

**May 10, 2005**

**Service Corporation International**

**Nominating and Corporate Governance Committee Charter**

**I. Committee Mandate**

The mandate of the Nominating and Corporate Governance Committee (the “NCGC”) is to oversee the composition of the Board of Directors of SCI and its Committees and to provide leadership to the Board in the development of its corporate governance principles and practices. Specific responsibilities of the NCGC in fulfilling its mandate are those outlined below.

**II. Committee Responsibilities**

A. Corporate Governance Guidelines

To develop Corporate Governance Guidelines and present these to the Board for discussion and approval. To regularly review, monitor and, as appropriate, update the Corporate Governance Guidelines and to ensure that the company’s current Corporate Governance Guidelines are publicly disclosed either on the company’s website, in the company’s proxy or by other reasonable means.

B. Director Qualification Standards

To develop qualification standards for Board membership, which shall be outlined in the Corporate Governance Guidelines. These shall include SCI’s principles with respect to Board independence, core competencies, terms and retirement. To regularly review, monitor and, as appropriate, update the director qualification standards. To make recommendations to the Board concerning findings of independence of individual Board members. To review the independence of SCI’s directors on an ongoing basis to ensure that Board and committee composition is consistent with these principles.

C. Director Nominations

To identify and recruit new candidates for the Board, develop a re-nomination review process for current Board members, and develop a process to review director nominees received from shareholders. Using these processes, the NCGC will recommend director nominees to the Board for approval, who, if approved, will stand for election by the shareholders at the Annual Meeting. The NCGC

will also make recommendations to the Board to fill Board vacancies arising between Annual Meetings.

**D. Committee Appointments**

To make recommendations to the Board with respect to committee assignments for Board members, including the chairs and, for the NCGC, the Chair Elect. In making these recommendations, the NCGC shall take into account any legal or regulatory requirements for committee service to ensure that such requirements are met. The NCGC shall also consult with the Chairman of the Board and, as applicable, the Chairs of the Board Committees with respect to such assignments.

As to the NCGC, the guideline will be for the Chair to serve a one (1) year term before rotating off the Committee for at least one year, at which time the Chair Elect of the committee shall become Chair. When the Chair rotates off the Committee, a new member shall be appointed.

Committee assignments will be reviewed annually by the NCGC, although the general guideline will be for the Chairs of all Board Committees except the NCGC to serve three (3) year terms. If it becomes necessary to remove a Board member from a committee assignment, the Chair of the NCGC and the Chairman of the Board will approach the Board member to request his or her resignation from the committee and explain the reasons for this request. If the Board member does not offer his or her resignation following this discussion, the matter will be put to a vote of the independent directors of the full Board.

**E. Board and Committee Assessment**

To develop and lead an annual process for self-assessment of the Board as a whole and the Board committees. To review committee structures and Board operations, generally, as part of this annual assessment process.

**F. CEO and Succession Planning**

To oversee CEO and succession planning at SCI, including the development of both short-term (eg. emergency) succession plans and long-term succession plans, including leadership development planning. To monitor progress against long-term leadership development and succession plans, reporting to the full Board of Directors on this issue at least annually and more regularly, if appropriate. Although the NCGC oversees the CEO succession planning process, the full Board of Directors participates in the ultimate selection of the CEO.

**G. CEO Evaluation**

To develop and lead the annual Board evaluation of the performance of SCI's CEO. The NCGC will discuss the results of the evaluation with the full Board in executive session. Once the evaluation process has been completed, the

Compensation Committee will use the results to determine appropriate compensation for the CEO and will review, along with the CEO, recommendations on compensation for other SCI executives.

H. Code of Business Conduct and Ethics

To develop SCI's Code of Business Conduct and Ethics for the Board of Directors, including a process for the prompt disclosure of any waiver thereof, and present these to the Board for approval. To ensure that Codes of Conduct and Ethics are in place for officers and employees of SCI and that appropriate processes exist for the prompt disclosure of waivers of such Codes. To regularly review, monitor and, as appropriate, update, the Code of Business Conduct and Ethics for the Board of Directors and to ensure that the current Code is publicly disclosed either on the company's website or by other reasonable means.

I. Orientation and Continuing Director Education

In conjunction with the Chairman of the Board of SCI, to develop and regularly review a program for the orientation of new Board members so that they can quickly become sufficiently knowledgeable about SCI and its issues to contribute meaningfully to Board discussions and decision-making. To develop continuing education sessions for SCI directors that are practical and useful, including, as appropriate, development of a program for Board members to visit SCI sites and facilities.

J. Director Compensation

To make recommendations to the full Board with respect to SCI's directors' compensation and to regularly review and, as appropriate, recommend revisions to directors' compensation. In the event that the committee finds it helpful to engage a consultant to evaluate director compensation, the consultant shall be retained by the committee and shall report directly to the committee, which shall have authority to approve the terms of the consultant's engagement, including fees and termination.

K. Executive Sessions of the Board

At the end of every Board meeting, the Board will meet in an executive session attended only by the non-management directors without management present. The Chair of the NCGC will chair the executive sessions. The Chair of the NCGC will also be responsible to receive and review concerns from interested parties regarding the governance of SCI.

L. General

To provide oversight of SCI's corporate governance policies and practices, including disclosure of SCI's governance practices in the annual Proxy Statement.

To keep abreast of best practices, regulatory changes and other developments in the area of corporate governance so as to effectively fulfill its mandate and responsibilities.

### **III. Committee Membership**

The NCGC shall consist of three or more directors, each of whom is “independent” in accordance with the rules of the New York Stock Exchange.

### **IV. Committee Meetings**

The NCGC shall meet at the call of the Chair and such meetings may be in person or by conference call. At least a majority of the members of the NCGC must be in attendance for a quorum. The NCGC may also act by unanimous written consent.

### **V. Retention of Independent Advisors**

#### **A. Executive Recruiters**

If and when needed, the NCGC shall have the sole authority to retain and terminate any search firm to be used to identify or recruit candidates for the Board of Directors or for the positions of Chairman and /or Chief Executive Officer. The NCGC has sole authority to approve the search firm’s fees and other terms of the firm’s retention.

#### **B. Other Professional Advisors**

If and when needed, the NCGC shall retain any other external advisors it deems appropriate to provide assistance to the NCGC in fulfilling its responsibilities. If management is retaining advisors to assist the NCGC, such decisions must be known, and approved by the NCGC in advance of such retention, including the fees and terms of the retention.

### **VI. Modifications/Updating of this Charter and Related Documents**

The NCGC may recommend to the Board from time to time any proposed changes to this charter, to SCI’s Corporate Governance Guidelines and to SCI’s Code of Business Conduct and Ethics.