

# MERIT MEDICAL SYSTEMS, INC.

## Corporate Governance Guidelines Effective May 13, 2026

The Board of Directors (the “Board”) of Merit Medical Systems, Inc. (the “Company”) has adopted these guidelines to reflect the Company’s commitment to good corporate governance, and to comply with applicable legal requirements and the regulations of The Nasdaq Stock Market (“NASDAQ”). In furtherance of that commitment, the Board has also adopted a Company Code of Conduct and written charters for each of its standing committees including the Audit Committee, Compensation and Talent Development Committee (the “Compensation Committee”), Governance and Sustainability Committee (the “Governance Committee”) and Finance and Operating Committee (the “Finance Committee”). The Governance Committee will review these guidelines not less frequently than annually and will propose modifications to the Board for consideration as it deems appropriate.

### **I. Director Responsibilities**

***Basic Responsibilities.*** The basic responsibility of the directors is to act in good faith and with due care so as to exercise their business judgment on an informed basis in what they reasonably and honestly believe to be in the best interests of the Company and its shareholders. The business affairs of the Company are managed subject to the oversight of the Board, which represents and is accountable to the shareholders of the Company.

The Board’s responsibilities include taking an active role in regularly evaluating and approving the strategic direction of the Company, management policies and the effectiveness with which management implements its policies. The Board has responsibility to address the selection, evaluation and retention of the Company’s Chief Executive Officer; approve the implementation of strategic plans and annual operating plans and budgets; approve and oversee the selection of the Company’s independent auditors; approve strategic and significant acquisitions or third-party ventures; advise senior management on significant Company actions; nominate directors and appoint Board committee members; oversee effective corporate governance and, when appropriate, consider other constituencies critical to the success of the Company’s business.

The Board may delegate areas of its responsibility to the appropriate committees of the Board. In the event that an action is operationally desired between Board meetings, the Board may delegate powers to committees of the Board as appropriate.

***Oversight of Management.*** The Board will encourage the Company’s management to effectively implement policies and strategies developed by the Board and to provide dynamic leadership of the Company. In addition to other expectations communicated to management from time to time, the Board will approve significant issues facing the Company, which may include:

- Strategies to deliver effective performance and build shareholder value over the long term;
- Long-term debt practices and equity capital transactions;
- Strategic and operating plans;
- Maintaining effective control of the Company’s operations;

- Providing strong, principled and ethical leadership;
- Measuring the Company's performance against its peers;
- Assuring sound succession planning and management development;
- Maintaining sound organizational structure;
- Ensuring that management informs the Board regularly regarding the status of key initiatives and any trends or foreseeable changes that may help the Company avoid unanticipated results or events; and
- Ensuring that management provides the Board with materials that contain information applicable to current matters and concerns facing the Company and that such materials are distributed in accordance with the policies set forth in Section II below.

***Risk Oversight.*** The Board is responsible for oversight of the Company's risk management program, policies and practices. The Board oversees management's processes for identifying, assessing and managing risk and regularly reviews the Company's risk profile. The Board may delegate to its committees the responsibility to review and monitor specific categories of risk within their respective areas of focus and to report to the Board with respect thereto; however, the Board retains overall responsibility for risk oversight.

## **II. Board Meetings**

***Attendance.*** Absent extraordinary circumstances, directors should attend all Board meetings, meetings of committees on which they serve and shareholder meetings. Directors should also spend the necessary time to properly discharge their responsibilities in connection with such meetings. Generally, the Company's Chief Legal Officer or a representative from the Company's internal legal department or outside counsel should attend each Board, committee and shareholder meeting.

***Agenda.*** The Chairperson of the Board (the "Chair") should establish the agenda for each Board meeting in consultation with the Lead Independent Director (if then designated) and appropriate members of management. Each director may suggest the inclusion of additional items on the agenda and raise concerns not otherwise identified on the agenda.

***Frequency of Meetings.*** The Board should hold at least five (5) meetings per year, including a meeting to be held in conjunction with the annual meeting of the Company's shareholders. In addition, special meetings of the Board may be called from time to time as permitted by the Company's Bylaws and as determined necessary by the Board in order to address the needs of the Company's business.

