



# **CORPORATE GOVERNANCE GUIDELINES**

## **Corporate Governance Guidelines**

The following Corporate Governance Guidelines (“Guidelines”) have been adopted by the Board of Directors (the “Board”) of Atmos Energy Corporation (the “Company”) to assist the Board in the exercise of its responsibilities to the Company and its shareholders. These Guidelines should be interpreted in the context of all applicable laws and the Company's Articles of Incorporation, Bylaws and other corporate governance documents, and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. The Nominating and Corporate Governance Committee of the Board (the “Committee”) reviews these Guidelines annually and recommends any changes to the Board as appropriate. These Guidelines are subject to modification and the Board shall be able, in the exercise of its discretion, to deviate from these Guidelines from time to time, as the Board may deem appropriate or as required by applicable laws and regulations.

### **A. Composition of the Board**

#### **1. Size of the Board**

Pursuant to and in accordance with the Company’s Bylaws, the size of the Board must be within a range of seven (7) to thirteen (13) directors.

#### **2. Board Membership Criteria**

The Committee is responsible for articulating and refining specific criteria for Board membership to supplement the more general criteria set forth in its charter and in these Guidelines regarding such matters as integrity, independence, diligence and other related matters. Also, the Committee is responsible for evaluating on an ongoing basis all directors and director candidates based on such general and specific criteria and for seeking to assure that specific talents, skills and other characteristics that are needed to increase the Board’s effectiveness are possessed by an appropriate combination of directors.

Nominees for director will be selected on the basis of outstanding achievement in their personal careers; prior board experience; wisdom; integrity; ability to make independent, analytical inquiries; understanding of the business environment; and willingness to devote adequate time to Board duties. The Board believes that each director should have a basic understanding of (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. The Board is committed to diversified membership. The Board will not discriminate on the basis of race, color, religion, sex, sexual orientation, marital status, gender identity, age, national origin, genetic information, disability, protected veteran status, or other legally protected characteristics in selecting nominees.

#### **3. Proportion and Determination of Independent Directors**

As required by the corporate governance listing standards of the New York Stock Exchange (“NYSE”), at least a majority of the Board shall be comprised of “independent” directors. For purposes

of these Guidelines, “independent” shall be defined by the applicable independence requirements of the NYSE, the Securities and Exchange Commission (“SEC”) and applicable state and federal statutes.

In qualifying a director as independent (“Independent Director”), the Board shall make an affirmative determination that the director has no material relationship with the Company either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company. The Board will review annually the relationship that each director has with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). In assessing the materiality of any existing or proposed director’s relationship with the Company, the Board will consider all relevant facts and circumstances. Material relationships may include, but are not limited to, commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships. The Board should evaluate materiality not only from the perspective of the director, but also from that of persons and organizations with which the director has a relationship. The Board has adopted categorical standards to assist it in making determinations of independence, which standards are disclosed in the Company’s filings with the SEC, in accordance with applicable laws and regulations.

#### **4. Selection of Directors**

The Board and the Committee should be responsible, in actual practice and not merely as a procedural formality, for selecting members of the Board and in recommending them for election by the shareholders. The Board has delegated the selection and initial evaluation of potential directors to the Committee with direct input from the Chairman of the Board (“Chairman”) and the Chief Executive Officer (“CEO”).

The Board shall be responsible for determining the qualification of an individual to serve on the Audit Committee as a designated “audit committee financial expert,” as required by applicable rules of the SEC under Section 407 of the Sarbanes-Oxley Act of 2002. In light of this responsibility of the Board, the Committee shall coordinate closely with the Board in screening any new candidates and in evaluating whether to re-nominate any existing director who may serve in this capacity. The invitation to join the Board should be extended by the Board itself, through its Chairman, and the chair of the Committee.

#### **5. Conflicts of Interest**

No Board member may serve, without the prior approval of the Board, on the board of directors of any other for-profit or nonprofit company. In addition, no Board member may serve on the board of directors of more than two other companies that are subject to the periodic reporting requirements of the Securities Exchange Act of 1934, as amended. Members of the Board should advise the chair of the Committee prior to accepting membership on or standing for election to the board of directors of any other for-profit or nonprofit company. The Committee will review whether or not such simultaneous service might impact the director’s ability to serve effectively or otherwise present a conflict of interest. If the Committee determines such service will not impair the director’s ability to serve or present a conflict of interest, the Committee will recommend such service to the Board. However, if the director is the chair of the Committee, he or she shall advise the Chairman and the chair of the Executive Committee prior to accepting membership on or standing for election to the board of directors of any other for-profit or nonprofit company. In addition, any compensation received by any Board member for serving on the board of another for-profit company must be disclosed as soon as practicable to the Committee.

