

HELMERICH & PAYNE, INC.

CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines (these “Guidelines”) have been adopted by the Board of Directors (the “Board”) of Helmerich & Payne, Inc. (the “Company”) to assist the Board in the exercise of its responsibilities to the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Certificate of Incorporation, By-laws and other corporate governance documents, and are intended to serve as a flexible framework within which the Board may conduct its business. These Guidelines are subject to modification by the Board, and the Board may, in the exercise of its discretion, deviate from these Guidelines from time to time, as the Board may deem appropriate or as required by applicable laws, regulations or stock exchange listing standards.

1. DIRECTOR QUALIFICATIONS

The members of the Board should collectively possess a broad range of skills, expertise, and industry and other knowledge, as well as the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the Company’s stockholders. In addition, a majority of the Board shall consist of Directors who the Board has determined are independent under the rules of the New York Stock Exchange (the “NYSE”) and applicable law. In keeping with the foregoing, the standards that follow shall be used to evaluate overall Board composition as well as incumbent and prospective Director nominees. The Nominating and Corporate Governance Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics that the Board seeks in Board members as well as the composition of the Board as a whole, and for recommending Director nominees to the Board.

A. *Independence.* The Board shall review and make a determination regarding the independence of the Company’s Directors at least annually, based upon the recommendation of the Nominating and Corporate Governance Committee. No Director shall be independent unless the Board affirmatively determines that the Director has no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). The Board will consider all relevant facts and circumstances in making a determination of independence. In particular, when assessing the materiality of a Director’s relationship with the Company, the Board shall consider the issue not merely from the standpoint of the Director, but also from the standpoint of persons or organizations with which the Director has an affiliation. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable, and familial relationships, among others. Ownership of a significant amount of the Company’s stock by a Director or an entity with which the Director is affiliated is not a per se bar to a finding of independence. Each independent Director is expected to notify the Chairperson of the Nominating and Corporate Governance Committee, as soon as practicable, in the event that his or her personal circumstances change in a manner that may affect the Board’s evaluation of such Director’s independence.

To assist in its determinations of Director independence, the Board has established the following categorical standards to apply when assessing the independence of a Director and the materiality of a Director's relationship with the Company:

1. A Director will not be independent if:

(i) the Director is, or has been, within the last three years, an employee of the Company, or an immediate family member is, or has been within the last three years, an executive officer of the Company;

(ii) the Director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Company, other than Director and committee fees and pension and other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);

(iii) the Director is a current partner or employee of a firm that is the Company's internal or external auditor;

(iv) the Director has an immediate family member who is a current partner of a firm that is the Company's internal or external auditor;

(v) the Director has an immediate family member who is a current employee of a firm that is the Company's internal or external auditor and who personally works on the Company's audit;

(vi) the Director or an immediate family member was within the last three years a partner or employee of a firm that is the Company's internal or external auditor and personally worked on the Company's audit within that time;

(vii) the Director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of the Company's present executive officers at the same time serves or served on that company's compensation committee; or

(viii) the Director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1,000,000 or two percent (2%) of such other company's consolidated gross revenues.

2. The following commercial and charitable relationships will not be considered material relationships that would impair a Director's independence:

(i) the Director (or an immediate family member of the Director) is, or during the last fiscal year has been, an affiliate or executive officer of another company

(including banks or financial institutions) to which the Company was indebted, or which such other company was indebted to the Company, during the last or current fiscal year, and the total amount of indebtedness did not exceed two percent (2%) of the total consolidated assets of the indebted entity at the end of such fiscal year;

(ii) the Director (or an immediate family member of the Director) is, or during the last fiscal year has been, an executive officer, director or trustee of a charitable organization where the Company's annual discretionary charitable contributions to the charitable organization in the last or current fiscal year did not exceed the greater of \$1,000,000 or two percent (2%) of that organization's consolidated gross revenues; or

(iii) the Director (or an immediate family member of a Director) is a member of, employed by, or of counsel to a law firm or investment banking firm that performs services for the Company, provided the payments made by the Company to the firm during a fiscal year do not exceed two percent (2%) of the firm's gross revenues for the fiscal year, and the Director's relationship with the firm is such that his or her compensation is not linked directly or indirectly to the amount of payments the firm receives from the Company.

