AMERICAN WATER WORKS COMPANY, INC.
CORPORATE GOVERNANCE GUIDELINES

As of May 11, 2018

The following Corporate Governance Guidelines (the "Guidelines") provide the principles by which the Board of Directors (the "Board") of American Water Works Company, Inc., a Delaware corporation (the "Company"), will organize and execute its responsibilities in accordance with the Company's Certificate of Incorporation, Amended and Restated Bylaws (the "Bylaws") and the applicable laws, rules and regulations governing the Company and the Board including the Sarbanes-Oxley Act of 2002, the federal securities laws and the New York Stock Exchange ("NYSE") Listing Requirements. These Guidelines have been developed by the Company's Nominating/Corporate Governance Committee, which will periodically review these Guidelines and recommend to the full Board any changes that they deem necessary or appropriate.

A. GENERAL PRINCIPLES

Each member of the Board shall:

- dedicate sufficient time, energy and attention to ensure the diligent performance of his or her duties;
- comply with the duties and responsibilities set forth herein and in the Company's bylaws;
- comply with all duties of due care, loyalty and good faith applicable to Directors of a publicly-traded Delaware corporation;
- adhere to the Company's Code of Ethics, including the policies on conflicts of interest contained in it; and
- respond to the stockholders' need for full and fair disclosure of matters relating to the Company's business.

Members of the Board must be able to read and understand financial statements and information in order to evaluate the financial performance of the Company.

Members of the Board must be persons of good character and thus must possess all of the following personal characteristics:

- Integrity: Directors must demonstrate high ethical standards and integrity in their personal and professional dealings.

- Accountability: Directors must be willing to be accountable for their decisions as Directors.

- Judgment: Directors must possess the ability to provide wise and thoughtful counsel on a broad range of issues.

- Responsibility: Directors must interact with each other in a manner which encourages responsible, open, challenging and informed discussion.

- High Performance Standards: Directors must have a history of achievement which reflects high standards for themselves and others.

- Commitment and Enthusiasm: Directors must be committed to, and enthusiastic about, their performance for the Company as Directors, both in absolute terms and relative to their peers.

- Courage: Directors must possess the courage to express views openly, even in the face of opposition.

B. BOARD COMPOSITION

1. Size of Board

Subject to the Bylaws, the Board shall establish the number of Directors to serve on the Board upon the Nominating/Corporate Governance Committee's recommendation.

2. Selection of Directors

One of the Board's most important responsibilities is identifying, evaluating and selecting candidates for the Board of Directors. The Nominating/Corporate Governance Committee is responsible for reviewing the qualifications of potential candidates and making recommendations to the whole Board regarding candidates for election to the Board at the Company's annual meeting of stockholders and for candidates to fill vacancies on the Board that may occur between annual meetings of stockholders. When formulating its recommended nominations, the Nominating/Corporate Governance Committee may consider advice and recommendations offered by management, other Board members, stockholders of the Company, and/or outside advisors. The Nominating/Corporate Governance Committee is also responsible for reviewing with the Board, on an annual basis, the appropriate skills and characteristics required of Board members in the context of the current make-up of the Board.

3. Board Membership Criteria

Nominees for Director shall be selected on the basis of their character, expertise, sound judgment, ability to make independent analytical inquiries, business experiences, understanding of the Company's business environment, ability to make time commitments to the Company, demonstrated teamwork, and ability to bring unique and diverse perspectives and understandings to the Board. The Board is committed to a diversified membership in terms of the individuals involved, their experiences and areas of expertise. As such, the Nominating/Corporate Governance Committee will identify, recommend and recruit candidates to be nominated to fill open positions on the Board and to be nominated for election by the stockholders at the annual meeting, considering the diversity of Board member skills, experiences, age, race, gender and ethnicity. The Board seeks to balance the value that longevity of Director service can bring to the Company with the value of new ideas, perspectives and insights that can come through the addition to the Board of new members.