***Financial Materials Distributed in Advance.*** Management shall be responsible for assuring that, as a general rule, information and data that are important to the Board's understanding of the Company's financial business shall be distributed in writing to the Board sufficiently in advance of each Board meeting.

***Executive Sessions.*** Non-management directors should meet in executive session regularly and, in any event, at least semi-annually. The Chair (or, if then designated, the Lead Independent Director) should set the agenda for, and conduct, such meetings. The Company's legal counsel, independent public accountants, finance staff and other employees or advisors may be invited to attend these executive session meetings.

***Strategic and Operational Planning.*** The Board should annually review and approve a long-term strategic plan and a one-year operating plan that integrates with strategic plan milestones identified in the long-term strategic plan.

***Records.*** The Board should maintain minutes and other records of its meetings and activities.

### **III. Chair Responsibilities**

The Chair provides leadership to the Board and works with it to define its structure, agenda and activities in order to fulfill its responsibilities. The Chair works with senior management to help ensure that matters for which management is responsible are appropriately reported to the Board.

In fulfilling his or her responsibilities, the Chair will:

- Establish processes to assist the Board in the efficient discharge of its duties;
- Use all reasonable efforts to ensure the Board's full discharge of its duties;
- Organize and present the agenda for regular or special Board meetings in consultation with the Lead Independent Director (if then designated) and appropriate members of management and based on suggestions from committee chairs and other directors;
- Use all reasonable efforts to ensure the proper flow of information to the Board and review the adequacy and timing of documentary materials in support of management proposals;
- Work with the Governance Committee to develop processes to identify guidelines for the conduct of the directors, and use all reasonable efforts to ensure that each director makes a significant contribution to the Board;
- Work with the Governance Committee to develop processes for appropriately structuring committees and overseeing their function, including assignments of members and committee chairpersons; and
- Carry out other duties as requested by the Board as a whole, depending on need and circumstances.

### **IV. Lead Independent Director**

If, at any time, the Chair does not meet the criteria for independence required by NASDAQ, as such criteria are interpreted by the Board in its business judgment, the Board shall designate a Lead Independent Director, elected by and from the independent directors, with clearly delineated and comprehensive duties. The duties of the Lead Independent Director should include, but are not limited to, the following:

- Preside at all meetings of the Board at which the Chair is not present, including executive sessions of the independent directors;
- Regularly consult with the chairs of the Board's committees;
- Serve as a liaison between the Board and management on sensitive issues;
- Serve as liaison between the Chair and the independent directors;
- Serve as a liaison between the Board and the Chief Executive Officer to facilitate communication as to the quality, quantity, and timeliness of the information provided to

the Board by the Company's management to assist the Board in performing its oversight duties;

- Approve information sent to the Board by the Chair;
- Coordinate with management with respect to the preparation of meeting agendas, materials, and schedules;
- Encourage input from all directors as to the preparation of the agendas for Board and committee meetings;
- Approve meeting agendas for the Board;
- Approve meeting schedules for the Board to assure that there is sufficient time for discussion of all agenda items;
- Call meetings of the independent directors from time to time as determined in his or her discretion;
- Ensure that he or she is available for consultation and direct communication with major shareholders of the Company upon reasonable request;
- Coordinate with the chair of the Compensation Committee with respect to the evaluation of the Chief Executive Officer's performance in order to assess whether the Chief Executive Officer is providing effective leadership for the Company in the long and short-term.

## **V. Composition and Selection of the Board**

***Size of the Board.*** The Board currently consists of ten members, which the Board believes is a suitable number of directors. Subject to the provisions of the Company's Bylaws and upon the recommendation of the Governance Committee, the Board may consider modifying the size of the Board from time to time within a range of three to eleven directors.