In addition, a relationship arising solely from a Director's position as a director of another company that engages in a transaction with the Company shall not be deemed a material relationship or transaction that would cause a Director to not be independent.

For purposes of Subsections (1) and (2), (a) references to the Company include any subsidiary in a consolidated group with the Company, and (b) "immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home. For purposes of Subsection (2), an "affiliate" includes any person beneficially owning directly or indirectly in excess of 10% of the voting power of, or is a general partner or managing member of, such entity.

3. A Director who is a member of the Company's Audit Committee will not be independent if such Director: (i) other than in his or her capacity as a member of the Audit Committee, the Board or any other Board committee, accepts directly or indirectly any consulting, advisory or other compensatory fee from the Company or any subsidiary (except for retirement benefits to the extent permitted by applicable Securities and Exchange Commission ("SEC") rules); or (ii) is an affiliated person (as defined by the SEC) of the Company or any subsidiary. Additionally, in affirmatively determining the independence of any Director who will serve on the Human Resources Committee, the Board must consider 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 management in connection with the duties of a Human Resources Committee member, including, but not limited to: (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.

B. *Qualification Standards.* It is the view of the Board that its members must possess certain basic personal and professional qualities in order to properly discharge their fiduciary duties to stockholders, provide effective oversight of the management of the Company and monitor the Company's adherence to principles of sound corporate governance. It is therefore the policy of the Company that all persons nominated to serve as a Director of the Company should possess the minimum qualifications described below. These are only threshold criteria, however, and the Nominating and Corporate Governance Committee will also consider the contributions that a candidate can be expected to make to the collective functioning of the Board based upon the totality of the candidate's credentials, experience and expertise, the composition of the board at the time, and other relevant circumstances. Director candidates must also satisfy the eligibility requirements set forth in the Company's By-laws.

1. *Integrity.* All candidates must be individuals of personal integrity and ethical character, and who value and appreciate these qualities in others.

2. *Absence of Conflicts of Interest.* Candidates should not have any interests that would materially impair his or her ability to (i) exercise independent judgment, or (ii) otherwise discharge the fiduciary duties owed as a Director to the Company and its stockholders.

3. *Fair and Equal Representation.* Candidates must be able to represent fairly and equally all stockholders of the Company without favoring or advancing any particular stockholder or other constituency of the Company.

4. *Achievement.* Candidates must have demonstrated achievement in one or more fields of business or professional, governmental, communal, scientific or educational endeavors.

5. *Oversight.* Candidates are expected to have sound judgment, borne of management or policy-making experience (which may be as an advisor or consultant), that demonstrates an ability to function effectively in an oversight role.

6. *Business Understanding.* Candidates must have a general appreciation regarding major issues facing public companies of a size and operational scope similar to the Company. These include: (i) contemporary governance concerns; (ii) regulatory obligations of a public issuer; (iii) strategic business planning; (iv) competition in a global economy; and (v) basic concepts of corporate finance. Candidates should also have a basic understanding of the Company's business, including: (i) the principal operational and financial objectives and plans and strategies of the Company; (ii) the results of operations and financial condition of the Company and of any significant subsidiaries or business segments; and (iii) the relative standing of the Company and its business segments in relation to its competitors.

7. *Available Time.* Candidates must have, and be prepared to devote, adequate time to the Board and its committees. It is expected that each candidate will make a diligent effort to attend all meetings of the Board and any committees on which the candidate will serve, as well as the Company's annual meeting of stockholders. Ordinarily, directors may not serve on the boards of more than four public companies, including the Company's Board.

However, directors who are executive officers of public companies may not serve on the boards of more than one other public company, in addition to the Company's Board. In evaluating a Director candidate, the Nominating and Corporate Committee shall consider the number of other public company boards and other boards (or comparable governing bodies) of which the candidate is a member. Directors should advise the Chairperson of the Board and the Chairperson of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on another public company board. No member of the Audit Committee may serve on more than three public company audit committees. A Director is expected to serve for at least three years.