When evaluating the recommendations of the Nominating/Corporate Governance Committee, the Board should take into account all factors it considers appropriate, which may include:

- Whether the candidate has exhibited behavior that indicates he or she is committed to the highest ethical standards;

- Whether the candidate has special skills, expertise and background that would complement the attributes of the existing Directors, taking into consideration the communities and geographies in which the Company operates;

- Whether the candidate has achieved prominence in his or her business, governmental or professional activities, and has built a reputation that demonstrates the ability to make the kind of important and sensitive judgments that the Board is called upon to make;

- Whether the candidate will effectively, consistently and appropriately take into account and balance the legitimate interests and concerns of all of the Company's stockholders and our other stakeholders in reaching decisions, rather than advancing the interests of a particular constituency;

- Whether the candidate possesses a willingness to challenge management while working constructively as part of a team in an environment of collegiality and trust; and

- Whether the candidate will be able to devote sufficient time and energy to the performance of his or her duties as a Director.

4. Change in Status or Responsibilities

If a Director has a substantial change in professional responsibilities, occupation or business association, he or she should notify the Chairman of the Board and the Chairman of the Nominating/Corporate Governance Committee in order that the latter may review the appropriateness of that Director's continued service on the Board.

If a Director assumes a significant role in a not-for-profit entity, he or she should notify the Chairman of the Board and the Chairman of the Nominating/Corporate Governance Committee

5. Retirement from the Board

Subject to the following sentence, no person who will be at least 75 years old as of the date of an annual meeting of stockholders and is not an employee of the Company may be nominated for election to the Board at such annual meeting or at any special meeting in lieu of such annual meeting. The Board may, in special circumstances and where deemed in the best interests of the Company, grant an exception to this policy (a "special exception"). The Board must determine to make a special exception prior to each ensuing term of a Director for which the special exception will be applicable. A Director who has reached the age of 75 following his or her most recent election or who continues to serve pursuant to a special exception may continue to serve for the remainder of his or her term.

6. Term Limits

The Board does not believe that it should establish term limits. Term limits could result in the loss of Directors who have been able to develop, over a period of time, increasing insight into the Company and its operations, and an institutional memory that benefits the entire membership of the Board as well as management. As an alternative to term limits, the Nominating/Corporate Governance Committee shall annually review each Director's continuation on the Board. This will allow each Director the opportunity to conveniently confirm his or her desire to continue as a member of the Board and allow the Company to conveniently replace Directors who are no longer interested or effective.

7. Independent Directors

A majority of the Board must be composed of independent Directors. An independent Director of the Company shall be one who meets the qualification requirements for being an independent Director under the NYSE's Listing Requirements. Only one management Director, generally the CEO, shall be permitted to serve on the Board at any given time. All other members of the Board shall be independent Directors. All members of the Nominating/Corporate Governance Committee, the Executive Development and Compensation Committee and the Audit, Finance and Risk Committee shall be independent

Directors. A member of the Safety, Environmental, Technology and Operations Committee may, but need not be, an independent Director.

8. Board Determination of Independence

No Director will be considered "independent" unless the Board affirmatively determines that the Director meets the standards promulgated by the SEC and the NYSE and has no other material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). In determining "independence", the Board shall broadly consider all relevant facts and circumstances, as well as any other facts and considerations specified by the rules of the NYSE, the rules and regulations of the SEC, by law and by any rule or regulation of any other regulatory body applicable to the Company.

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 that 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).

9. Additional Independence Requirements for Audit, Finance and Risk and Compensation Committee Membership.

No Director may serve on the Audit, Finance and Risk or Executive Development and Compensation Committee of the Board unless that Director meets all of the criteria established for Audit, Finance and Risk Committee and Executive Development and Compensation Committee service, as the case may be, by the rules of the NYSE, the rules and regulations of the SEC, any other law and any other rule or regulation of any other regulatory body applicable to the Company.

10. Additional Director Qualifications

The Company shall disclose in its annual proxy statement the Board's independence determination, including the basis for determining that a relationship, if any, is not material, with respect to each Director standing for election and each continuing Director. In order to facilitate this disclosure, the Board may adopt categorical standards of independence to assist it in making determinations of independence and may make a general determination that a Director meets these standards. The Company will disclose any categorical standards of independence adopted by the Board, but will only state generally that the independent Directors meet these standards without detailing particular aspects of immaterial relationships between individual Directors and the Company. Any determination of independence for a Director who does not meet these standards must be specifically explained.

