



Executive Compensation Committee Charter

Purpose

The Executive Compensation Committee (the “Committee”) is appointed by the Company’s Board of Directors (the “Board”) to have direct responsibility for the oversight of:

- all the compensation plans, policies, and programs of the Company in which Senior Executives participate and incentive, retirement, welfare and equity plans in which certain other employees of the Company participate;
- the alignment of the Company’s incentive compensation arrangements with the Company’s safety and soundness, consistent with applicable related regulatory rules and guidance; and
- such other matters as are described herein.

As used in this Charter, “Senior Executives” means all officers who have been designated as officers of the Company for purposes of Section 16 of the Securities Exchange Act of 1934, as amended.

Matters relating to the compensation of directors, including any plans relating solely to the compensation of directors and any stock ownership or similar guidelines for directors, are subject to the consideration, review, recommendation or approval, as the case may be, of the Nominating and Corporate Governance Committee of the Board, in accordance with the charter for such committee.

Committee Membership and Qualifications

The Committee shall consist of no fewer than three directors. The members of the Committee shall at all times meet the applicable independence requirements of the New York Stock Exchange (the

“NYSE”) and the Securities and Exchange Commission (the “SEC”) and the independence standards set forth in the Company’s Corporate Governance Guidelines.

The members and chair of the Committee shall be appointed and replaced by the Board on the recommendation of the Nominating and Corporate Governance Committee.

The Committee conducts at least four regular meetings each year and may hold additional meetings that it deems necessary to discharge its responsibilities.

Committee Authority and Responsibilities

CEO and Other Senior Executive Compensation

1. The Committee shall, in consultation with such other sources as it deems appropriate, including its compensation consultant(s) and the other independent directors, review and approve all terms and conditions of the appointment or termination of the employment of the Company’s Chief Executive Officer (the “CEO”). In addition, the Committee shall approve any change in, or any exception to, the CEO’s employment terms and conditions (not otherwise provided for herein), including any restrictive covenants, severance agreements, or special arrangements or benefits.
2. Acting with the other independent directors, the Committee members shall annually review and approve corporate goals and objectives relevant to the CEO’s compensation for the upcoming year, evaluate the CEO’s performance in light of such goals approved for the year under consideration and review, determine and approve the CEO’s compensation level, based in part on the results of the Lead Director’s CEO evaluation process governing the CEO’s performance and on other factors. In determining the CEO’s compensation, the other factors to be considered shall include, among other things, the Company’s financial performance and stock performance, compensation trends, the total compensation of chief executive officers at comparable companies, and the compensation history of the CEO.

3. The Committee shall approve all terms and conditions of the appointment or termination of the Senior Executives other than the CEO, and all compensation arrangements of such individuals shall be subject to such approval. In addition, the Committee shall approve any change in, or any exception to, such officers' employment terms and conditions (not otherwise provided herein), including any restrictive covenants, severance arrangements, special arrangements or benefits.
4. The Committee shall annually review, evaluate, and approve the performance and total compensation of all Senior Executives (including, without limitation, the Chief Human Resources and Citizenship Officer's compensation) other than the CEO, including awards provided under incentive-compensation plans and equity-based plans, taking into account the reported assessment of their individual performance by the CEO and other factors. In connection with the foregoing, the Committee shall annually report to the Board with respect to the total compensation and other terms of such Senior Executives including (a) annual base salary level, (b) incentive opportunity level, including short-term and long-term incentives, (c) employment terms and conditions, including restrictive provisions, severance arrangements and change in control agreements/provisions, in such cases as, when, and if appropriate, and (d) any special or supplemental arrangements or benefits.
5. The Committee may establish stock ownership guidelines and shall review on an annual basis the level of ownership of the Company's common stock by the CEO and all other Senior Executives.
6. Subject to such oversight and guidelines as the Committee may institute and to the other provisions of this Charter (e.g., Incentive Compensation Risk Alignment), the establishment and administration of compensation, including incentive awards, for all employees who are not Senior Executives may be performed by the CEO and by such other members of management as the CEO deems appropriate.

Incentive Compensation Risk Alignment

7. The Committee shall approve the overall goals of the Company's incentive compensation arrangements. Consistent with applicable regulatory requirements and the Company's safety and soundness, the Committee shall request or receive such reports from management (including risk management) and its external advisers as it deems necessary to: (a) stay abreast of relevant developments in compensation vehicles, plan design and trends and (b) assess the appropriateness of the design and operation of the Company's incentive compensation program, including the integration of risk management objectives, and related policies, arrangements and control processes, as well as the incentives provided therein. To the extent permitted by applicable law and regulatory authority, the Committee shall exercise, as it deems necessary and appropriate, the required responsibilities of the Board under applicable regulatory rules and guidance related to the risk alignment of the Company's incentive compensation arrangements.