8. *Age and Term Limits.* The candidate's election must not conflict with any Company term or age limits for Directors.

9. *Diversity.* As part of the nomination process, the Nominating and Corporate Governance Committee will consider diversity in professional background, experience, expertise, perspective, age, gender, and ethnicity with respect to Board composition as a whole.

10. *Additional Qualifications.* In recommending candidates for nomination as Directors, the Nominating and Corporate Governance Committee will also oversee that: (i) at least a majority of the Directors serving at any time on the Board are independent, as defined under the rules of the NYSE and applicable law; (ii) at least three of the Directors satisfy the financial literacy requirements required for service on the Audit Committee under the rules of the NYSE; and (iii) at least some of the independent Directors have experience as senior executives of a public or substantial private company.

11. *Limited Exceptions.* Under exceptional and limited circumstances, the Nominating and Corporate Governance Committee may recommend a nominee who does not satisfy all of these requirements if it believes the service of such nominee will be in the best interests of the Company and its stockholders.

2. DIRECTOR IDENTIFICATION, EVALUATION AND NOMINATION

The Nominating and Corporate Governance Committee (the "Committee" for purposes of this Section 2) will observe the principles and procedures set forth below in identifying, evaluating and recommending nominees for directorship to the Board:

A. *General Principles and Procedures.* The Company is of the view that the continuing service of qualified incumbents promotes stability and continuity in the boardroom, contributing to the Board's ability to work as a collective body, while giving the Company the benefit of familiarity and insight into the Company's affairs that its Directors have accumulated during their tenure. Accordingly, the process of the Committee for identifying nominees shall reflect the Company's practice of re-nominating incumbent Directors who continue to satisfy the Committee's criteria for membership on the Board and the eligibility requirements of the Company's By-laws, whom the Committee believes continue to make important contributions to the Board and who consent to continue their service on the Board.

Consistent with this policy, in considering candidates for election at annual meetings of stockholders, the Committee will first determine the incumbent Directors who wish to continue their service on the Board following the expiration of their terms at the upcoming meeting. The Committee will then evaluate the qualifications and performance of the incumbent Directors that desire to continue their service. In particular, as to each such incumbent Director, the Committee will (i) consider if the Director continues to satisfy the minimum qualifications for Director candidates as set forth in the Corporate Governance Guidelines and the eligibility requirements of the Company's By-laws, (ii) assess the Director's continuing ability to devote, adequate time to the Board and its committees; (iii) assess the performance of the Director during the preceding term, and (iv) determine whether there exist any special, countervailing considerations against re-nomination of the Director.

If the Committee determines that (i) an incumbent Director consenting to re-nomination continues to be qualified and has satisfactorily performed his or her duties as Director during the preceding term, and (ii) there exist no reasons, including considerations relating to the composition and functional needs of the Board as a whole, why in the Committee's view the incumbent should not be re-nominated, then the Committee will, absent special circumstances, recommend that the incumbent Director be nominated for re-election.

The Committee will identify and evaluate new candidates for election to the Board where it identifies a need to do so, including for the purpose of filling vacancies arising by reason of the resignation, retirement, removal, death or disability of an incumbent Director or a decision of the Directors to expand the size of the Board. The Committee will solicit recommendations for nominees from persons that the Committee believes are likely to be familiar with qualified candidates. These persons may include members of the Board, including members of the Committee, and management of the Company. The Committee may also determine to engage a professional search firm to assist in identifying qualified candidates. Where such a search firm is engaged, the Committee shall set its fees and scope of engagement. The Committee is committed to including in each search candidates who reflect diverse backgrounds, including diversity of gender and race.

As to each recommended candidate that the Committee believes merits consideration, the Committee will (i) cause to be assembled information concerning the background and qualifications of the candidate, including information concerning the candidate required to be disclosed in the Company's proxy statement under the rules of the Securities and Exchange Commission and any relationship between the candidate and the person or persons recommending the candidate; (ii) determine if the candidate satisfies the minimum qualifications required by the Company's Corporate Governance Guidelines and the eligibility requirements of the Company's By-laws; (iii) determine if the candidate possesses any of the specific qualities or skills that the Committee believes must be possessed by one or more members of the Board; (iv) consider the contribution that the candidate can be expected to make to the overall functioning of the Board; and (v) consider the extent to which the membership of the candidate on the Board will promote diversity among the Directors.