***Director Independence.*** At a minimum, sixty percent (60%) of the directors should meet the criteria for independence required by NASDAQ, as such criteria are interpreted by the Board in its business judgment. Each independent director shall certify annually in writing that he or she meets the NASDAQ criteria for independence. This will not, however, prevent the Board from taking valid actions if, due to a temporary vacancy or vacancies on the Board, there are fewer than the intended number of directors who meet the criteria for independence. In addition to meeting the criteria for independence described above, each independent director must not, except in his or her capacity as a member of the Board or one of its committees or except in rare circumstances approved or ratified by the Board, accept, directly or indirectly, any consulting, advisory or other compensation from the Company, or be an affiliated person of the Company or any of its subsidiaries. A director shall provide prompt notice to the Board if his or her relationship to the Company changes in such a way that his or her independence may be adversely affected. Directors who subsequently enter into transactions or relationships inconsistent with the foregoing standards shall take all necessary actions to come into compliance with these requirements within ninety (90) days or resign from the Board, unless the independent directors approve an exception from the application of the policy (subject to the requirement of 60% of the Board qualifying as independent). In conjunction with the Governance Committee, the Compensation Committee shall review and evaluate any relationships and/or related party transactions that might compromise director independence. The Board may elect to require all directors, with the exception of the Chief Executive Officer or former Chief Executive Officer, to be independent as determined pursuant to NASDAQ guidelines. Members of the Board's Audit, Compensation and Governance Committees must satisfy additional independence requirements as and when required by

NASDAQ. The Company will not make or arrange any personal loans to directors or executive officers.

***Criteria for Membership.*** The Governance Committee is responsible for reviewing annually with the Board the desired skills and characteristics of directors, as well as the composition of the Board as a whole. Directors should be individuals who have succeeded in their particular field and who demonstrate integrity, reliability, knowledge of corporate affairs, and an ability to work well together. Directors should have: demonstrated management ability at senior levels in successful organizations; current or recent employment in positions of significant responsibility and decision-making; expertise in leading rapidly growing multi-national organizations; or current and prior experience related to anticipated Board and committee responsibilities in other areas of importance to the Company.

Among other factors, this review shall include an analysis of the diversity of background and experience of directors then serving, and, in addition, the review may include an analysis of the following:

- Age;
- Gender;
- Skills;
- Integrity, ethics and moral responsibility;
- Leadership and board service;
- Ability to work constructively with the Company's management and directors;
- Capacity to evaluate strategy and reach sound conclusions;
- Availability of time to do justice to duties as a director and willingness to devote the time required;
- Awareness of the social, cultural, political and economic environment; and /or
- Such other factors the Governance Committee deems appropriate.

Each director should be free of significant business connections with competitors, suppliers or customers of the Company. The Chief Executive Officer shall be a member of the Board.

***Nominations.*** Nominees for director should be selected by the Governance Committee in accordance with the Company's Articles of Incorporation, Bylaws, these guidelines and the Governance Committee's charter. While the Board is responsible for determining the qualification of an individual to serve on the Audit Committee as an "audit committee financial expert", the Governance Committee should coordinate closely with the Board in screening any new candidate and in evaluating whether to re-nominate any existing director who may serve in this capacity.

***Invitation to Join Board.*** The invitation to join the Board should be extended by the Chair and the chair of the Governance Committee.

***Selection of Chair and Chief Executive Officer.*** The Board does not have a policy as to whether or not the Chair should be an independent director. Instead, the Board should select the Chair and Chief Executive Officer in the manner that it determines to be in the best interests of the Company's shareholders.

***Terms and Limitations.*** The Company's Articles of Incorporation provide for a classified Board, also known as a "staggered board." The directors are divided into three classes, with the directors in each class serving a three-year term. The classes are staggered, with the terms of one-third of the directors, as near as possible, expiring at each annual meeting of the Company's shareholders. The Board does not believe it should establish a limit on the number of times that a director may stand for election to the Board. While term limits may increase the diversity of ideas and viewpoints available to the Board, the Board believes term limits may prematurely end the contribution of directors who develop, over a period of time, increasing insight into the Company and its business, operations and industry and, therefore, provide an increasing contribution to the Board as a whole over time. As an alternative to term limits, the Governance Committee will discuss with each director his or her continuation on the Board prior to the expiration of the director's term. This will, among other things, allow the Governance Committee an opportunity to consider a potential nominee's qualifications and will allow each director the opportunity to confirm his or her desire and capability to be re-nominated as a director of the Company.

