



Butterfield

TOR(Charter):	CORPORATE GOVERNANCE COMMITTEE
APPROVED BY:	Board of Directors
APPROVAL DATE:	18 February 2019
EFFECTIVE DATE:	18 February 2019
PREVIOUS UPDATES:	12 February 2018; 27 February 2017; 25 February 2016; 19 February 2016; 22 February 2011
SCOPE:	Butterfield Group
TOR(CHARTER) SPONSOR:	General Counsel and Group Chief Legal Officer
NEXT REVIEW DATE:	February 2020

Mandate

The Corporate Governance Committee (the “**Committee**”) provides oversight of the effectiveness of the Board of Directors (the “**Board**”) of The Bank of N.T. Butterfield & Son Limited (the “**Company**”) and the other committees of the Board in accordance with prevailing standards of corporate governance and acts as the nominating committee to identify individuals qualified to become Board members.

1. Committee Members, Quorum and Alternates

- 1.1 The Committee shall consist of a minimum of three directors. The Board will have determined that each member of the Committee is an independent director.
- 1.2 Members of the Committee shall be appointed by and replaced by the Board and shall hold office until their successors are appointed, or until they cease to be directors of the Company.
- 1.3 The Board shall appoint the Committee Chairman, and may appoint a Deputy Chairman.
- 1.4 A majority of the members of the Committee shall constitute a quorum. If a quorum can not be obtained, the Board Chairman has the option to appoint another independent director who shall have full voting rights.
- 1.5 Alternates for Committee members will not be accepted (except as provided in 1.4 above).
- 1.6 The Committee shall appoint the Committee Secretary, who will not be a voting member of the Committee.
- 1.7 A Committee member may resign by giving written notice to the Board and may resign Committee membership without resigning from the Board.



- 1.8 The Committee may delegate authority to individuals or sub-committees when it deems appropriate.

2. Committee Proceedings

- 2.1 The Committee Chairman shall chair the meeting; however, in his or her absence, one of the other Committee members shall be chosen by the Committee to preside.
- 2.2 The Committee may invite or require other persons to attend meetings where appropriate to assist the Committee in fulfilling its duties.
- 2.3 Meetings of the Committee shall be called by the Committee Secretary at the request of the Chairman or any two members of the Committee with at least three business days' notice being given, where practical.
- 2.4 Committee meetings shall be held at least three times a year.
- 2.5 The appointed Committee Secretary will produce accurate summary minutes of its proceedings in draft form to the Committee members reasonably promptly, and shall, at the direction of the Committee Chairman, promptly distribute to Committee members after each meeting a report summarizing the key matters discussed and resolved at such meeting. Copies of such Minutes and reports are to be provided to the Secretary of the Board.
- 2.6 The Committee Chairman or his or her designee will provide a summary of the Committee proceedings at the next Board meeting.
- 2.7 The Committee will evaluate its performance on an annual basis, and will evaluate its compliance with the Committee's Terms of Reference on an annual basis. The Committee will also review the Committee's Terms of Reference on an annual basis.

3. Principal Duties

On behalf of the Board, the Committee will:

- 3.1 Actively seek individuals qualified to become Board members with regard to the Board Composition and Succession Policy and recommend to the Board for ongoing recommendation to the shareholders the re-appointment of existing directors or nomination of new directors, ensuring appropriate diversity, independence and expertise;
- 3.2 Recommend to the Board the size of the Board;
- 3.3 Annually review the performance and effectiveness of the Committees and present the results of such review to the Board;



- 3.4 Annually review the results of the performance and effectiveness reviews undertaken by the subsidiary Boards of Directors and their respective committees;
- 3.5 Recommend to the Board for appointment members of the Audit Committee, Compensation & Human Resources Committee, Risk Policy & Compliance Committee, Corporate Governance Committee and any other Committees of the Board and annually examine the overall composition of the Board with regard to the Board Composition and Succession Policy;
- 3.6 Consider and approve the nomination and appointment of independent non-executive directors in respect of the subsidiary boards for each of the Company's regulated subsidiaries in consultation with the Chairman of the relevant subsidiary board;
- 3.7 Annually review and recommend to the Board for approval the remuneration of the Board Chairman (if the Board Chairman is not an executive officer of the Company), the Lead Independent Director, and the Chairs of the Board Committees, as applicable, with regard to the Parent Board Compensation Policy;
- 3.8 Annually review the performance and effectiveness of the Board as a whole and as individuals, and report annually to the Board with an assessment of Board performance to be discussed with the Board;
- 3.9 Annually review attendance records of Board members;
- 3.10 Review issues of conflicts of interest of Board members as they are identified, and annually review any potential conflicts;
- 3.11 Review and approve or ratify (i) all related-party transactions in accordance with the Company's Related Party Transactions Guidelines, and (ii) all extensions of credit to directors and/or officers recommended for approval by the Risk Policy & Compliance Committee.
- 3.12 Review and consider annually the Company's Directors and Officers insurance programme and make recommendations to the Board relating to the lines and limits of coverage established.
- 3.13 Review policies and procedures regarding recruitment, appointment, retention, and retirement of Board members to ensure that decisions are made without regard to race, national origin, color, ethnic origin, gender, marital status, illegitimacy, likelihood of childbirth, sexual orientation, gender identity, disability, age, religion or beliefs or political opinions;
- 3.14 The Committee may retain special consultants and advisors to advise the Committee. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates and shall have sole authority to approve the search



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- firm's fees and other retention terms. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors;
- 3.15 Review and monitor the induction training programme for new directors and ongoing training for directors;
 - 3.16 Review and evaluate the Corporate Governance Guidelines and the Corporate Governance Policy at least annually, and develop or amend such policy as the Committee deems appropriate;
 - 3.17 Review and evaluate the Board Composition and Succession Policy at least annually;
 - 3.18 Review and evaluate the Parent Board Compensation Policy at least annually;
 - 3.19 Review and evaluate the Insider Trading Policy at least annually;
 - 3.20 Review and evaluate the Disclosure Policy at least annually;
 - 3.21 Review and evaluate the Related Party Transactions Guidelines at least annually;
 - 3.22 Make regular reports to the Board; and
 - 3.23 Perform other activities consistent with this Charter, the Company's bye-laws and governing law, as the Committee or the Board deems necessary or appropriate.