The Committee may, in its discretion, solicit the views of the Company's Chief Executive Officer, other members of the Company's senior management and other members of

the Board regarding the qualifications and suitability of potential Director candidates. In its discretion, the Committee may designate one or more of its members (or the entire Committee) to interview any proposed candidate.

Based on all available information and relevant considerations, the Committee will select and recommend to the Board a candidate who, in the view of the Committee, is most suited for membership on the Board. An invitation to join the Board should be extended by the Chairperson of the Board or the Chairperson of the Committee.

B. *Stockholder Recommendations.* The Committee shall consider recommendations for Director candidates submitted by holders of the Company's shares entitled to vote generally in the election of Directors. Candidates for Director who are properly recommended by the Company's stockholders will be evaluated in the same manner as any other candidate for Director. In addition, the Committee may consider the number of shares held by the recommending stockholder and the length of time such shares have been held.

For each annual meeting of stockholders, the Committee will accept for consideration only one recommendation from any stockholder or affiliated group of stockholders. An "affiliated group of stockholders" means stockholders constituting a group under Regulation 13D of the Securities and Exchange Commission. The Committee will only consider recommendations of nominees for Director who satisfy the minimum qualifications prescribed by the Company's Corporate Governance Guidelines and the eligibility requirements of the Company's By-laws. For a stockholder recommended candidate to be considered by the Committee, the stockholder recommendation must be submitted in writing before the Company's fiscal year-end to the Company's Secretary at the Company's headquarters address, and must include the reasons for the recommendation, a description of the candidate's qualifications and the candidate's written consent to being considered as a Director nominee, together with a statement of the number of shares of Company stock beneficially owned by the stockholder making the recommendation and by any other supporting stockholders (and their respective affiliates). The Committee may require the stockholder submitting the recommendation or the recommended candidate to furnish such other information as the Committee may reasonably request.

3. DIRECTOR RESIGNATION POLICY

An incumbent Director who fails to receive a majority of votes cast in an uncontested election of Directors in accordance with the Company's By-laws shall, within ten days following the certification of the election results, tender his or her written resignation to the Chairman of the Board for consideration by the Nominating and Corporate Governance Committee. As used in this Director Resignation Policy, an "uncontested election of Directors" is an election in which, as of the date that is fourteen days in advance of the date the Company filed its definitive proxy statement with respect to such election (regardless of whether or not thereafter revised or supplemented) with the Securities and Exchange Commission, the number of nominees or proposed nominees for Director did not exceed the number of Directors to be elected.

The Nominating and Corporate Governance Committee shall consider such tendered resignation and, no later than 120 days following the date of the stockholders' meeting at which the election of Directors occurred, shall make a recommendation to the Board concerning the acceptance or rejection of such resignation. In determining its recommendation to the Board, the Nominating and Corporate Governance Committee shall consider all factors deemed relevant by the members of such Committee including, without limitation, the stated reason or reasons why stockholders voted against such Director's re-election, the qualifications of the Director (including, for example, whether the Director serves on the Audit Committee of the Board as an "audit committee financial expert" and whether there are one or more other Directors qualified, eligible and available to serve on the Audit Committee in such capacity), and whether the Director's resignation from the Board would be in the best interests of the Company and its stockholders.

The Nominating and Corporate Governance Committee also shall consider a range of possible alternatives concerning the Director's tendered resignation as the members of such Committee deem appropriate, including, without limitation, acceptance of the resignation, rejection of the resignation or rejection of the resignation coupled with a commitment to seek to address and cure the underlying reasons reasonably believed by the Nominating and Corporate Governance Committee to have substantially resulted in such Director failing to receive the required number of votes for re-election.