***Former Chief Executive Officer.*** If the Chief Executive Officer serving as a director of the Company resigns, retires or is terminated from his or her office as Chief Executive Officer, then he or she shall tender his or her resignation as a director to the Secretary of the Company at that time, and the Board (with the resigning, retiring or terminated Chief Executive Officer abstaining from discussion or voting on such matter) shall determine whether or not to accept such resignation; provided, however, that if the Chief Executive Officer is terminated for "cause" (as defined in the employment agreement between the Company and the Chief Executive Officer in effect at the time of such resignation, retirement or termination), then he or she will be required to resign as a director at that time.

***Change of Responsibility of Director.*** An individual director who retires from his or her employment, or whose position of employment materially changes, should inform the Governance Committee and the Chair at the time of the change for their consideration. It is not the intention of the Board to mandate the resignation of every director whose responsibility has changed, but rather to provide an opportunity for the Board to review the continued appropriateness of Board membership under the changed circumstances.

***Retirement.*** Upon reaching 75 years of age, each director shall submit to the Board a letter of resignation to be effective at the next annual meeting of shareholders. In each instance, the Board shall accept the resignation unless the Board (with the resigning director abstaining from participation) determines to allow the director to serve the remainder of her or his then-current term. Under extenuating circumstances, the Board may nominate the director to serve another term; however, directors generally will not be nominated for election following their 75th birthday.

***Additional Director Positions.*** A director who accepts a position as a director of another company or any equivalent position with another for-profit or non-profit organization should promptly advise the chair of the Governance Committee and the Chair of that occurrence. If the Chief Executive Officer or Chair is offered a position as a director of another company or equivalent position with another for-profit or non-profit organization, he or she should discuss the offer with the Board and obtain Board approval prior to accepting the position. No director may serve on more than four total other public company boards. No director may serve on the board of any of the Company's significant competitors in any of its lines of business, except to the extent that the Governance Committee approves such service.

## **VI. Committees of the Board of Directors**

***Number and Designation.*** The Board shall have an Audit Committee, a Compensation Committee, a Governance Committee and a Finance Committee, which shall have the responsibilities described in their respective charters. Subject to the provisions of the Company's Bylaws, the Board may, from time to time, establish or maintain additional committees as the Board deems necessary or appropriate.

***Assignment, Rotation and Independence.*** The Governance Committee is responsible, after consultation with the Chair and with consideration of the desires of individual directors, for the assignment of directors to various committees. The Governance Committee should review committee assignments annually, and it is expected that committee assignments will rotate from time to time among the directors. The Governance Committee will also review and make recommendations regarding the designation of chairs of the various committees. It is presumed that the chair of the Audit Committee will rotate at least every seven (7) years, subject to the discretion of a majority of the independent directors, to allow an individual to remain as chair for such longer time as a majority of the independent directors determines to be in the best interests of the Company and its shareholders. Disclosure of a determination to allow an Audit Committee chair to remain in service longer than seven years shall be made to the Company's shareholders.

Each member of the Audit Committee, the Compensation Committee and the Governance Committee shall meet the standards established by NASDAQ for independence, as and when required by those standards, and the composition of each committee, as a whole, shall meet the independence requirements of NASDAQ.

***Committee Charters.*** Each committee of the Board shall have its own charter. Each charter will (i) set forth the purposes, goals and responsibilities of the committee as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations, and committee reporting to the Board; (ii) provide for regular committee meetings, reports and the keeping of meeting minutes either by a member of each committee or by a non-member appointed to serve as secretary at such meeting; and (iii) provide that each committee will annually evaluate its performance.

***Frequency, Length and Agenda of Committee Meetings.*** The chair 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 applicable committee's charter. The chair of each committee, in consultation with the Chair, appropriate members of the committee and management, as necessary, will develop each applicable committee meeting's agenda.