11. Additional Board Service

In order to ensure that each Director is able to devote sufficient time to perform his or her duties as a Director, no Director may serve on the board of Directors of more than two other public corporations without the prior approval of the Nominating/Corporate Governance Committee. Directors are required to advise the Chairman of the Board and the Chairman of the Nominating/Corporate Governance Committee in advance of accepting an invitation to serve on another board. No Director may serve on the audit committees of more than two other public corporations without the prior approval of the Nominating/Corporate Governance Committee.

12. Interlocking Directorates

No inside Director or executive officer of the Company shall serve as a Director of a company where a Company non-management Director is an executive officer.

13. Resignations of Directors Who Do Not Receive a Majority of the Votes Cast

Prior to any meeting of stockholders for the election of Directors, each incumbent Director nominee shall submit a contingent resignation in writing to the Chairman of the Board or the Secretary. The resignation becomes effective only if the Director fails to receive a sufficient number of votes for re-election at an annual or special meeting of stockholders at which a quorum is present and the Board accepts the resignation.

In an uncontested election of Directors, if any incumbent Director nominated for re-election does not receive the vote of at least the majority of the votes cast at any meeting for the election of Directors at which a quorum is present, the Nominating/Corporate Governance Committee will make a recommendation to the Board on whether to accept or reject such tendered resignation, or whether other action should be taken. The Board will act on the tendered resignation, taking into account the Nominating/Corporate Governance committee's recommendation, and publicly disclose (by a press release, a filing with the SEC or other broadly disseminated means of communication) its decision regarding the tendered resignation and the rationale behind the decision within ninety (90) days from the date of the certification of the election results.

The Nominating/Corporate Governance Committee in making its recommendation, and the Board in making its decision, may each consider any factors or other information that it considers appropriate and relevant. The Director who tenders his or her resignation will not participate in the recommendation of the Nominating/Corporate Governance Committee or the decision of the Board with respect to his or her resignation. If a Director's resignation is not accepted by the Board, such Director will continue to serve until the next annual meeting and until his or her successor is duly elected, or his or her earlier resignation or removal.

C. DIRECTOR RESPONSIBILITIES

1. Candor and Conflicts of Interest

The Directors recognize that candor and the avoidance of conflicts in fact and in perception are hallmarks of the accountability owed to the stockholders. If a Director, directly or indirectly, has a financial or personal interest in a contract or transaction to which the Company is to be a party, or is contemplating entering into a transaction that involves the use of corporate assets or competition against the Company, the Director shall be considered to be "interested" in the matter. The Director shall contact the Chair of the Nominating/Corporate Governance Committee to disclose such proposed relationship. The Director's involvement or interest will be reviewed by the Nominating/Corporate Governance Committee, and the Committee shall then make a recommendation to the Board.

2. Attendance at Annual Meetings of Stockholders

All Directors are expected to attend the Company's Annual Meeting of Stockholders, except in the event of unavoidable or extenuating circumstances.

3. Frequency of Board Meetings

The Board shall meet as frequently as needed for Directors to properly discharge their responsibilities. Regular meetings of the Board shall be held at least once in each fiscal quarter and at such other times as the Board deems appropriate. Special meetings of the Board shall be held as required.

4. Selection of Board Meeting Agenda Items

The Chairman of the Board establishes the agenda for each Board meeting. The Chairman should establish a calendar of standard agenda items to be discussed at each meeting scheduled to be held over the course of the ensuing year. Each meeting agenda shall include an opportunity for each Committee Chair to report to the Board on the work of his or her Committee. Each Board member is free to suggest items for inclusion on the agenda or to raise subjects that are not on the agenda for that meeting.

5. Attendance at Board Meetings

Except in the case where a director's absence has been previously excused by the Chairman of the Board or the Chairman of the Nominating/Corporate Governance Committee due to extraordinary circumstances, each Board member is expected to attend, whether telephonically or in person, all meetings of the Board and committees on which such member serves. Every effort should be made to schedule meetings sufficiently in advance to ensure maximum attendance at each meeting.