Directors should also advise the Chairman and the chair of the Committee prior to accepting a position as an officer or establishing any other significant relationships with businesses, institutions, governmental units or regulatory entities, particularly those that may result in a conflict with or a change in the director's relationship to the Company, and each time a director's principal occupation or business association changes substantially.

If any other potential conflict of interest arises for a director, the director shall promptly inform the Chairman and the chair of the Committee. If it is determined that a conflict of interest exists, the conflict shall be presented to the Board for review. If any such conflict cannot be resolved, the director shall resign from the Board.

All directors shall recuse themselves from any Board discussion affecting their personal, business or professional interests in any material respect.

#### **6. No Pre-Determined Term Limits**

In lieu of pre-determined term limits for directors, the Committee will evaluate each director's continued service on the Board in connection with each decision regarding whether such director should be re-nominated to the Board and at such other times as may be appropriate in particular circumstances. In connection with each decision regarding re-nominations, each director should be given an opportunity to confirm his or her desire to continue as a member of the Board.

#### **7. Retirement Age**

The Company's directors are required to retire from the Board at the annual meeting of shareholders immediately following their 75<sup>th</sup> birthday.

#### **8. Majority Voting; Director Resignation Policy**

The Company has adopted majority voting for director elections. Directors are elected by a majority vote of the shares of common stock entitled to vote in the election of directors and represented in person or by proxy at a meeting of shareholders at which a quorum is present (a "majority vote"). Any director who is not elected by a majority vote is expected to tender his or her resignation to the Committee. The Committee will recommend to the Board whether to accept or reject the resignation offer, or whether other action should be taken. In determining whether to recommend that the Board accept any resignation offer, the Committee may consider all factors that the Committee's members believe are relevant.

The Board will act on the Committee's recommendation within 90 days following certification of the election results. In deciding whether to accept the resignation offer, the Board will consider the factors considered by the Committee and any additional information and factors that the Board believes to be relevant. Thereafter, the Board will promptly publicly disclose its decision regarding the director's resignation offer (including the reason(s) for rejecting the resignation offer, if applicable). If the Board accepts a director's resignation offer pursuant to this process, the Committee will recommend to the Board and the Board will thereafter determine whether to fill the vacancy or reduce the size of the Board. Any director who tenders his or her resignation pursuant to this provision will not participate in the proceedings of either the Committee or the Board with respect to his or her own resignation offer.

## **B. Board Leadership**

### **1. Selection of Chairman and Chief Executive Officer**

The Board believes it is important that it retain the flexibility of deciding whether it is best for the Company at a given point in time for the roles of the Chairman and the CEO to be separate or combined and, if separate, whether the Chairman should be selected from the Independent Directors or be an employee of the Company as Executive Chairman.

### **2. Chairman**

The Chairman performs the following duties: (i) presides at all meetings of the Board and all executive sessions of the Board; (ii) presides at all meetings of the shareholders; (iii) provides leadership to the Board; (iv) sets and monitors the ethical tone of the Board and monitors how the Board functions and works together effectively; (v) in consultation with the CEO (if the Chairman and CEO roles are separate) and Corporate Secretary, schedules and prepares agendas for meetings of the Board; (vi) in consultation with the CEO (if the Chairman and CEO roles are separate), Corporate Secretary, and committee chairs, schedules and prepares agendas for meetings of Board committees; (vii) ensures proper flow of information to the Board, reviewing adequacy and timing of materials in support of management's proposals; (viii) ensures adequate lead time for effective study and discussion of business under consideration by the Board; (ix) identifies guidelines for the conduct of the Board and ensures that each director is making an effective contribution to the Board and the Company; (x) serves as a resource to consult with the CEO (if the Chairman and CEO roles are separate), Corporate Secretary, and other Board members on corporate governance practices and policies; (xi) works with the Committee and CEO (if the Chairman and CEO roles are separate) to ensure proper committee structure; (xii) manages conflict amongst the Board or with respect to the Board; (xiii) if the Chairman and CEO roles are separate, monitors the performance of the CEO and provides input to the Human Resources Committee concerning the compensation arrangements for the CEO; and (xiv) carries out other duties as requested by the CEO (if the Chairman and CEO roles are separate) and Board, depending on needs and circumstances. If the Chairman of the Board is independent, the Chairman shall also perform the following duties: (i) presides at all meetings of the Independent Directors or non-management directors in executive sessions as may be necessary, and (ii) coordinates and develops the agenda for executive sessions of the Independent Directors or non-management directors.