***Advisors.*** Committees shall have the power to engage independent legal, financial or other advisors as they deem necessary, without consulting or obtaining the approval of any officer of the Company. Committees should promptly advise the full Board of any such engagement.

## **VII. Annual Shareholder Meeting**

Because of the importance of the annual meeting of the Company's shareholders, directors are expected to attend all annual meetings of the Company's shareholders, absent unusual

circumstances. The Company's shareholders shall have an opportunity to communicate with the Board at the Company's annual meeting of shareholders in accordance with the procedures specified for each such meeting.

### **VIII. Director Access to Officers, Employees and Others**

*Access to Officers and Employees.* Individual directors, each Board committee and the Board (meeting as a whole) should have access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate with an officer or employee of the Company may be arranged directly by the director or through the Chief Executive Officer or the Corporate Secretary. A director should use judgment to ensure that contact with officers and employees is not disruptive to the operations of the Company and should, to the extent appropriate, copy the Chief Executive Officer and Chair on any written communications between the director and an officer or employee of the Company.

The Chair, in consultation with the Lead Independent Director (if then designated) and the Board, will determine which members of the Company's senior management should be in regular attendance at Board meetings. The Chief Executive Officer, in consultation with the Lead Independent Director (if then designated) and the Board, may from time to time invite other Company officers or managers to attend Board meetings.

*Board Communications.* The Board believes that communications by the Company should generally be made by management. Nonetheless, individual directors may, from time to time, meet or otherwise communicate with parties outside the Company, such as government officials, members of the media or institutional investors. Any such communication should only be made with the knowledge of the Chief Executive Officer and, absent unusual circumstances or except as otherwise contemplated by the committee charters, only at the request of the Chief Executive Officer. Individual directors are not agents of the Company, and, therefore, do not have authority to bind or make commitments on behalf of the Company.

### **VIX. Shareholder Communications**

Shareholders seeking to communicate with the Board should submit their written comments to the Corporate Secretary. The Corporate Secretary will forward all such communications (excluding inappropriate communications, as identified below) to the Chair. The Chair will consider each communication to verify shareholder status and to determine if the Corporate Secretary should forward it promptly to the member(s) of the Board or compile and send it with other communications and other Board materials in advance of the next scheduled Board meeting. The Chair may decide that shareholder communications addressed to individual member(s) of the Board only be forwarded to such individual member(s) of the Board. The Chair may use his or her judgment to decide that individual communications are inappropriate as abusive, offensive, sent for harassment purposes, or constitute routine advertisements or business solicitations and do not need to be forwarded to the Board. The Chair may also choose not to forward to the Board communications regarding individual grievances or other personal interests not pertaining to the Company's shareholders generally, such as individual employee, customer or supplier matters. In the event a given shareholder communication addresses allegations of misconduct or

mismanagement on the part of the Chair, the Corporate Secretary shall forward such communication to the chairperson of the Audit Committee.

#### **X. Director and Officer Insurance**

The Company intends to, and the directors will be entitled to have the Company, purchase reasonable directors' and officers' liability insurance on behalf of the directors to the extent reasonably available. In addition, the directors will receive the benefits of indemnification provided by the Company's Articles of Incorporation, Bylaws and any indemnification agreements, as well as the provisions regarding absence of personal liability contained in the Company's Articles of Incorporation.

#### **XI. Director Compensation**

The form and amount of director compensation should be determined by the Board pursuant to general principles established upon the recommendation of the Governance Committee in accordance with the policies and principles in its charter and consistent with rules promulgated by NASDAQ, including those relating to director independence and to compensation of Audit Committee members.

The Governance Committee should review director compensation, together with general compensation principles, and assess the performance of the Board annually, as required by its charter. A significant portion of director compensation should align director interests with the long-term interests of the Company's shareholders. Company management should report to the Governance Committee on an annual basis regarding the Company's director compensation practices and how they compare with practices of comparable companies. Based upon its annual review, the Governance Committee should recommend any changes in the form and amount of director compensation or director compensation principles to the Board when the Governance Committee determines a change is advisable.