Incentive and Equity Plans

8. The Committee shall review and determine, and where appropriate or required, recommend to the Board and/or the Company's shareholders for approval, all material annual incentive plans (such as the Senior Executive Annual Incentive Plan) and all terms thereof, such as the funding formulae on an annual basis, and all equity-based plans. In addition, in the case of any material plans that do not require or are not subject to Board or shareholder approval (*i.e.*, the Incentive Compensation Plan of general applicability to employees throughout the Company), the Committee shall approve such plans and any changes to the terms thereof, including, any annual funding formulae. In connection with the foregoing, the Committee shall annually determine any performance goals with respect to any such applicable plan for the upcoming year and shall certify or receive certification that such performance goals and any other material terms of such plans were in fact satisfied prior to approving any awards thereunder for the respective year.
9. The Committee shall exercise all rights, authority, and functions of the Board under all of the Company's equity-based plans, including the authority to interpret the terms

thereof and to grant and amend awards thereunder, to the extent permitted under the terms of the applicable plan, award or agreement and applicable laws and regulations (including NYSE regulations). Consistent with this authority, the Committee may adopt guidelines from time to time regarding its granting of equity awards (the “Equity Award Guidelines”) and may, as appropriate, recommend such Equity Award Guidelines to the Board for its approval. To the extent permitted by and consistent with applicable law, the Equity Award Guidelines and the provisions of a given equity-based plan, the Board may also delegate to one or more Board committees, each consisting of one or more Committee or Board members, the power to grant and amend awards pursuant to such a plan to eligible participants who are not directors or Senior Executives of the Company. The Committee shall approve all equity compensation grants that are made in reliance on an exemption from any shareholder approval requirements of the NYSE.

Non-Qualified Plans

10. The Committee shall review, evaluate and approve (subject to Board approval where so provided) all non-qualified deferred compensation plans for employees of the Company.
11. The Committee shall be responsible for the oversight of, and shall have authority to take all actions, including adoption, termination, and amendment, with respect to, all qualified and non-qualified retirement and health and welfare employee benefit plans, schemes, programs and arrangements that are made available to the employees of the Company, consistent with applicable law. In connection with the foregoing, the Committee may delegate in writing in accordance with applicable law all or any portion of such responsibilities to one or more committees as the Committee in its sole discretion may determine, and shall appoint the members to any such committee (which need not, except as required by applicable law, include members of the Committee or other directors of the Company). The Committee shall review periodically the authority carried out by its delegates.

Proxy Statement Disclosure

12. The Committee shall review and discuss annually with management the Company's Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K (the "CD&A"). The Committee shall consider annually whether it will recommend to the Board that the CD&A be included in the Company's annual proxy statement. The Committee shall prepare the disclosure required by Item 407(e)(5) of Regulation S-K.

Advisers

13. The Committee shall have authority, in its sole discretion, to retain (and terminate), and obtain the advice of, any compensation consultants, outside counsel and other advisers to be used by the Committee to assist in the Committee's duties and shall be directly responsible for the appointment (including the terms thereof), compensation and oversight of the work of such compensation consultants, outside counsel and advisers. The Committee may select any such compensation consultant, outside counsel or other adviser only after taking into consideration all factors relevant to that person's independence from management, within the meaning of the applicable rules of the NYSE and the SEC. No such compensation consultant, outside counsel or other adviser shall be required to be independent, except to the extent the Committee may so require in any policies established by the Committee in its sole discretion.
14. The Company will provide appropriate funding for the payment of the compensation consultants, outside counsel and advisers retained by the Committee, consistent with the terms of their appointment and compensation approved by the Committee.
15. The Committee shall not be required to implement, take action or follow advice recommended by or received from any consultant, counsel or other adviser.

Other

16. The Board or the Committee may form and delegate any of its authority not otherwise provided for herein, to the extent permitted by the law or regulatory authority, to one or more members of the Committee or to one or more employees of

the Company. Without limiting the foregoing, the Board may designate a committee consisting of at least two members of the Committee who qualify as “outside” directors within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, which, acting as a subcommittee of the Committee, shall have the power and authority to discharge all of the Committee’s responsibilities with respect to compensation that is intended to qualify as performance-based compensation under Section 162(m).

17. The Committee shall report directly and provide appropriate regular reports of its activities to the Board. The Committee shall report or cause management to report periodically to the Risk Committee any activities undertaken by the Committee involving the oversight of any Company risks and related policies that support the Risk Committee’s overall oversight of the Company’s global risk management framework, including processes and systems to integrate risk management and associated controls with management goals and the Company’s compensation structure for its global operations. The Committee may meet in joint sessions with other committees of the Board from time to time to discuss areas of common interest and significant matters.
18. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Nominating and Corporate Governance Committee for its consideration and recommendation to the Board for approval. The Committee shall perform an annual evaluation of the Committee’s performance.
19. The Committee shall have such other duties as may be delegated from time to time by the Board.
20. The Committee shall document and maintain records of its proceedings.
21. For purposes of this Charter, reference to the Company’s employees shall include employees of the Company and its subsidiaries and affiliates.