

**BOARD OF DIRECTORS  
CORPORATE GOVERNANCE  
GUIDELINES**



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## Purpose

- Establish policies and procedures.
- Facilitate efficient Board and committee operations.

## I. General

The Board of Directors represents the plural interests of the Company and all shareholders in striving to build sustainable corporate value -- with appropriate consideration of the interests of the other corporate stakeholders.

## II. Primary Duties of Board of Directors

- Exercise independent and prudent judgment.
- Select and evaluate the Chairman and Chief Executive Officer.
- Review financial condition and ensure adequate financial controls are in operation and declare dividends.
- Approve and monitor management's strategic plan.
- Review and appraise operating performance.
- Ensure adequate management development and succession plan.
- Ensure high standards of internal control, business ethics, and legal and regulatory compliance.
- Respect and maintain the proprietary nature and confidentiality of corporate information, including, but not limited to, business plans, undisclosed financial, marketing and other information to which they are privy as Directors and not make use of any information which is confidential and proprietary to the Company in connection with the business decisions of other institutions or enterprises.
- Avoid conflicts of interest and, if one arises, report it promptly to the Chairman.
- Consider need for director orientation and continuing education, as necessary and appropriate;
- Conduct annual self-evaluation.

### III. Board Committees

- The Board of Directors resolutions setting forth the duties of the various standing committees, as they may be revised periodically, and the "Committee Guidelines" attached hereto, is incorporated herein by reference.
- The Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee will exercise the independent responsibilities required by the Sarbanes-Oxley Act of 2002, SEC regulations and the corporate governance rules of the New York Stock Exchange.
- Committee memberships shall be rotated periodically in a manner that promotes diversity of thought without sacrificing Board stability and continuity.

### IV. Board Meeting Schedule

- The Board will establish the number of regular meetings each year.
- The non-management members of the Board will meet in regularly scheduled executive sessions, either separately or in conjunction with meetings of the full Board.
- A review of the Company's strategic plan shall be made annually.

### V. Board Meeting Agenda

- Meetings shall include oral reports by Board committees that have met since the previous Board meeting.
- All proposed resolutions shall be available in the Board books for Board review before the meeting begins.
- Written descriptions of significant investment or divestment and other complex proposals shall be given to the Board as soon as practicable prior to the meeting.
- Major discretionary proposals shall be reviewed at more than one meeting if business circumstances permit.

### VI. Management Reports To Board

- Monthly Financial Report booklet.
- Special reports on current topics of interest shall be mailed monthly, e.g., market outlook, security analysts' reports, etc.

- The Board shall receive copies of all significant Company news releases.
- At Board meetings, management shall review:
  - Significant business results, events and issues;
  - Other relevant matters.
- At Committee meetings:
  - See Committee Guidelines.

## VII. Management Attendance At Board Meetings

- Company attendees invited by Chairman and Chief Executive Officer or requested by the Board.
- The Board shall meet at regularly scheduled executive sessions without management. Such executive sessions may be held in conjunction with regularly scheduled Board meetings or separately. The Chairperson of the Nominating and Governance Committee shall be the “Presiding Director” for purposes of the Rules of the New York Stock Exchange.

## VIII. Minutes

- Minutes of regular meetings shall be prepared by the Secretary and distributed for Board review in a timely fashion.
- When deemed appropriate by the Presiding Director, executive session minutes shall be prepared and circulated to all non-management Directors for approval. Other Directors shall have access to executive session minutes to the extent deemed appropriate by the Presiding Director.
- Minutes of committee meetings shall be forwarded to the appropriate committee chairman in advance of general distribution.
- The independent accountants shall have access to all minutes. The General Counsel shall have access to executive session minutes to the extent deemed appropriate by the Presiding Director.

## IX. Board Relations

It is the Chairman and Chief Executive Officer’s responsibility to:

- Represent the Board and the Company in relations with external constituencies, i.e., shareholders, media, government, etc.

- Ensure that shareholders have adequate opportunity to express views or seek information about the Company and periodically report significant discussions to the Board. The means for shareholder access to the Company, including a method for interested parties to communicate directly with the Presiding Director or with the non-management directors as a group, shall be communicated in the Annual Report to Shareholders.

It is the Directors' responsibility to:

- Direct inquiries from external constituencies or employees to the Chairman and Chief Executive Officer (unless it is inappropriate to do so).

The Board shall have the right to retain independent legal and other advisors, at the Company's expense, as necessary and appropriate.