#### **XII. Stock Ownership**

The Board believes the implementation of stock ownership guidelines for directors, the Chief Executive Officer and the Senior Officers (as defined below) serves to (i) align the long-term interests of the Company's directors, Chief Executive Officer and Senior Officers with those of the Company's shareholders, and (ii) mitigate risk-taking behaviors, such as focusing on short-term gains at the expense of long-term Company value. Accordingly, the Board has established the following stock ownership guidelines for the non-employee directors, the Chief Executive Officer and the Senior Officers. The stock ownership guidelines for each non-employee director are expressed in the value of shares of the Company's stock held by the director as a multiple of the amount of his or her annual retainer. The stock ownership guidelines for the Chief Executive Officer and the Senior Officers are expressed in the value of shares of the Company's stock as a multiple of the amount of his or her annual base salary. For purposes of these guidelines, the term "Senior Officers" means the senior executive officers of the Company, excluding the Chief Executive Officer.

The minimum stock ownership of non-employee directors shall be a value equal to five times the amount of the annual retainer paid to those directors. It is anticipated that the non-employee

directors should be able to achieve these guidelines by the later of January 1, 2022, or within five years of the director's appointment.

The minimum stock ownership of the Chief Executive Officer shall be a value equal to five times the amount of the annual base salary paid to the Chief Executive Officer. It is anticipated that the Chief Executive Officer should be able to achieve these guidelines within five years from January 1, 2020, or if newly appointed to serve as the Chief Executive Officer, within five years of appointment.

The minimum stock ownership of each Senior Officer shall be a value equal to three times the amount of the annual base salary paid to such Senior Officer. It is anticipated that each Senior Officer should be able to achieve these guidelines by the later of January 1, 2026, or within five years of the appointment of such Senior Officer.

To determine compliance with the guidelines, a calculation will be made in January of each year based on the current annual retainer (in the case of directors) or the current annual base salary (in the case of the Chief Executive Officer and the Senior Officers) and the value of the Company stock, using the average of the closing price of the Company's stock for the last day of each of the 12 months of the prior calendar year. In the event a director, the Chief Executive Officer or any Senior Officer has achieved the applicable stock ownership threshold and there is a subsequent decline in the price of the Company stock that causes the individual's holdings to fall below that threshold, such individual will not be required to purchase additional shares to meet the threshold, but shall not sell or transfer any shares of Company stock until the threshold has again been achieved, net of any shares sold to fund the exercise price or satisfy any taxes due as a result of the individual's exercise of options to purchase shares of stock or the occurrence of any vesting event with respect to shares of stock.

The Governance Committee shall be responsible for monitoring the application of these stock ownership guidelines and will evaluate, on a case-by-case basis, any need to waive these guidelines in the best interests of the Company and its shareholders. This may include, without limitation, a new director for whom the stock ownership guidelines might constitute a financial impediment to joining the Board, such as a candidate from government or academia or similar professions.

For the purpose of determining stock ownership levels of any person under this Section XII, the following forms of equity interests in the Company are included:

- Shares owned directly by such person (including through open market purchases, vesting of restricted stock awards or exercise of stock options);
- Shares held by immediate family members of such person residing in the same household or through trusts for the benefit of this person or his or her immediate family members;
- Shares held by such person in Company benefit plans (e.g., shares held in the Company's employee stock purchase plan, 401(k) plan or employee stock ownership plan, if applicable); and
- Shares that are derived from vested equity awards held by such person, including, vested but unexercised stock options, restricted stock, restricted stock units, performance shares, performance share units and stock-settled stock appreciation rights.

