

Corporate Governance Guidelines

- Introduction
- Shareholders
- Board Functions
- Board Compensation
- Operations
- Responsibilities of Directors
- Responsibilities of the Lead Independent Director
- Ethics and Conflict of Interest
- Compensation of Directors
- Director Education; Evaluation

As of February 12, 2019

Introduction

State and federal law, as well as the securities exchanges, impose numerous requirements relating to the functioning of the Board of Directors, including specifying matters as to which Board approval is required, relationships with the Company's outside auditors and federal securities law requirements. The Board intends to comply with these requirements. While the Board is familiar with them, they are imposed by law and, accordingly, the Board necessarily relies on management and counsel to identify specific requirements applicable to the Board and the decisions it is called upon to make.

In addition to these requirements, the Board has adopted the guidelines set forth below to assist it in carrying out its functions. The Board will operate within and, when applicable, apply these guidelines to particular actions or decisions in the manner it determines in good faith to be in the best interests of the Company. The Board will assess the adequacy of these guidelines not less frequently than annually following their review by the Governance Committee.

Shareholders

The Company exists to create substantial shareholder value. The Board may consider the interests of all stakeholders it determines to be relevant in its decision making.

Board Functions

The Board is elected to oversee the management of the Company. Senior management is responsible for the oversight of the day-to-day business of the Company and all other matters not required by law, stock exchange requirements or these guidelines to be determined by the Board. The principal oversight functions of the Board and its committees relate to:

- The Company's fundamental business and financial strategies;
- Performance reviews and compensation of the CEO;
- Succession planning, including policies and principles for selection of the CEO and other senior managers, as well as policies regarding succession in the event of an emergency or the retirement of the CEO;

- The selection, performance and compensation of other senior managers and senior management succession generally;
- Material risks the Company confronts and methods to mitigate or manage these risks; and
- The Company's procedures for compliance with legal and other requirements.

Board Composition

It is the sense of the Board that the number of directors should be in the range of 10 to 15. Shareholders may make recommendations for the election of directors as provided in the Company's by-laws; the Governance Committee will consider those recommendations as well as such other matters as it determines to be appropriate in recommending that director nominees be elected by the shareholders or that vacancies on the Board be filled.

The Board has not imposed rigid requirements applicable to its composition or as to the qualification of its members. However, the Board has adopted the following guidelines on these subjects:

- A substantial majority of the members of the Board will be independent. For this purpose, independence will mean the standard applicable under SEC or stock exchange rules as in effect from time to time and, in addition, will mean that the Board shall have determined that a given director is free from any business, family or other relationship different from or in addition to the interests of shareholders or the other directors generally that could reasonably be expected to interfere with the director's ability to independently make director decisions;
- The Board will be comprised of people with diverse backgrounds and experience;
- Directors who are unwilling or unable to commit sufficient time to the discharge of their duties without adequate justification will be asked to leave the Board;
- Directors should offer their resignations for consideration by the Governance Committee and thereafter by the full Board if they experience material changes in their personal circumstances, including as a result of a change in a director's principal occupation or employment;
- Directors should promptly notify the Chairperson of the Governance Committee prior to joining the Board of another public company; and
- Employee directors may not serve as Board members for other public companies without the approval of the Board.

The Board will annually assess its and its committees' composition and performance. Effective December 31, 2017, no director shall be nominated for election or re-election to the Board if the director has reached 75 years of age on or before December 31st of the year preceding election or re-election. The Board, however, upon the recommendation of the Governance Committee, may waive this limitation for any director if the Board determines that it is in the best interests of the Company and its shareholders to extend the director's service. In the event of a waiver, the Board will provide shareholders with rationale for such waiver.

Operations

Other than with respect to broad strategic and policy issues, the Board intends to act primarily through or based in substantial part on standing committees established in four general areas: audit, compensation, finance and governance. Those committees will have the functions set forth in their charters (as available on the Company's website), together with prescribed functions and such other functions as a particular committee or its chair determine to be appropriate and within the committee's general purpose.