6. Preparation for Board Meetings

The Company shall endeavor to provide to the Board presentation materials relevant to each meeting, in writing or electronically, to the Board at least seven (7) days in advance of each regularly scheduled meeting unless doing so would compromise the confidentiality of any sensitive matter. Directors shall review such materials prior to the applicable meeting. All Directors are expected to review relevant meeting materials in advance of meetings of the Board and those Board committees on which they serve, and prepare appropriately for meetings and for discussions with management.

7. Conduct of Meetings

Meetings of the Board and its Committees shall be conducted in a manner that ensures open communication among their members, meaningful participation by them and timely resolution of issues.

8. Chairman of the Board

The Board shall, on at least an annual basis, select the Chairman of the Board from among the members of the Board who have been determined by the Board of Directors to be "independent". The Chairman shall also be Chairman of any Executive Committee of the Board. The Chairman shall be responsible for:

- setting the agenda for meetings of the Board, and presiding over meetings at which the Chairman of the Board is present;
- coordinating the work of the committees of the Board;
- overseeing the distribution by the Company's Secretary of materials to the members of the Board;
- being the independent Director primarily responsible for consultations and communications with stockholders; and
- performing such other duties as the Board may, from time to time, require to assist the Board in the fulfillment of its duties.

If the Chairman of the Board ceases to be "independent", the Board shall select another Chairman of the Board from among the members of the Board who are determined by the Board at that time to be "independent". The Chairman of the Board may be removed as Chairman of the Board at any time by a majority of the members of the Board.

The Company will provide the Chairman of the Board with adequate staff and resources, as the Nominating/Corporate Governance Committee may determine appropriate for the discharge of his or her duties.

The Executive Development and Compensation Committee shall recommend, and the Board shall determine, the compensation for the Chairman, and other members of the Board. That compensation should reflect the commitment of time and energies necessary to properly discharge their duties while not compromising their independence.

9. Lead Director

Unless the Chairman of the Board is an independent Director, the Board shall appoint a Lead Director whose responsibilities shall include: (i) presiding at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent Directors; (ii) serving as liaison between the Executive Chairman and the independent Directors; (iii) approving information sent to the Board; (iv) approving meeting agendas for the Board; (v) approving meeting schedules to assure that there is sufficient time for discussion of all agenda items; (vi) having the authority to call meetings of the independent Directors; and (vii) if requested by major stockholders, ensuring that he or she is available for consultation and direct communication.

Any Lead Director appointed by the Board must satisfy the Director independence standards set forth in the rules of the NYSE.

10. Executive Sessions of Directors

The non-management Directors (as defined by the NYSE corporate governance listing standards) shall meet in executive session (without the presence of any members of management) at each regularly scheduled Board meeting, and the independent Directors shall meet in executive session at least once during each calendar year. The Chairman of the Board shall preside at these executive sessions unless he or she is an Executive Chairman, in which case the Lead Director or, if the Company does not have a Lead Director, an independent Director shall preside.

11. Communications with Non-Management Directors

Interested parties may contact by mail any member (or all members) of the Board, or the non-management Directors as a group, any Committee of the Board or any Chair of any such Committee.

The Company's Corporate Secretary reviews all communications sent to the Board related to the duties and responsibilities of the Board and its Committees and regularly provides the communications to Committee Chairs, the Chairman of the Board (or, where the Company has an Executive Chairman, the Lead Director) or the full Board as needed.

Mail correspondence may be addressed to any individual Director by name, to the independent Directors as a group, to any Committee of the Board by name or to any Committee Chair either by name or by title. All such mailings are to be sent to

American Water Works Company, Inc. "c/o Corporate Secretary" at 1025 Laurel Oak Road, P.O. Box 1770, Voorhees, NJ 08043.

12. Interaction with Investors, Press, Customers and Stockholders

The Board believes that management, not the Directors, should speak on behalf of the Company. Unless otherwise agreed to or requested by the CEO, each Director shall refer all inquiries from investors, the press, customers and stockholders to the CEO or designated members of the executive management team and shall not comment for attribution or background without first discussing such matter with the CEO.

