

**HERCULES INCORPORATED**  
**CORPORATE GOVERNANCE, NOMINATING AND ETHICS**  
**COMMITTEE CHARTER**

**Purpose**

The Corporate Governance, Nominating and Ethics Committee is appointed by the Board of Directors (the “Board”) to (1) develop and recommend to the Board a set of corporate governance principles for Hercules Incorporated (the “Corporation”) and to oversee compliance with such principles, (2) assure that the Board is composed of qualified and experienced individuals who will represent the best interests of the Corporation’s shareholders by defining and recommending for Board approval those governance practices, including Board committee structure and composition, that will assure an efficient process of nominating and evaluating the ongoing performance of the Board and its members, (3) assist the Board in identifying individuals qualified to be Board members and to recommend to the Board Director nominees, (4) lead the Board in its annual review and evaluation of Board performance, and (5) assure that the Board is familiar with and committed to the ethics principles and programs that have been adopted by the Corporation.

**Committee Membership**

The Corporate Governance, Nominating and Ethics Committee shall consist of no fewer than three (3) members of the Board, each of whom shall meet the independence requirements of the New York Stock Exchange listing standards, and any other applicable laws, rules, and regulations governing independence, as determined by the Board. The members of the Corporate Governance, Nominating and Ethics Committee shall be appointed annually by the Board and may be removed or replaced by the Board in its discretion. The Board shall designate the Chair of the Corporate Governance, Nominating and Ethics Committee, who shall also serve as lead Director of the Board unless the Board designates a different Director for such position.

**Committee Authority and Responsibilities**

The Corporate Governance, Nominating and Ethics Committee shall have the following authority and responsibilities:

1. To recommend to the Board the slate of Directors to be submitted to the Annual Meeting of Shareholders and to recommend to the Board candidates to fill vacancies. The Corporate Governance, Nominating and Ethics Committee shall actively seek individuals as Director nominees who shall have the highest personal and professional integrity, who shall have demonstrated exceptional ability and judgment, and who shall be most effective, in conjunction with the other nominees to the Board, in collectively serving the long-term interests of the shareholders and the Corporation. The Corporate Governance, Nominating and Ethics Committee shall consider potential Director candidates recommended by the Corporation’s shareholders.
2. To review and recommend to the Board the size, composition and organization of the Board and its committees, Board operations, directorship policies and practices, and associated matters of corporate governance.
3. To oversee the evaluation of the Board and its effectiveness. The Corporate Governance, Nominating and Ethics Committee shall receive comments from all Directors and report annually to the Board with an assessment of the Board’s performance, to be discussed with the full Board following the end of each fiscal year.

4. To assist the Board in developing and evaluating potential candidates for the Chief Executive Officer position, and to oversee the development of executive succession plans.
5. To recommend, develop, maintain, and reassess the adequacy of the Corporation's Corporate Governance Guidelines and to oversee compliance with such Corporate Governance Guidelines.
6. To recommend, develop, and maintain a Directors Code of Business Conduct and Ethics and to oversee compliance with the requirements of such Code.

The Corporate Governance, Nominating and Ethics Committee shall have at least three (3) regularly scheduled meetings each year.

The Corporate Governance, Nominating and Ethics Committee shall have the authority to delegate any of its responsibilities to subcommittees as it may deem appropriate, in its sole discretion.

In carrying out its responsibilities, the Corporate Governance, Nominating and Ethics Committee may consult with the Chairman of the Board and Chief Executive Officer and with others, both inside and outside the Corporation, in developing recommendations to the Board concerning potential nominees for election to the Board and such other matters as it deems appropriate, and to retain search firms or other external or internal legal, accounting or other advisors that it considers appropriate, in its sole discretion. The Corporate Governance, Nominating and Ethics Committee shall have sole authority to approve such advisors' fees and other retention terms.

The Corporate Governance, Nominating and Ethics Committee shall regularly report to the Board on its activities.

The Corporate Governance, Nominating and Ethics Committee shall conduct annual evaluations of its performance, annually assess the adequacy of this Charter, and recommend any proposed changes to the Board for approval.