### **3. Lead Director**

If there is an Executive Chairman of the Board, or if the Chairman of the Board is not independent, then the Independent Directors will annually select an Independent Director to serve as a lead director (the "Lead Director"). The Lead Director performs the following duties: (i) presides at all meetings of the Board at which the Chairman is not present; (ii) presides at all meetings of the Independent Directors or non-management directors in executive sessions as may be necessary; (iii) coordinates and develops the agenda for executive sessions of the Independent Directors or non-management directors; (iv) approves meeting agendas for the Board; (v) approves Board meeting schedules to assure that there is sufficient time for discussion of all agenda items; (vi) acts as liaison between the Chairman and the Independent Directors regarding business, management or other issues; (vii) approves information that is sent to the Board; (viii) discusses the results of the performance

evaluation of both the Executive Chairman (if applicable) and the CEO with the chair of the Human Resources Committee; (ix) along with the chair of the Human Resources Committee, reports to the Executive Chairman (if applicable) and the CEO the results of their respective performance evaluations and (x) identifies and develops with the Chairman and the CEO along with the chair of the Committee, the Board's compositional needs and criteria for the selection of candidates to serve as directors. In performing the duties described above, the Lead Director is expected to consult with the chairs of the appropriate Board committees and solicit their participation. The Lead Director also has the authority to call meetings of the Independent Directors as well as the non-management directors; and if requested by major shareholders, will ensure that he or she is available for consultation and direct communication.

## **C. Board Compensation and Performance**

### **1. Board Compensation and Share Ownership Guidelines**

It is appropriate for an independent external consulting firm specializing in executive compensation to report periodically to the Human Resources Committee regarding the status of the Company's Board compensation in relation to other comparable U.S. companies. Changes in Board compensation, if any, should come at the suggestion of the Human Resources Committee, but with full discussion and concurrence by the Board.

As part of a director's total compensation and to create a direct linkage with corporate performance, the Board believes that a meaningful portion of a director's compensation should be provided in, or otherwise based on, the Company's common stock. Accordingly, the Board has approved an annual grant of either share units or restricted stock units ("RSUs") to each non-employee director under the Company's Equity Incentive and Deferred Compensation Plan for Non-Employee Directors or 1998 Long-Term Incentive Plan. Share units, which also contain dividend equivalents that are paid in cash, are convertible into shares of the Company's common stock upon the retirement of a director. RSUs vest one year from grant date and dividend equivalents during the vesting period are paid in cash. Including such share units and unvested RSUs, the Board requires each Non-Employee Director to acquire ownership of the Company's shares equal to at least five times the amount of such director's annual retainer. Directors cannot sell more than 35% of shares that have vested from RSUs until the five times holding requirement has been met.

### **2. Assessing the Performance of the Board as a Whole**

The Committee is responsible to report annually to the Board regarding the Committee's assessment of the performance of the Board as a whole. This report will be discussed with the full Board. This assessment should specifically review areas in which the Board and/or management believes a better contribution could be made. The purpose of this assessment is to increase the effectiveness of the Board as a whole, not to focus on individual Board members. (As contemplated by Section A.2 of these Guidelines, a separate assessment of each individual director also will be made by the Committee when deciding whether to nominate such director for re-election to the Board.)

## **D. Board of Directors' Responsibilities**

The Board represents the shareholders' interests in perpetuating a successful business and optimizing long-term financial returns in a manner consistent with applicable legal requirements and ethical considerations. The Board is responsible for identifying and taking reasonable actions to help

assure that the Company is managed in a way designed to achieve this result. Consistent with the importance of the Board's responsibilities, each director is expected to be familiar with the Company's business and public disclosures, to review in advance of Board meetings all related materials distributed to the Board and to attend and participate in meetings of the Board and meetings of any committee of which such director is a member. Each director is expected to attend the annual meeting of shareholders, absent unusual circumstances.

