

# **HANCOCK HOLDING COMPANY**

## **COMPENSATION COMMITTEE CHARTER**

### **Purpose**

The primary purpose of the Compensation Committee (the “Committee”) is to aid the Board of Directors (the “Board”) in discharging its responsibilities relating to the compensation of the Company’s Chief Executive Officer and other officers of the company and its subsidiaries having the rank of Executive Vice President or higher and who report directly to the Chief Executive Officer (referred to herein as “Senior Officers”). The Committee has overall responsibility for evaluating and approving the Company’s compensation plans, policies and programs. The Committee is also responsible for producing an annual report on executive compensation for inclusion in the Company’s proxy statement.

### **Composition and Qualifications**

The Committee shall be composed of at least three (3) members of the Board each of whom shall: (a) meet the independence requirements of the NASDAQ Stock Market listing standards and any other applicable laws, rules and regulations governing independence, as determined by the Board; (b) qualify as “non-employee directors” as defined in Section 16 of the Securities Exchange Act of 1934; and (c) qualify as “outside directors” under Section 162(m) of the Internal Revenue Code.

The members of the Committee and the Chairman of the Committee shall be appointed annually by the Nominating and Governance Committee and approved by the Board of Directors. Vacancies on the Committee shall be filled by the Board.

### **Structure and Meetings**

The Chairperson of the Committee will preside at each meeting of the Committee and in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The Committee shall meet as often as it determines, but not less than twice a year.

The committee will keep detailed minutes of each meeting that will be provided to the Board of Directors for review.

### **Committee Authority and Responsibilities**

The Committee may obtain advice and assistance, as needed, from internal or external legal, accounting, search firms, compensation specialists or other advisors, including the retention, termination and negotiation of terms and

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conditions of the assignment. The Committee may also retain such compensation consultants, outside counsel and other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms.

The Committee may delegate responsibility to subcommittees of the Committee as necessary or appropriate.

The Committee shall have the duties, responsibilities and authority to:

*Compensation of CEO and Senior Officers*

- Annually review and determine (i) the annual compensation, including salary, bonus, incentive and other compensation of the Chief Executive Officer and other Senior Officers\* (ii) approve corporate goals and objectives relevant to compensation of the Chief Executive Officer and other Senior Officers, (iii) evaluate performance in light of these goals and objectives, approve compensation in accordance therewith and provide a report thereon to the Board.
- Annually review and approve the amounts and terms of base salary, incentive compensation and all other compensation for the Chief Executive Officer and other Senior Officers, and report the Committee's determination to the Board. In determining compensation, factors which the Committee considers, may include, among other factors, the following: overall performance in the fiscal year, income and earnings per share, non-interest revenue and income, various expense control criteria, deposit production and growth, loan production and growth, customer satisfaction, customer retention sales and referral revenues, development and expansion of the Company's product lines, market areas and strategies, and other performance metrics as defined by the Committee.
- Review the Chief Executive Officer and other Senior Officers compensation in reference to Section 162(m) of the Internal Revenue Code, as it may be amended from time to time, and any other applicable laws, rules and regulations.

*Review Employment Arrangements*

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- Review and approve employment agreements, severance arrangements, change in control agreements, and retirement arrangements and provisions when, and if appropriate, as well as any special supplemental benefits.

#### Review and Administer Compensation

- Review and make recommendations to the Board with respect to incentive-based compensation plans and equity-based plans, establish criteria for the terms of awards granted to participants under such plans, grant awards in accordance with such criteria and exercise all authority granted to the Committee under such plans, or by the Board in connection with such plans.
- Annually review and approve the company's employee compensation philosophy, strategies, benefits and equity programs.
- Oversee the administration of employee stock option and other employee stock-based compensation and benefit plans.

#### Regulatory Compliance

- Prepare, or oversee the preparation of, and approve the annual Committee report on executive compensation for inclusion in the Company's proxy statement.
- Recommend to the Board the compensation for directors (including retainer, committee and committee chair fees, stock options and other similar items, as appropriate).
- Conduct an annual review of the Committee's performance, periodically assess the adequacy of its charter and recommend changes to the Board as needed.
- Regularly report to the Board on the Committee's activities since the last committee meeting.
- Perform any other activities consistent with this Charter, the Company's By-laws and governing law as the Committee or the Board deem appropriate.