

## Nominating and Corporate Governance Committee

### Charter

1. **MEMBERSHIP.** The Nominating and Corporate Governance Committee (the “Committee”) shall consist of no less than three members of the Board, each of whom shall be independent as determined by the Board in accordance with applicable New York Stock Exchange Corporate Accountability and Listing Standards, the rules and regulations of the Securities and Exchange Commission and such other criteria as the Board may establish from time to time. The Board shall appoint the members of the Committee and may remove any member from the Committee, provided that a majority of the independent directors votes in favor of such appointment or removal.
2. **MEETINGS AND PURPOSE.** The Committee will meet annually, within statutory and regulatory time requirements, to select nominees for election to the Board and to recommend such nominees to the Board at the next Annual Shareholders' Meeting. The Committee shall also meet at least once during the period between Annual Shareholders' Meetings to evaluate the performance of the Board of Directors, the Standing Committees of the Board, and each member of the Board. The Committee shall report the results of such evaluations to the Board, and the Board shall discuss the results at its next regularly scheduled meeting. The Chairman of the Committee or a majority of the members of the Committee may call additional meetings to fulfill the duties and responsibilities of the Committee as set forth herein. Meetings shall be held at mutually agreeable times and locations. Meetings may be held by conference telephone or similar methods by means of which all persons participating in the meeting can hear and speak to all other participants. The Board of Directors of Paxar Corporation has established the Nominating and Corporate Governance Committee to identify individuals who are qualified to become members of the Board and to evaluate their qualifications in light of the Board's requirements for expertise, experience and diversity. Specifically, the Committee shall:
  - Recommend to the Board candidates for initial nomination for election to the Board and existing members of the Board for re-nomination for election to the Board.
  - Make recommendations to the Board regarding the tenure and removal of directors; evaluate the performance of the Board and its members.
  - Recommend, review and, from time to time, suggest changes to the Company's Corporate Governance Guidelines.
3. **DUTIES AND RESPONSIBILITIES.** The Committee's duties and responsibilities are to:
  - a. Evaluate and recommend individuals for nomination for election to the Board and the Standing Committees of the Board. This responsibility includes working with the full Board to establish and periodically review criteria for Board and Committee membership, reviewing candidates' qualifications, and evaluating any potential conflicts with the Company's interests. The Committee shall carry out its responsibilities in consultation with the Chairman of the Board and the Chief Executive Officer.
  - b. Determine that a person nominated to act as an independent director is "independent" in accordance with all criteria established by the New York Stock Exchange Corporate Accountability and Listing Standards, the rules and regulations of the Securities and Exchange Commission, and such other criteria as the Committee or

Board may establish from time to time. All nominees must be able to commit to attending all regularly scheduled meetings of the Board, meetings of any committee to which he or she is appointed, and the Annual Shareholders' Meeting. The Committee believes that having directors with relevant and varied experience in business and industry, government, education and other areas is beneficial to the Board as a whole. In selecting nominees, the Committee shall consider the characteristics, experiences, perspectives and skills that will contribute to the success of the Company. Specific criteria include the following:

- experience in Paxar's industries or related industries, whether through direct involvement, consulting or academia;
  - expertise applicable to the responsibilities of one or more of the Standing Committees of the Board;
  - currently or formerly a senior officer of a publicly owned company;
  - experience in public accounting and auditing;
  - experience in international commerce;
  - experience in investment banking and finance.
- c. Identify, after consultation with the Chairman and Chief Executive Officer, as possible nominees for election to the Board, individuals from management or who otherwise do not qualify as "independent" under applicable rules, regulations and standards, provided that a majority of the Board qualifies as independent under all relevant rules, regulations and standards.
- d. Evaluate the Company's Corporate Governance Guidelines and recommend any changes to the Board in light of, among other things, changes in the Company or its operations and any rules, regulations or standards applicable to the Company's corporate governance.
- e. Conduct an annual evaluation of the performance of the Board, the Standing Committees of the Board, including this Committee, and the individual members of the Board. It shall review its evaluation with the Board and shall recommend any appointment, retention and removal of Board and Committee members as may be appropriate to improve the performance of the Board and support the Company's Corporate Governance Guidelines.
- f. Review annually the structure and membership of each Standing Committee and any other committee that may be established by the Board.
- g. Survey annually compensation paid to Board members of comparable companies. The Committee shall review the compensation of members of the Board to assure it is reasonable and competitive in light of such survey and shall recommend any appropriate changes in compensation to the Board.
- h. Review, evaluate and respond, in consultation with the Company's General Counsel, to any shareholder proposals.
- i. Retain and terminate, on such terms as it may approve in its sole authority and at Company expense,

consultants with expertise in the Committee's areas of responsibility, including executive search firms to assist the Committee in identifying prospective candidates to serve as directors.

Adopted January 29, 2003

Amended April 29, 2004