**1. Selection, Evaluation and Retention of Executive Chairman (if applicable) and CEO; Oversight of Selection and Performance of Other Executive Officers and Succession Planning for All Senior Officers**

The Board, with assistance from the Human Resources Committee, has the responsibility to select, evaluate the performance of and make decisions about the retention of the Executive Chairman (if applicable) and the CEO, while the Human Resources Committee recommends to the Board the compensation of the Executive Chairman (if applicable), the CEO and other principal executive officers. In addition, the Board, with assistance from the Human Resources Committee, also oversees the selection and evaluation of the performance of other executive officers, and periodically reviews the succession plans for the CEO and other senior executive officers, including the plans in the event of an emergency involving the CEO. In addition, the Board monitors on a regular basis the effectiveness and execution of management strategies and decisions in optimizing the Company's long-term financial returns in a manner consistent with applicable legal requirements and ethical considerations.

**2. Understanding, Reviewing and Monitoring Implementation of Strategic Plans and Annual Operating Plans and Budgets**

The Board is responsible for overseeing and understanding the Company's strategic plans from inception through development and execution and should regularly monitor implementation of such plans to determine whether they are being implemented effectively and whether any changes are needed. The Board also is responsible for overseeing and understanding the Company's annual operating plans and annual budgets and for monitoring whether these plans are being implemented effectively and within budgetary limits.

**3. Selection and Oversight of Independent Auditors; Oversight of Financial Statements**

The Audit Committee of the Board has the sole responsibility to appoint, compensate and replace the Company's independent registered public accounting firm that audits the Company's financial statements and to pre-approve the engagement terms and the provision of any audit and non-audit services performed by such accounting firm for the Company. The Audit Committee will have direct responsibility, and the Board will have a corresponding and supplemental responsibility, for monitoring the performance of such accounting firm and guarding against any compromise of its independence, as well as overseeing the financial statements prepared by management, with the goal of assuring that they fairly present the Company's financial condition, results of operations, cash flows and related risks in a clear and understandable way.

#### **4. Advising Management on Significant Issues**

The Board is responsible for utilizing the broad range of experiences and perspectives of directors to advise and counsel management, both in meetings and in informal consultations, on significant issues facing the Company.

#### **5. Review and Approval of Significant Company Actions and Certain Other Matters**

The Board is responsible under state corporate law to review and approve significant actions by the Company, including election of executive officers, declaration of dividends and major transactions. In addition, the Board is responsible for approving certain actions by the Company as set forth in these Guidelines, and any other Company policies that may be adopted from time to time by the Board, or as otherwise required by any applicable national securities exchange or national securities association on which the Company's securities are traded.

#### **6. Nominating Directors and Committee Members and Overseeing Effective Corporate Governance**

The Board and the Committee are responsible for (a) evaluating directors and members of Board committees, (b) overseeing the structure and practices of the Board and the committees and (c) overseeing other corporate governance matters, as more fully set forth in these Guidelines and the charter of the Committee. The Committee (a) makes recommendations to the Board and the Board nominates the directors to be submitted to our shareholders for election at each annual meeting of shareholders and (b) appoints members of Board committees.

#### **7. Consideration of Other Constituencies**

In addition to fulfilling its obligation to increase shareholder value, the Board should consider the impact of various actions and decisions on the Company's customers, employees, suppliers and the communities where it operates – all of whom are essential to a successful business.

### **E. Management's Responsibilities**

Management is responsible for operating the Company in an effective, ethical and legal manner designed to produce value for the Company's shareholders consistent with the Company's policies and standards, including these Guidelines. Management also is responsible for enforcing and complying with mandatory provisions of the Company's policies and standards. Senior management is responsible for understanding the Company's income-producing activities and the material risks being incurred by the Company and also is responsible for avoiding conflicts of interest with the Company and its shareholders.

Each member of the Management Committee of the Company, including the Executive Chairman (if applicable), and the President and CEO, must obtain the prior approval of the Board, through the Committee, before accepting an invitation to serve on the board of any other for-profit company. The Management Committee, in turn, must approve in advance invitations that are extended to any non-Management Committee officer of the Company to serve on the board of any other for-profit company. All approvals of such invitations shall be reported to the Committee at the next scheduled meeting of the Committee. In addition, any compensation received by any Company officer or division



president for serving on the board of another for-profit company must be disclosed as soon as practicable to the Committee.

### **1. Financial Statements and Disclosures**

Management is responsible for producing, under the oversight of the Board and the Audit Committee, financial statements that fairly present the Company's financial condition, results of operations, cash flows and related risks in a clear and understandable way, for making timely and complete disclosures to investors, and for keeping the Board and the appropriate committees of the Board well-informed on a timely basis as to all matters of significance to the Company.

