



## BOARD LEADERSHIP STRUCTURE

Our Board of Directors is led by Robert S. Shapard, who serves as independent, non-executive Chair. Our Board believes that this leadership structure is appropriate at this time because it effectively and efficiently allocates authority, responsibility, and oversight between management and independent members of our Board and supports the independence of our non-management directors.

Our Board believes that it is in the best interests of stockholders for the Board to have the flexibility to determine the most qualified and appropriate individual to serve as Chair of the Board, whether that person is an independent director or the Chief Executive Officer. We believe that our Board leadership structure provides for strong independent and effective oversight of our business through Mr. Shapard, independent Board committee chairs, experienced and committed directors and frequent executive sessions without management in attendance.

The Independent Chair also plays a key role in managing risk matters, and, in consultation with the Board, may override the CEO as necessary. Our Board believes that these elements, taken together, provide for objective, independent Board leadership, effective engagement with and oversight of management, and a voice that is independent from management and accountable to stockholders and other stakeholders.

The Board selects the Chair annually. The Board may, if appropriate, change that structure at any time in the future. Maintaining flexibility on this decision allows the Board to choose the leadership structure that will best serve the interests of the Company and its stockholders at any particular time. In cases where the Board determines it is in the best interests of our stockholders to combine the positions of Chair and Chief Executive Officer, the Corporate Governance and Ethics Committee nominates an independent director to serve as "Independent Lead Director," who then must be approved by at least a majority of the independent directors.

The Independent Chair is empowered with, and exercises robust, well-defined duties, which include:

- Presiding over and managing the meetings of the Board;
- Supporting a strong Board culture by fostering an environment of open dialogue, ensuring effective information flow and constructive feedback among the members of the Board and senior management, facilitating communication among the Chair, the Board as a whole, Board committees, and senior management, and encouraging director participation in discussions;
- Approving the scheduling of meetings of the Board, leading the preparation of the agenda for each meeting, and approving the agenda and materials for each meeting;
- Calling and chairing all meetings of the independent directors;
- Serving as a liaison between management and independent directors;
- Representing the Board at annual meetings of stockholders and being available, when appropriate, for consultations and direct communication with stockholders and other key stakeholders;
- Acting as an advisor to the CEO on strategic aspects of the business; and
- Such other duties as prescribed by the Board.