The Board shall take formal action on the Nominating and Corporate Governance Committee's recommendation no later than 120 days following the date of the stockholders' meeting at which the election of Directors occurred. In considering the Nominating and Corporate Governance Committee's recommendation, the Board shall consider the information, factors and alternatives considered by such Committee and such additional information, factors and alternatives as the Board deems relevant. Following the Board's decision, the Company, within four business days after such decision is made, shall publicly disclose, in a Form 8-K filed with the Securities and Exchange Commission, the Board's decision, together with an explanation of the process by which the decision was made and, if applicable, the Board's reason or reasons for rejecting the tendered resignation.

No Director who, in accordance with this Director Resignation Policy, is required to tender his or her resignation shall participate in the Nominating and Corporate Governance Committee's deliberations or recommendation, or in the Board's deliberations or determination, with respect to accepting or rejecting his or her resignation as a Director. If a majority of the members of the Nominating and Corporate Governance Committee fail to receive the required number of votes for reelection, then the independent Directors then serving on the Board who were elected at the stockholders' meeting at which the election occurred will appoint an ad hoc Board committee from amongst themselves (the "Ad Hoc Committee"), consisting of such number of Directors as they may determine to be appropriate, solely for the purpose of considering and making a recommendation to the Board with respect to the tendered resignations. The Ad Hoc Committee shall serve in place of the Nominating and Corporate Governance Committee and perform the Nominating and Corporate Governance Committee's duties for purposes of this Director Resignation Policy. Notwithstanding the foregoing, if an Ad Hoc Committee would have been created but fewer than three Directors would be eligible to

serve on it, the entire Board (other than the individual Director whose resignation is being considered) shall make the determination to accept or reject the tendered resignation without any recommendation from the Nominating and Corporate Governance Committee and without the creation of an Ad Hoc Committee.

4. DIRECTOR DUTIES AND RESPONSIBILITIES

The basic responsibility of the Directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stockholders, and to perform their duties of care and loyalty. In discharging that obligation, Directors should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors, to the fullest extent permitted by law. The Directors also shall be entitled to (i) have the Company purchase reasonable directors' and officers' liability insurance on their behalf and (ii) be indemnified to the fullest extent permitted by law.

The specific duties and responsibilities of the Board will include, among other things, overseeing the management of the business and affairs of the Company; selecting and recommending to stockholders appropriate candidates for election to the Board; reviewing and, where appropriate, approving the business plans, major strategies and financial objectives of the Company; overseeing the Company's processes for identifying and managing the significant risks facing the Company, as well as reviewing the Company's significant risks and the responsibilities of management and the Board's committees in assisting the Board in its risk oversight; evaluating Board processes and performance and the overall effectiveness of the Board; evaluating the performance of the Company and of senior management; requiring, approving and overseeing the implementation of the Company's succession; reviewing compliance with applicable laws and regulations; reviewing the Company's strategy, policies and performance related to environmental, health and safety, corporate social responsibility and sustainability matters; and adopting policies of corporate conduct to assure compliance with applicable laws and regulations and to assure maintenance of necessary accounting, financial, and other controls.

Directors are expected to serve on Board committees. If possible, a Director will be appointed to the committee(s) in which he or she is interested. The Board will consider rotating committee assignments to give Directors broad exposure to various aspects of the Company.

The Board will meet at least four times per year and will hold additional meetings when needed to address issues of special concern or urgency. Directors are expected to make a diligent effort to attend all Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to discharge properly their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting generally should be distributed in writing to the Directors before the meeting, and Directors should review these materials in advance of the meeting.

The Chairperson of the Board will establish the agenda for each Board meeting. Each Board member is free to suggest the inclusion of items on the agenda. Each Board member is

free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Company's long-term strategic plans and the principal issues that the Company will face in the future during at least one Board meeting each year. All meetings of the Board shall be held pursuant to the By-laws of the Company with regard to notice and waiver thereof, and written minutes of each meeting, in the form approved by the Board, shall be duly filed in the Company records.

The non-management Directors will meet in regularly scheduled executive sessions without the Company's management, and in the event that the non-management Directors include Directors who are not independent under the rules of the NYSE and applicable law (as determined by the Board), then an executive session including only the independent Directors will be held at least once a year. The Lead Director shall preside at these meetings. The Company will also disclose in the proxy statement a method for interested parties to contact the Lead Director, or the non-management or independent Directors as a group, directly.