### **XIII. Director Orientation and Continuing Education**

***Director Orientation.*** All new directors will participate in orientation and continuing education programs in accordance with procedures established by the Governance Committee. This orientation program will be designed to acquaint each new director with his or her duties as a director of the Company and the Company's business and industry. The program may include presentations by senior management to familiarize new directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct and Ethics, its principal officers, its internal control procedures and its independent public accountants. Each new director must be provided with the following materials as soon as practicable after he or she is elected or appointed:

- These guidelines
- Insider Trading Policy
- Code of Business Conduct and Ethics
- Company's most recent Annual Report on Form 10-K and proxy statement
- Company's Quarterly Reports on Form 10-Q for the current year
- Recent Board presentations and/or communications from the Chair, the Chief Executive Officer or the Chief Financial Officer
- Company's press releases for the current year
- Company's calendar of Board meetings and corporate calendar of other events

Directors are expected to become and remain familiar with the Company's overall strategic and operational plans, including, without limitation, product, market, and operational characteristics of the Company's business. To further this objective, all new directors may be provided with briefings by members of management of the Company regarding the Company's history, current operations and future plans.

***Continuing Education.*** Directors should have continuing access to information concerning the Company, its markets and business and the economic, technical, accounting, legal and other relevant developments that affect the Company and the environment in which it operates. The Company will periodically make available to its directors continuing educational opportunities designed to assist them in performing their Board and committee duties. The Board encourages directors to attend both formal and informal seminars, presentations and work sessions in which a variety of business and legal issues relating to the Company's business are discussed. All new directors shall, within six (6) months of their initial election or appointment, attend a full-day training program sponsored by a recognized director training organization such as the National Association of Corporate Directors. The committees of the Board and senior members of management are encouraged to foster and promote an environment in which directors and management can become better educated about the Company and its business practices. The Company shall pay for continuing director education for each director, up to Five Thousand Dollars (\$5,000) per annum. Attendance at external events that involve expenditure of Company funds over this amount shall be subject to prior approval by the Chair. In addition to the foregoing, training in corporate governance practices shall be provided at no less than one Board meeting each year, to be performed, or overseen, by the Chief Legal Officer. Such training shall include, from time to time, material directed to the issues of compliance with applicable laws and regulations, disclosures to shareholders, and fiduciary duties in the context of a regulated public company, including compliance with generally accepted accounting principles, the Sarbanes-

Oxley Act of 2002, corporate governance, assessment of risk, compliance auditing, and reporting requirements for publicly traded corporations.

#### **XIV. Management Succession**

The Compensation Committee will report to the Board periodically on succession planning for the Chief Executive Officer. The Chief Executive Officer will make available to the Board, and will meet with the Compensation Committee at least once per year to discuss, his or her recommendations and evaluations of potential successors to his or her own position, including in the event of an unexpected emergency, and review any development plans recommended for such individuals. As part of its succession planning review, the Compensation Committee shall use all reasonable efforts to ensure that in the event of an unexpected emergency or departure of the Chief Executive Officer, a process is in place for the timely and efficient transfer of his or her responsibilities including recommendations for longer-term succession arrangements.

#### **XV. Annual Evaluations**

***Committee Evaluations.*** In accordance with their respective charters, each of the committees of the Board should conduct a self-evaluation annually. In connection with these evaluations, the Governance Committee will meet annually with the Chairs of each other committee of the Board to evaluate the performance of such committees. The Governance Committee will discuss the results of the evaluations and reviews, including its own self-evaluation, with the full Board following the end of each year.

***Board Evaluations.*** The Board shall conduct an annual evaluation of the effectiveness of the Board's governance and oversight procedures in director questionnaires prepared by the Governance Committee, management or external parties engaged by that committee, which shall consider authoritative sources of guidance regarding governance best practices. The questionnaires shall be prepared in a manner consistent with good governance practices and may address, among other elements of governance, the adequacy and timeliness of information and advisory resources made available to directors; the adequacy of time provided to directors for fact-finding, consultations with management, and deliberations; and the Chair's effectiveness, among other matters. The Governance Committee will review the responses to those questionnaires and prepare summaries and recommendations for improvements to the whole Board and any relevant committees.

#### **XVI. Review of and Access to Guidelines**

The Governance Committee should review these guidelines annually. The Governance Committee, as it deems appropriate following such review, will recommend amendments to these guidelines to the Board. The Company shall make these guidelines publicly available on the Company's website and shall disclose such availability in the Company's proxy statement.