Committee; (v) any stock of the Company owned by the Compensation Adviser; and (vi) any business or personal relationship of the Compensation Adviser or the person employing the Compensation Adviser with an executive officer of the Company.
- e. Evaluate annually the performance of the Committee and report the results of the evaluation to the Board of Directors.
- f. Review this Charter annually.
- g. Review annually reports to the Committee of the fiduciaries appointed by the Board of Directors.
- h. Review the reports of the company's Benefits Committee

i. Consist entirely of “independent” directors pursuant to the Company's Corporate Governance Principles and pursuant to the Board's consideration of any and all factors specifically relevant to determining whether a director has a relationship to the Company which is material to that director's ability to be independent from the Company's management in connection with the duties of a Committee member. The Board shall consider, among other factors relevant to a Committee member's independence from management, (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director; and (ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

The Committee shall abide by the following procedures:

- a. The Committee shall have a Chair appointed by the Board who shall determine the agenda, the frequency and the length of meetings.
- b. The Chair, or two Committee members in the absence of the Chair, shall have the power to call a meeting of the Committee.
- c. A majority of the members of the Committee present at a meeting of the Committee shall constitute a quorum for the transaction of business. A Committee member participating in a meeting by telephone shall be considered present at any meeting of the Committee.
- d. The Committee may act at a meeting only upon the approval of a majority of the members present at such meeting in which a quorum is present or in writing without a meeting only by the unanimous consent of its members.
- e. The Committee shall maintain minutes and records of its meetings and activities.
- f. The Committee shall have the ability to delegate authority to a subcommittee or to one or more members of the Committee.

### **III. Duties And Responsibilities**

The Committee shall:

- a. Oversee and evaluate the Human Resources Planning process and succession plans for the CEO and other senior executive positions.
- b. Recommend candidates for these positions to the Board of Directors.
- c. Establish and review annually an emergency succession plan for the CEO and other senior executive positions.
- d. Review annually with the CEO the quality of the management group and the planning and implementation of programs for talent development, emphasizing alignment with the corporation's strategic and operating plans.
- e. Establish and review the corporation's total compensation philosophy. Review and recommend to the Board of Directors new and revised executive compensation programs including cash incentives, equity and perquisites. Review and recommend to the Board of Directors new employee benefit plans and substantial revisions to existing benefit plans.
- f. Review the corporation's executive compensation and employee benefit programs, including recoupment policies, to determine whether they are properly coordinated and achieving the intended purpose. Review policies for the administration of executive compensation programs and oversee the activities of those responsible for plan administration.
- g. Review performance goals and objectives relevant to the CEO. Make recommendations to the Board regarding the CEO's salary, bonus and awards in light of performance against these goals.
- h. Review and approve corporate goals relevant to officers' compensation including annual performance

objectives. Evaluate the performance of officers in light of these criteria and, based on such evaluation, approve annual salary, bonus and awards to officers.

- i. Review and recommend to the Board of Directors all equity compensation plans of the company, including those that are not otherwise subject to the approval of the company's shareholders.
- j. Review and approve all awards pursuant to the company's Omnibus Incentive Plan or any other equity-based plans.
- k. Review the results of shareholder "say-on-pay" and "say-on-frequency" votes, as well as other shareholder proposals related to compensation.
- l. Review and discuss the CD&A to be included in the company's proxy statement, in accordance with the rules and regulations of the NYSE, SEC and other regulatory bodies, and produce the annual Compensation Committee Report for inclusion in the company's proxy statement.
- m. Review Director compensation and make recommendations to the Board of Directors.
- n. Discharge any responsibilities delegated by the Board of Directors.
- o. As part of the Board of Directors' responsibility for risk oversight, consider the impact of the company's compensation plans, arrangements and policies on the company's risk profile.

## **NOMINATING AND GOVERNANCE CHARTER**

### **I. Purpose**

The Committee, reporting to the Board of Directors, shall:

- a. Identify individuals qualified to become members of the Board.
- b. Recommend to the Board director nominees to be presented at the annual meeting of shareholders and nominees to fill vacancies on the Board, whether caused by retirement, resignation, death, increase in the number of authorized directors or otherwise.
- c. Develop and recommend to the Board, and review periodically, corporate governance principles for the Company.
- d. Lead the process of periodically evaluating the performance of the Board and its members.