13. Annual Strategic Review

At least one Board meeting each year should include the presentation of the Company's long-term strategic plans by the Company's executive management team and the principal issues that the Company expects it may face in the future.

D. BOARD COMMITTEES

1. Number, Structure and Independence of Committees

The Board of Directors shall have the following standing committees: Audit, Finance and Risk; Executive Development and Compensation; Nominating/Corporate Governance; and Safety, Environmental, Technology and Operations. The Board may also constitute as and when it deems appropriate, an Executive Committee and such other committees as it may determine appropriate. The Audit, Finance and Risk, Executive Development and Compensation and Nominating/Corporate Governance committees shall each consist of that number of independent Directors as set forth in the charter adopted by the Board for each committee. Each member of the Safety, Environmental, Technology and Operations Committee may, but need not be, an independent Director. The Board shall select the Directors to serve on each such committee, giving consideration to the applicable independence and other requirements of the NYSE, the SEC, any other applicable law or any rule or regulation of any other regulatory body applicable to the Company, the provisions of such committee's charter, and the recommendations of the Nominating/Corporate Governance Committee. The members of each committee of the Board of Directors may be removed, with or without cause, by a majority vote of the Board of Directors.

2. Committee Charters

Each of the Audit, Finance and Risk Committee, Executive Development and Compensation Committee, Nominating/Corporate Governance Committee, and Safety, Environmental, Technology and Operations Committee shall have its own written charter which shall comply with the applicable NYSE corporate governance rules, and other applicable laws, rules and regulations. The charters shall set forth the mission and responsibilities of such committees as well as qualifications for

committee membership, procedures for committee member appointment and removal, committee structure and operations and reporting to the Board. Copies of each of these charters shall be made available to stockholders on the Company's website.

3. Review of Charters by Committees

Each Board Committee shall annually review its charter and recommend to the Board any changes it deems necessary. In addition to its charter, the Nominating/Corporate Governance Committee will annually review these Guidelines.

4. Committee Meetings

The Chair of each committee, in consultation with the committee members, shall determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chair of each committee, in consultation with the appropriate members of the committee and senior management, shall develop the committee's agenda. At the beginning of the year, each committee shall establish a schedule of major topics to be discussed during the year (to the degree these can be foreseen). The agenda for each committee meeting shall be furnished to all Directors in advance of the meeting.

5. Committee and Chair Rotation

The Board believes that it is desirable to rotate both committee and chair assignments periodically, recognizing however that there may be circumstances in which such rotation is not in the Company's best interest, such as where a board member has specialized knowledge or expertise.

Generally, it is expected that absent such circumstances a committee chair's tenure will be limited to five years.

6. Committee Advisors

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

E. DIRECTOR ACCESS TO MANAGEMENT, EMPLOYEES AND INDEPENDENT ADVISORS

1. Board Access to Management and Employees

Directors shall have access to the Company's executive management team and other employees of the Company in order to become and remain informed about the Company's business and for such other purposes as may be helpful to the Board in fulfilling its responsibilities. Board members shall, however, include or copy the

CEO when making contact with the executive management team (unless such contact involves assessment of performance of the CEO, which shall be done by the Chair of the Executive Development and Compensation Committee), and use sound business judgment to ensure that such contact does not interfere with the day-to-day work of the Company's management.

Furthermore, the Board encourages management to, from time to time, have managers attend Board meetings who (a) can provide additional insight into the items being discussed at the meeting because of responsibility for and/or personal involvement in these areas, and/or (b) are managers with future potential that senior management believes should be given exposure to the Board.

2. Director Access to Independent Advisors

Each Board committee shall have the sole authority to retain its own outside counsel, consultants and other professionals to advise them in the discharge of their duties. The standards for such retention shall be set forth in the respective committee charters.

3. Funding for Committee Advisors

The Company shall provide appropriate funding, (a) as determined by the Audit, Finance and Risk Committee, for payment of compensation: (i) to the registered public accounting firm (independent auditor) employed by the Company for the purposes of rendering an audit report and (ii) to any other advisers employed by the Audit, Finance and Risk Committee, and (b) as determined by the Nominating/Corporate Governance Committee, the Executive Development and Compensation Committee, and the Safety, Environmental, Technology and Operations Committee, respectively, to any advisers employed by such committees.

