

# **BOWNE**

**BOWNE & CO., INC.**

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## **COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE**

### **OF THE BOARD OF DIRECTORS**

#### **CHARTER**

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#### **Members and Purpose**

The compensation and management development committee of the board of directors of Bowne & Co., Inc. shall consist of a minimum of three directors. Members of the committee shall be appointed by the board of directors upon the recommendation of the nominating and corporate governance committee and may be removed by the board of directors in its discretion. All members of the committee shall satisfy the New York Stock Exchange standard for independence. Members shall have sufficient knowledge of and familiarity with compensation practices and policies to discharge the responsibilities of the committee.

The purpose of the committee shall be to assist the board in carrying out its responsibility with respect to the corporation's compensation programs, executive succession planning and management development.

#### **Authority and Responsibilities**

In furtherance of this purpose, the committee shall have the following authority and responsibilities:

1. To review and recommend to the full board on an annual basis the corporate goals and objectives with respect to compensation for the chief executive officer. The committee shall evaluate at least once a year the performance of the chief executive officer and the president in light of these established goals and objectives and based upon these evaluations shall together with the other independent directors determine and approve the chief executive officer's and the president's annual compensation, including salary, annual and long term incentives, equity compensation and other benefits.
2. To review and recommend to the full board on an annual basis the evaluation process and compensation structure for the company's officers. The committee shall evaluate the performance of the company's senior executive officers and shall recommend to the full board the annual

compensation, including salary, annual and long-term incentives, equity compensation and other benefits, for such senior executive officers.

3. To review annually the company's incentive compensation and stock-based plans and recommend changes in such plans to the board as needed. The committee shall have and shall exercise all the authority of the board of directors with respect to the administration of such plans.
4. To assist the board in developing and evaluating current employees as potential candidates for executive positions, including the chief executive officer, and to oversee the development of executive succession plans and the company's Management Continuity System.
5. To prepare and publish an annual executive compensation report in the company's proxy statement, in accordance with applicable rules and regulations of the NYSE, SEC and other applicable regulatory bodies.
6. To monitor and make recommendations to the board of directors regarding employee pension, profit sharing and benefit plans.
7. To monitor and make recommendations to the board of directors regarding the efforts to hire and retain a diverse workforce.
8. To review and approve all equity compensation plans of the corporation that are not otherwise subject to the approval of the corporation's shareholders.
9. The committee shall have the authority to delegate any of its administrative responsibilities to subcommittees and to the Company's Investment and Administrative Committee as the committee may deem appropriate in its sole discretion.
10. The committee shall have authority to 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 of such advisors which shall be paid by the company.
11. The committee shall report its actions and any recommendations to the board after each committee meeting.
12. The committee shall perform a review and evaluation, at least annually, of the performance of the committee and its members, including, a review of the compliance of the committee with this charter.