### **2. Strategic Planning**

The Executive Chairman (if applicable), CEO and other senior management are responsible for developing and presenting to the Board the Company's strategic plans and for implementing those plans as approved by the Board.

### **3. Annual Operating Plans and Budgets**

The CEO and senior management are responsible for developing and presenting to the Board the Company's annual operating plans and annual budgets and for implementing those plans and budgets as approved by the Board.

### **4. Effective Management and Organizational Structure**

The CEO and senior management are responsible for selecting qualified members of management and for implementing and working within an effective organizational structure appropriate for the Company's particular circumstances.

### **5. Setting a Strong Ethical "Tone at the Top"**

Senior management, and especially the Executive Chairman (if applicable), the CEO, and the Chief Financial Officer are responsible for setting a "tone at the top" of integrity, ethics and compliance on the part of all persons associated with the Company, with applicable legal requirements and with the Company's policies and standards.

### **6. Internal Controls and Procedures**

The CEO and the CFO are responsible for developing, implementing and monitoring an effective system of internal controls and procedures to provide reasonable assurance that: the Company's transactions are properly authorized; the Company's assets are safeguarded against unauthorized or improper use; and the Company's transactions are properly recorded and reported (i.e. internal control over financial reporting is adequate). Such internal controls and procedures also shall be designed to permit preparation of financial statements for the Company in conformity with generally accepted accounting principles or any other criteria applicable to such statements.

## **7. Disclosure Controls and Procedures**

The CEO and the CFO are also responsible for establishing, maintaining and evaluating the Company's "disclosure controls and procedures." The term "disclosure controls and procedures" means controls and other procedures of the Company that are designed to ensure that information required to be disclosed by the Company in the reports filed by it under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. "Disclosure controls and procedures" include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports it files under the Securities Exchange Act of 1934 is accumulated and communicated to the Company's management, including its principal executive and financial officers, to allow timely decisions regarding required disclosure.

## **F. Board Relationship to Senior Management**

### **1. Regular Attendance of Non-Director/Executive Officers at Board Meetings**

Except as otherwise determined in particular circumstances by the Chairman and the CEO, the Board welcomes the regular attendance at each Board meeting of the Company's executive officers who are not members of the Board.

### **2. Board Access to Senior Management**

The Board (meeting as a whole and each director individually) and each Board committee will have complete access to the Company's management. The Board encourages the executive officers to bring non-executive managers to Board meetings, from time to time, who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, or (b) represent non-executive managers with future potential that the senior management believes should be given exposure to the Board.

### **3. Board's Interaction with Institutional Investors, Press and Customers**

The Board believes that the Company's management has the authority and responsibility to provide the public spokesperson for the Company. Individual members of the Board may, from time to time at the request of the management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should come from the Chairman or the Lead Director in accordance with the Company's Regulation FD Policy.

## **G. Meeting Procedures**

### **1. Selection of Agenda Items for Board Meetings**

The Chairman and the CEO (if the Chairman is not the CEO) will establish the agenda for each Board meeting, which will be approved by the Lead Director. Each Board member is free to suggest the inclusion of item(s) on the agenda.

## **2. Board 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 business and to all matters expected to be considered and acted upon by the Board be distributed in writing to the Board sufficiently in advance of each Board meeting and each action to be taken by written consent to provide the directors a reasonable time to review and evaluate such information and data. Management will make every attempt to see that this material is as concise as feasible, while still providing sufficient information to permit the Board to be appropriately informed of material matters to be considered at each Board meeting or other Board action.

It is recognized that circumstances will arise when it is not feasible to provide information relating to certain agenda items in advance (or at least not very far in advance) of a Board meeting or an action to be taken by written consent. In such event, reasonable steps shall be taken (which may include extending the length of the Board meeting to allow more discussion, adjourning the meeting for a brief period to allow directors time to review such information, deferring a vote until a follow-up telephonic meeting, or other appropriate measures) to permit the directors to become reasonably informed as to the matter before voting on it.

As a general rule, presentations on specific subjects also should be sent to the Board members in advance so that Board meeting time may be conserved and discussion time focused on questions that the Board has about the material. On those occasions in which the subject matter is too sensitive to distribute in written form, there will be an opportunity for full discussion of the presentation at the meeting.