The Board believes that management speaks for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. It is expected, however, that Board members would do this with the knowledge of management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of management. Generally, Directors should refer investors, market professionals and the media to the CEO or another individual designated by the Company.

5. BOARD COMMITTEES

The Board will have at all times an Audit Committee, a Human Resources Committee and a Nominating and Corporate Governance Committee. The members of the Audit Committee, the Human Resources Committee and the Nominating and Corporate Governance Committee will be independent Directors under the criteria established by the NYSE, any other exchange on which the Company's securities are traded, and any other applicable laws, rules or regulations. Committee members will be appointed annually by the Board upon recommendation of the Nominating and Corporate Governance Committee with consideration of the desires of individual Directors. The Board may periodically consider rotating committee members, but rotation shall not be required.

Each committee will have a written charter. The charters will set forth the purposes, goals and responsibilities of the committees, as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The charters will also provide that each committee will annually evaluate its performance.

The Chairperson of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. A schedule for each committee meeting will be furnished to all Directors. During the year, the Chairperson of each committee, in consultation with the appropriate members of the committee and management, will develop the agenda for each

meeting. Written minutes of each meeting, in the form approved by the relevant committee, shall be duly filed in the Company records.

A report regarding each committee meeting will be provided to the Board as the Board may require. Upon request, a Director will be given copies of the minutes of any committee meeting.

The Chairperson of each committee will report to the Board regarding matters that should be brought to the attention of the Board.

Where practicable, to be eligible to serve as Chairperson of a committee, that member should have served previously for at least one year as a member of the committee.

The Board and each committee have the power to hire independent legal, financial or other advisors, as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

6. BOARD LEADERSHIP

The Board regularly reviews its leadership structure to evaluate whether the structure remains appropriate for the Company. If the office of Chairperson of the Board is held by a person who has been determined not to be independent by the Board, then the Directors who have been determined to be independent under the rules of the NYSE and applicable law will annually elect by a majority vote an independent director to serve in a lead capacity (the “Lead Director”) who will coordinate the activities of the other independent Directors and perform such other duties and responsibilities as the Board may determine. The Lead Director may be removed or replaced at any time, with or without cause, by a majority vote of the independent Directors.

The Lead Director’s responsibilities include: (a) presiding at meetings of the Board at which the Chairperson is not present, including executive sessions of the independent directors; (b) serving as liaison between the Chairperson and the independent directors; (c) being available for consultation and communication with stockholders and other stakeholders upon request; and (d) may provide input on the design of the Board itself. The lead independent director also has the authority to call executive sessions of the independent directors.

7. DIRECTOR ACCESS TO OFFICERS AND OUTSIDE ADVISORS

Directors have full and free access to officers of the Company and the Company’s outside advisors. Any meetings or contacts that a Director wishes to initiate may be arranged through the CEO or the Secretary or directly by the Director. The Directors will use their judgment so that any such contact is not disruptive to the business operations of the Company. It is the expectation of the Board that Directors will keep the CEO informed of communications between a Director and an officer of the Company, as appropriate.

Inclusion of the CEO and other executives on the Board provides the Board with information and insight about the Company. Other executives may attend Board meetings or committee meetings at the invitation of the Chairperson of the Board or the CEO to provide information and insight to the Board.

8. DIRECTOR COMPENSATION

The Human Resources Committee shall have the responsibility for recommending to the Board compensation for non-employee Directors. In discharging this duty, the committee shall consider all relevant factors, including but not limited to the following: compensation should fairly pay Directors for work required in a company similar in size and scope; compensation should align Directors' interests with the long-term interests of stockholders; and the structure of the compensation should be simple, transparent and easy for stockholders to understand. The Human Resources Committee will also periodically review how the Company's Director compensation practices compare with those of the Company's competitors. The Board should make changes in its Director compensation practices only upon the recommendation of the Human Resources Committee, and following discussion and unanimous concurrence of the full Board. The Board will give due consideration to the fact that Director independence may be jeopardized if Director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a Director is affiliated, or if the Company enters into consulting contracts with (or provides other indirect forms of compensation to) a Director or an organization with which the Director is affiliated.

9. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

Each new Director must participate in the Company's orientation program, which should be conducted within two months after a Director is first elected to the Board. This orientation will include familiarizing new Directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Ethics, its principal officers, and its internal and independent auditors. The Company may, from time to time, offer continuing education programs to assist the Directors in maintaining the level of expertise necessary to fulfill his or her responsibilities as a Director.

10. CEO EVALUATION AND MANAGEMENT SUCCESSION

The Human Resources Committee, based on input from the entire Board, shall annually evaluate the performance of the CEO and the other executive officers and shall report its findings to the Board. The Human Resources Committee's evaluation shall be based on such criteria and principles as such committee may establish, including, among other things: personal qualities such as leadership, statesmanship and responsiveness; general management qualities such as global perspective on the business, short-term results, strategic thinking and planning, knowledge of the business and preparedness; financial expertise such as value creation, capital planning and communications with the financial and investment communities; and qualities relating to the use of human resources such as developing management talent and creating an effective organization. The Board shall review the Human Resources Committee's report in order to

oversee that the CEO and the other executive officers are providing the best leadership for the Company in the long and short term.

The Human Resources Committee, either as a committee or together with the other independent Directors (as directed by the Board), shall be responsible for determining the appropriate compensation to be paid to the Company's executive officers. In making compensation decisions, the Human Resources Committee or the independent Directors shall consider, in addition to the criteria noted above and other factors deemed relevant, the performance of the executive officers and the recommendations of independent consultants and reviews of compensation paid to like individuals at companies that the Human Resources Committee or the independent Directors believe the Company competes with for executive talent. In determining the long-term incentive component of executive officer compensation, if any, the Human Resources Committee shall consider all relevant factors, including the Company's performance and relative stockholder return, the value of similar awards to executive officers of comparable companies, and the awards given to the Company's executive officers in past years.

The Nominating and Corporate Governance Committee shall review succession planning and management development on at least an annual basis. This succession planning shall include the development of policies and principles for the succession of the CEO, including succession in the event of retirement or emergency. Management will periodically report to the Nominating and Corporate Governance Committee regarding management development and succession.

11. ANNUAL PERFORMANCE EVALUATION

The Board will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Nominating and Corporate Governance Committee will receive comments from all Directors and report annually to the Board with an assessment of the Board's performance. This will be discussed with the full Board following the end of each fiscal year. The assessment will focus on the Board's contribution to the Company and specifically focus on areas in which the Board or management believes that the Board could improve.

12. COMMUNICATING CONCERNS TO THE BOARD

The Company has established several means for employees, stockholders and other interested persons to communicate their concerns to the Board. If the concern relates to the Company's financial statements, accounting practices or internal controls, the concern may be submitted in writing to the Chairperson of the Audit Committee in care of the Company's Secretary at the Company's headquarters address. If the concern relates to the Company's governance practices, business ethics or corporate conduct, the concern may be submitted in writing to the Chairperson of the Nominating and Corporate Governance Committee in care of the Company's Secretary at the Company's headquarters address. If the concern is intended for the Lead Director or the non-management or independent Directors as a group, the concern may be submitted in writing to such Director(s) in care of the Company's Secretary at the Company's headquarters address. If the employee, stockholder or other interested person is unsure as to

which category his or her concern relates, he or she may submit it in writing to the Board or any one of the Directors in care of the Company's Secretary at the Company's headquarters address.

Each communication intended for any management or non-management Director(s) or for the entire Board of Directors and received by the Secretary which is related to the operation of the Company will be promptly forwarded to the specified party(ies).

The Company's "whistleblower" policy prohibits the Company or any of its employees from retaliating or taking any adverse action against anyone for raising a concern. If an employee or other interested person nonetheless prefers to raise his or her concern in a confidential or anonymous manner, the concern may be submitted to the Company through its ethics hotline via telephone at 1-800-205-4913.