F. DIRECTOR COMPENSATION

1. Director Compensation Generally

The form and amount of Director compensation shall be determined by the Board based upon the recommendation of the Executive Development and Compensation Committee. At least annually, the Board shall review, considering the recommendations of the Executive Development and Compensation Committee, Director compensation (including additional compensation for committee members) in comparison to corporations that are similarly situated to ensure that such compensation is reasonable, competitive and customary. The Company shall disclose its policy regarding compensation for Directors in its annual proxy statement. Directors should be awarded compensation sufficient to compensate them for the time and effort they expend to fulfill their duties. Directors who are employees of the Company shall not receive any compensation for their services as Directors. Directors who are not employees of the Company may not enter into any consulting arrangements with the Company without the prior approval of the Executive Development and Compensation Committee. No member of the Audit,

Finance and Risk Committee may receive, directly or indirectly, any compensation from the Company other than (i) fees paid to Directors for service on the Board (including customary perquisites and other benefits that all Directors receive), (ii) additional fees paid to Directors for service on a committee of the Board, as Chairman of the Board or as the chairman of any committee and (iii) a pension or other deferred compensation for prior service that is not contingent on future service on the Board.

2. Other Compensation

At least annually, the Board shall review and critically evaluate any charitable contributions to be made by the Company to organizations with which any Director is affiliated. In addition, the Board shall review and critically evaluate, at least annually, all consulting contracts with, or other arrangements that provide other indirect forms of compensation and reimbursement of reasonable expenses to, any Director or former Director.

3. Stock Ownership

As part of a Director's total compensation and to more closely align the interests of Directors and the Company's stockholders, the Board believes that a meaningful portion of a Director's compensation may be paid in some form of equity of the Company.

G. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

1. Director Orientation

The Company shall establish an orientation program for all new Directors in order to ensure that the Company's Directors are fully informed as to their responsibilities and the means at their disposal for the effective discharge of those responsibilities. The orientation program shall, at a minimum, familiarize new Directors with the Company's (i) strategic plans, (ii) financial control systems and procedures and any significant financial, accounting and risk-management issues, (iii) compliance programs, including with respect to the Company's SEC reporting obligations and NYSE corporate governance listing standards, (iv) Code of Ethics, (v) management structure and principal officers and (vi) internal and independent auditors. The orientation program may also include visits to certain of the Company's significant facilities, to the extent practical. All Directors shall be periodically introduced to such management and other personnel, and representatives of the Company's outside legal, accounting and other outside advisors as is appropriate to familiarize them with the resources available to them.

2. Continuing Education

While Directors are encouraged to attend a continuing education program once every year, each Director shall be required every three years to attend a continuing education program for Directors approved and recommended by the

Nominating/Corporate Governance Committee. The Company shall pay for up to one continuing education program per year and shall reimburse the Directors for the reasonable and necessary costs of attending such session.

H. MANAGEMENT SUCCESSION AND DEVELOPMENT

A primary responsibility of the Board is planning for CEO and executive officer succession. The Board is responsible for the succession plan of the CEO and works with the CEO on executive officer development and succession planning for other executive officer positions to provide for continuity in executive management.

The CEO shall annually submit a succession plan for the CEO and other executive officers to the Board for its review. The succession plan covers identification and assessment of internal candidates, development plans for internal candidates, and, as appropriate, identification of external candidates. The criteria used to assess potential CEO candidates are formulated by the Board based on the Company's business strategies, and include experience, strategic and leadership qualities. The Board's deliberation on CEO succession shall include an emergency succession plan which addresses temporary delegation of authority if an unforeseen event such as death or disability occurs that prevents the CEO from continuing to fulfill the role.