## **H. Committee Matters**

### **1. Number, Structure and Independence of Committees**

The Board shall have an Audit Committee, a Human Resources Committee and a Committee, which shall have the respective responsibilities described in the applicable charters for such committees and shall consist solely of Independent Directors. In addition, the Board may, from time to time appoint one or more additional Committees, such as an Executive Committee and a Corporate Responsibility, Sustainability, & Safety Committee. To the extent the Executive Committee is taking action solely on a matter expressly delegated to it by the Board, consistent with the provisions of these Guidelines, the Company's Bylaws and applicable law, the Executive Committee need not include any Independent Directors. If and when the Board appoints any such additional committee, the Board shall, by resolution or otherwise, clearly define in writing the responsibilities of such committee.

### **2. Assignment and Rotation of Committee Members**

The Committee is responsible, after consultation with the CEO, and with consideration of the desires of individual Board members, for recommending the assignment of Board members to various committees. After considering the Committee's recommendation, the Board appoints the members of each Board committee. Consideration will be given to rotating committee members periodically, but the Board does not believe that such a rotation should be mandated as a policy because there may be reasons at a given point in time to maintain an individual director's committee membership for a longer period.

### **3. Frequency and Length of Committee Meetings**

Subject to any requirements in the applicable committee charter regarding the frequency of committee meetings, each committee chair, in consultation with committee members, will determine the frequency and length of the meetings of the committee.

### **4. Committee Agenda, Background Materials and Reports**

The chair of each Board committee, in consultation with the appropriate members of management and staff, will develop the committee's agenda. Management will be responsible for assuring that, as a general rule, information and data that are important to the committee's understanding of the matters within the committee's authority and the matters to be considered and acted upon by a committee are distributed to each member of such committee sufficiently in advance of each such meeting or action taken by written consent to provide a reasonable time for review and evaluation of such information and data. The other provisions applicable under Section G.2 of these Guidelines regarding distribution of Board materials in advance shall apply equally to distribution of committee materials in advance. The agenda for each committee meeting shall be distributed to other members of the Board at the next regularly scheduled Board meeting.

At each Board meeting, the chair of each committee or his or her delegate shall report the matters considered and acted upon by such committee at each meeting or by written consent since the preceding Board meeting, except to the extent covered in a previous written report to the full Board, and shall be available to answer any questions the other directors may have regarding the matters considered and actions taken by such committee.

### **5. Committee Performance and Evaluations**

All standing committees of the Board, with the exception of the Executive Committee, shall conduct an annual self-evaluation to assess their performance.

## **I. Miscellaneous Matters**

### **1. Resources**

The Board (and Board committees to the extent so provided in the applicable committee charters or otherwise authorized by the Board) shall have access to, may ask such questions and conduct such investigations as they deem appropriate to fulfill their fiduciary duties, and may reasonably rely on the information provided to them by the Company's internal auditors and independent registered public accountants, internal and outside lawyers and other internal staff and also shall have the authority to hire independent accounting experts, lawyers and other consultants to assist and advise the Board (and any of its committees that are authorized to seek such advice and assistance) in connection with its responsibilities. The Board (and any such committees) shall keep the Company's Treasury Department advised as to the general range of anticipated expenses for outside consultants hired by the Board (or such committees).

## **2. Reliance**

Each director is entitled to rely in good faith on (1) corporate records, corporate officers, corporate employees or board committees or (2) any other person selected with reasonable care as to matters reasonably believed to be within the person's professional or expert competence. The Board shall assess the qualifications of all such persons on whom it relies, shall inquire as to the processes used by such persons to reach their decisions, prepare their reports and make their recommendations and also shall inquire as to the substance of such matters, and shall hold such persons accountable for any follow-up reasonably needed to satisfy the Board.

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

Each new director shall be given a thorough orientation with respect to his or her duties as a director. Each new director and each new member of any Board committee also shall cooperate in fulfilling any additional orientation guidelines that may be recommended generally or on an ad hoc basis by the Committee to help assure that such director has the necessary skills to perform his or her responsibilities as a director and/or new member of any Board committee. Each director also shall cooperate in fulfilling all applicable continuing education guidelines established and periodically updated by the Committee.

## **4. Disclosure of these Guidelines**

These Guidelines, including the related committee charters and code of business conduct and ethics, will be posted on the Company's website. Such availability on the Company's website will be noted in the Company's annual report to shareholders.

## **5. Code of Conduct**

The Company will maintain, and the Audit Committee will oversee compliance with, a code of conduct by all employees and Directors. Such may be modified and replaced from time to time by the Audit Committee.

Approved by the Board of Directors on August 6, 2024