

# **DELUXE CORPORATION CORPORATE GOVERNANCE COMMITTEE CHARTER**

## **Purpose**

The Corporate Governance Committee ("Committee") is appointed by the Company's Board of Directors (the "Board") to assist the Board with respect to matters of corporate governance, including (1) providing advice to the Board regarding Board and Committee structure, composition and procedures, (2) identifying individuals qualified to become Board members, (3) recommending to the Board individuals to serve as directors and as Board committee members, (4) overseeing the evaluation of the Board, (5) monitoring the qualifications and performance of, and the Company's succession planning regarding, key executives, and (6) such other matters as may be referred to the Committee by the Board.

## **Committee Membership**

The Committee shall consist of no fewer than three members, each of whom shall meet the independence requirements of the New York Stock Exchange (the "NYSE"). The members of the Committee shall be appointed and replaced by the Board.

## **Meetings**

The Committee shall meet at such times as it determines to be necessary or appropriate, but not less than three times each year. The Committee may request any officer or employee of the Company, or any outside advisor, to attend a meeting of the Committee or to meet with any member(s) of, or consultants to, the Committee.

## **Committee Authority and Responsibilities**

The Committee shall have the authority and responsibilities outlined below, which authority and/or responsibilities may be delegated to subcommittees when appropriate. The deliberations, actions and recommendations of the Committee shall be reported to the Board on a regular basis.

### **A. Board Composition and Practices**

1. Review and make recommendations regarding the appropriate size and composition of the Board, including the mix of employee and independent directors.
2. Establish guidelines concerning the criteria to be used in identifying, reviewing, screening and interviewing potential Board candidates, together with policies and procedures for the recruitment of candidates to serve on the Board and the review of nominations received from the Board or any shareholder. The criteria used in identifying and evaluating Board candidates shall include the possession of such knowledge, experience, skills, expertise and diversity as may be appropriate to enhance the Board's ability to oversee and provide direction regarding the affairs and business of the Company and, as applicable, to assist the Board and its committees in satisfying any requirements imposed by law, rule, regulation and/or

NYSE listing standards. The Committee also shall have the sole authority to retain and terminate the engagement of search firms for purposes of identifying qualified Board candidates, including the sole authority to approve the fees and other terms governing the engagement of such search firms.

3. Consider and recommend to the Board, after consultation with the Chief Executive Officer, the selection of candidates for election to the Board and the slate of nominees for election to the Board each year by the Company's shareholders.
4. Establish policies and procedures deemed necessary or advisable by the Committee to ensure the effectiveness of the Board, including, without limitation, policies and procedures concerning:
  - (a) term limits and retirement policies;
  - (b) the review of qualifications of incumbent directors in determining whether to recommend them for re-election to the Board;
  - (c) the review of changes in an incumbent director's employment in determining whether to recommend the removal of the director from the Board;
  - (d) the review and assessment of matters which may be deemed to present an actual or potential conflict of interest between a director and the Company and/or its shareholders; and
  - (e) the orientation of new directors and continuing education of incumbent directors.
5. Establish general guidelines concerning the conduct and format of Board meetings, including assessment of the nature and sufficiency of information provided by management to the Board for review and the timing of such submissions.
6. Oversee the annual assessment of the Board's performance and effectiveness, and, to the extent deemed necessary or appropriate, assessments of Board committees and/or individual directors.
7. In consultation with the Chief Executive Officer, review and recommend to the Board the amount and form of all retainers and other fees or compensation to be paid directly or indirectly to directors.
8. Establish the appropriate stock ownership guidelines for independent directors, based upon recommendations by the Compensation Committee.

## **B. Committees of the Board**

1. Recommend to the Board the size, composition and responsibilities of all Board committees, including the periodic review of committee charters. Notwithstanding the foregoing, the Committee shall review and reassess the adequacy of this charter annually, and recommend any proposed changes to the Board for approval.
2. Recommend to the Board all committee assignments (including the designation of committee chairs), and establish any policies regarding rotation of committee memberships as the Committee may deem advisable.
3. Monitor the functioning of the committees of the Board, and make recommendations to the Board regarding changes, including the creation and elimination of committees.

## **C. Management Oversight and Corporate Governance Processes**

1. Review and make recommendations to the Board concerning candidates for the positions of Chairman of the Board, the Chief Executive Officer, the President and Chief Operating Officer, the Vice Chairman (if any) and the Chief Financial Officer.
2. Monitor management succession plans developed by the Chief Executive Officer, review and evaluate the Company's organizational strength (including the management development process), and provide counsel to the Chief Executive Officer with respect to the development and selection of individuals to fill key leadership positions within the Company.
3. In consultation with counsel, evaluate the impact of legal and other developments on the Company's articles of incorporation, bylaws, shareholder rights plan and other governance documents.
3. Review and make recommendations to the Board regarding significant shareholder relations issues, including the review of any shareholder proposals.
4. Develop and make recommendations to the Board with respect to the adoption of corporate governance guidelines, policies and procedures for the Company, including, in consultation with management and counsel and to the extent the Committee deems appropriate, the review of the Company's code(s) of business conduct and policies and procedures regarding the disclosure of information to the public.

## **D. Other Functions**

The Committee will also perform other functions that may be delegated by the Board from time to time. The scope of authority delegated herein to the Committee shall include the power to engage in other activities that are within the general scope of the Committee's responsibilities. The Committee shall be empowered to retain advisors, counsel and others to assist it in the conduct of activities within its general scope. The Committee will review and re-assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee also shall periodically evaluate its performance, but no less often than annually.