The Board may, however, overrule any resolution of any committee of the Board, to the extent doing so is not in violation of any rule or regulation of any exchange on which the Company's securities are traded or other applicable law or regulation.

The Board and any committee may retain at the Company's expense such advisors as the Board, a committee or their respective chairs may determine to be appropriate. Management will furnish (or cause to be furnished) to the Board and each committee such information as may be customary or required for the Board or committee to act on any particular matter sufficiently in advance of each meeting (whenever practicable) to provide the directors a reasonable opportunity to obtain appropriate context as to matters to be considered. Management is instructed to be available to the Board, any committee or an individual director to the extent requested. The Board Chairman, the Lead Independent Director and the chairs of the audit, compensation, finance and governance committees will establish a schedule of regular meetings for each year, as well as agendas for each meeting, in consultation with the CEO. Meetings will be conducted in accordance with the by-laws and, not less frequently than quarterly, the Board will meet in executive session with only independent directors. Those sessions will be chaired by an independent director.

Responsibilities of Directors

Each director is expected to attend all meetings of the Board of Directors, all meetings of committees on which the director serves and the Company's Annual Meeting of Shareholders, except if unusual circumstances make attendance impractical. The agenda and information relevant to the Board's understanding of matters to be discussed at an upcoming Board meeting will be distributed in advance, to the extent feasible and appropriate. Each director is expected to review this information in advance of the meeting to facilitate the efficient use of meeting time.

Responsibilities of the Lead Independent Director

In the event the Board Chairman is not independent, the independent Board members shall annually elect a Lead Independent Director from the independent Board members. This individual would typically also serve as a member of the Governance Committee. Although elected annually, the Lead Independent Director is generally expected to serve for more than one year. The Lead Independent Director participates in director and CEO succession planning along with the Governance Committee. In addition to participating in succession planning and the responsibilities of all directors, other specific responsibilities of the Lead Independent Director are as follows:

- Preside at executive sessions of the independent directors;
- Preside at all meetings of the Board at which the Board Chairman is not present;
- Serve as principal liaison between the independent directors and the Board Chairman and CEO;
- Participate in director recruitment, mentoring and development;
- Oversee the annual Board and committee evaluations;
- Participate in developing agendas for Board meetings, with the authority to add agenda items;
- Approve the schedule of Board meetings, with the authority to call for a meeting of independent directors;
- Oversee conflicts of interest of all directors, including the Board Chairman and CEO;
- Advise the Board Chairman, including providing input as to the quality, quantity and timeliness of information provided to the Board;
- Engage and consult with shareholders as part of our shareholder engagement process; and
- Perform such other duties as the Board may from time to time delegate.

Ethics and Conflict of Interest

Under applicable requirements, only the Board or the Governance Committee of the Board is permitted to waive a provision of the Company's code of conduct for our executive officers or directors. The Board expects all Company people to act in accordance with the Company's code of conduct and therefore cannot foresee circumstances in which any waiver would be granted for any director or executive officer.

Compensation of Directors

The Board believes that director compensation should fairly pay directors for work required in a business of the Company's size and scope, and that the form and amount of compensation should align directors' interests with the long-term interests of shareholders. The Compensation Committee will recommend to the Board and annually review the form and amount of compensation and benefits for non-employee directors. The current arrangements for director compensation are set forth in the Company's last proxy statement. Directors who are current or former employees will not receive compensation for service on the Board or any Board committee. Non-employee directors may not receive compensation from the Company or any subsidiary other than directors' fees.

Director Education; Evaluation

The general counsel and the chief financial officer will be responsible for assuring the orientation of new directors, and for periodically providing materials or briefing sessions for all directors on subjects that would assist them in discharging their duties. Periodically, the Company will provide opportunities for directors to visit Company facilities in order to provide greater understanding of the Company's business and operations. The Board, following review by the Governance Committee, will determine whether other educational measures are appropriate as part of the annual Board evaluation.