The Board will review development and succession planning more frequently as it deems appropriate. The Board has in its discretion, in a manner consistent with the foregoing requirements, delegated the day-to-day responsibility for the process of providing a slate of succession candidates for consideration by the Board to the Nominating/Corporate Governance Committee, with respect to Chief Executive Officer candidates. The Board also has delegated authority to the Executive Development and Compensation Committee to collaborate with the CEO as to the process for succession planning and development with respect to other executive officers.

For purposes of the Guidelines, the term "executive officer" shall mean officers of the Company designated as such by the Board for purposes of Section 16 of the Securities Exchange Act of 1934.

I. ANNUAL PERFORMANCE EVALUATIONS

1. Evaluation of the Board

The Nomination/Corporate Governance Committee shall conduct an annual review of Board performance, in accordance with guidelines recommended by the Committee and approved by the Board. This review shall include an overview of the talent base of the Board as a whole as well as an individual assessment of each outside Director's qualification as independent under the NYSE corporate governance rules and all other applicable laws, rules and regulations regarding Director independence; consideration of any changes in a Director's

responsibilities that may have occurred since the Director was first elected to the Board; and such other factors as may be determined by the Committee to be appropriate for review. Each of the standing committees shall conduct an annual self-evaluation of its own performance as provided in its charter. The results of the Board and committee evaluations shall be summarized and presented to the Board.

2. Evaluation of CEO and the Chairman

The Executive Development and Compensation Committee shall establish policies, principles and procedures for the evaluation of the CEO. The Nominating/Corporate Governance Committee shall establish policies, principles and procedures for the evaluation of the Chairman. The evaluations shall be made annually under the oversight of the applicable committee. Such evaluations shall be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives and development of management.

J. INTERNAL AUDIT

The Company shall have an internal audit department. The Director of internal audit (or such person with a different title performing such functions) shall report directly to the Audit, Finance and Risk Committee.

K. BUSINESS CODE OF ETHICS

The Company has adopted a Code of Ethics and other internal policies and guidelines designed to foster compliance with the laws, rules and regulations that govern the Company's business operations. The Board is responsible for monitoring compliance with the Code of Ethics and other internal policies and guidelines which cover, among other things, the Company's policies concerning:

- Avoiding conflicts of interest;
- Fair dealing, including the conduct of business with honesty and integrity;
- Safeguarding of business information that is confidential and proprietary, including the prevention of unauthorized disclosure of sensitive information such as business plans, strategies, unpublished financial or pricing information, research and development opportunities, new product plans, personnel records and supplier lists;
- Safeguarding financial records and controls, including ensuring that all transactions are recorded properly and that all records and data owned, used and managed by the Company are accurate and complete;
- Honesty and professionalism in all dealings with government officials, including compliance with applicable laws, rules and regulations for dealing with government agencies;

- Adherence to the highest standards of personal conduct in the workplace, including compliance with all federal, state and local laws;
- Ensuring that all applicants and employees receive equal employment opportunity that is free from all forms of unlawful employment discrimination;
- Conducting business in a safe and environmentally sound manner;
- Respect for the privacy of the Company's customers; and
- Encouragement of the prompt reporting of any illegal or unethical behavior.

The Board will periodically review and evaluate, considering the recommendations of the Audit, Finance and Risk Committee, the Code of Ethics and make such changes therein as it finds to be necessary or appropriate.

Any waivers of any provisions of the Code of Ethics for members of the Board or members of management may be made only by the Board or a committee to which the Board has delegated such authority, and any such waivers shall be timely reported or disclosed in such manner as may be required by the SEC or the NYSE.

A copy of the Code of Ethics can be found on the Company's website

L. LOANS TO DIRECTORS

The Company may not, directly or indirectly, including through a subsidiary, extend or maintain credit, or arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any of the Company's Directors or executive officers.

M. DISCLOSURE OF CORPORATE GOVERNANCE GUIDELINES

These Guidelines shall be made available on the Company's website.

N. AMENDMENTS

The Nominating/Corporate Governance Committee reviews these Guidelines annually and recommends amendments to the Board as necessary or appropriate. The Board may amend these Corporate Governance Guidelines, or grant waivers in exceptional circumstances, provided that any such modification or waiver may not be in violation of applicable law, rule or regulation and further provided that any such modification or waiver is appropriately disclosed.