### **II. Structure And Operations**

The Committee shall:

- a. Meet at least four times annually.
- b. Meet once a year with the CEO and the company's Chief Human Resources Officer to review performance criteria and compensation of key executive officers. Officers shall not be present when their performance and compensation are being discussed.
- c. Report regularly to the Board of Directors on its activities.
- d. Exercise sole authority to retain, terminate or replace outside counsel, compensation and benefits consultants or other experts ("Compensation Advisers") to provide independent advice to the Committee, including the authority to approve the fees payable and any other terms of retention. In so choosing any Compensation Adviser, the Committee shall consider, among other factors relevant to the Compensation Adviser's independence from management, (i) the provision of other services to the Company by the person that employs the Compensation

Adviser; (ii) the amount of fees received from the Company by the person that employs the Compensation Adviser as a percentage of the total revenue of the person that employs the Compensation Adviser; (iii) the policies and procedures of the person that employs the Compensation Adviser that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the Compensation Adviser with a member of the Committee; (v) any stock of the Company owned by the Compensation Adviser; and (vi) any business or personal relationship of the Compensation Adviser or the person employing the Compensation Adviser with an executive officer of the Company.

- e. Evaluate annually the performance of the Committee and report the results of the evaluation to the Board of Directors.
- f. Review this Charter annually.
- g. Review the reports of the company's Benefits Committee including the reporting to the Committee of the fiduciaries appointed by the Board of Directors.
- h. Consist entirely of "independent" directors pursuant to the Company's Corporate Governance Principles and pursuant to the Board's consideration of any and all factors specifically relevant to determining whether a director has a relationship to the Company which is material to that director's ability to be independent from the Company's management in connection with the duties of a Committee member. The Board shall consider, among other factors relevant to a Committee member's independence from management, (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director; and (ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

The Committee shall abide by the following procedures:

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- d. The Committee may act at a meeting only upon the approval of a majority of the members present at such meeting in which a quorum is present or in writing without a meeting only by the unanimous consent of its members.
- e. The Committee shall maintain minutes and records of its meetings and activities.
- f. The Committee shall have the ability to delegate authority to a subcommittee or to one or more members of the Committee.

### **III. Duties And Responsibilities**

The Committee shall:

- a. Recommend to the Board criteria for the selection of new directors. In carrying out this responsibility, the Committee will at least annually (a) assess the appropriate skills and characteristics required of Board members in the context of the current make-up of the Board and the needs of the Company; and (b) consider principles to be applied in filling vacancies and planning for Board succession. While Board members are elected to represent all shareholders and do not represent any particular constituency, factors such as age, gender, ethnicity, race, culture, thought and geography will be taken into account in selecting nominees.
- b. Consider the participation and contribution of incumbent directors determining whether to recommend their renomination to the Board.

- c. Consider and make recommendations to the Board regarding shareholder nominations for directors and other shareholder proposals that are submitted in accordance with the Company's by-laws and applicable law.
- d. Direct the search for and evaluate qualifications of, possible candidates for nomination to the Board, consulting with management and other members of the Board as appropriate, and with such assistance and input as it may request from an executive search firm or other independent consultant. In carrying out this responsibility, the Committee shall have the sole authority to retain and to terminate any search firm to be used to assist it in identifying candidates to serve as directors of the Company, including the sole authority to approve the fees payable to such search firm and any other terms of retention.
- e. Recommend to the Board for election by it the memberships and chairs of all standing committee of the Board.
- f. Recommend to the Board (a) the Company's policy on director tenure and retirement, (b) any amendment, termination or waiver of the policy, and (c) whether or not the Board should approve the withdrawal of any resignation submitted by a director in accordance with the policy.
- g. Develop and recommend to the Board corporate governance principles applicable to the Company, evaluate such principles at least annually and report the results of the evaluation to the Board; and recommend to the Board any changes in such principles the Committee believes appropriate.
- h. At least annually, lead the process of evaluating the performance of the Board and its members, soliciting input from all members of the Board any changes and from management of the Company, as appropriate.
- i. Review the status of directors and make recommendations to the Board to assist the Board in determining whether directors meet independence requirements.
- j. Periodically review and make recommendations to the Board regarding new director orientation and director education.

Reviewed and Approved November 1<sup>st</sup>, 2016