



CAPITAL ONE FINANCIAL CORPORATION

AMENDED AND RESTATED CORPORATE GOVERNANCE GUIDELINES

DECEMBER 15, 2014

The Board of Directors (the "Board") of Capital One Financial Corporation ("Capital One" or the "Company") has adopted the Corporate Governance Guidelines as part of its commitment to strong corporate governance.

The Corporate Governance Guidelines shall apply to the full Board and will generally apply to the Committees of the Board, except where specifically noted or where such application would be inappropriate. In the event that the Corporate Governance Guidelines conflict with Capital One's Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation"), Amended and Restated Bylaws (the "Bylaws"), or any Committee charter, the applicable provisions in the Certificate of Incorporation, Bylaws or such charter shall control.

**I. ROLE OF THE BOARD AND MANAGEMENT**

The business of Capital One is conducted by its officers and employees, under the executive direction of the Chief Executive Officer. The role of the Board is to oversee management and to promote the long-term economic value of the Company and its stock. In doing so, the Board recognizes that the long-term economic interests of stockholders can often be furthered by giving appropriate and responsible consideration to the interests and concerns of other constituencies, such as Capital One's customers, debt investors, employees and local communities, as well as government officials and the general public.

**II. BOARD COMPOSITION AND DIRECTOR QUALIFICATION STANDARDS**

***Independence Requirements***

A majority of the directors will be independent directors as determined by the Board. The Board has adopted the Director Independence Standards set forth below to assist the Board in making director independence determinations (each director so determined, an "Independent Director"). The Director Independence Standards are intended to comply with the New York Stock Exchange ("NYSE") corporate governance rules, the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, and the implementing rules of the Securities and Exchange Commission ("SEC") thereunder (or any other legal or regulatory requirements, as applicable). The Governance and Nominating Committee of the Board shall be responsible for assessing the independence and qualifications of the members of the Board and making recommendations thereon to the full Board.

***Director Independence Standards***

A director shall qualify as independent from management for purposes of service on the Board and its Committees if the Board has determined that the director has no material relationship with Capital One, either directly or as a partner, stockholder or officer of an organization that has a relationship with Capital One. A director shall be deemed to have no material relationship with Capital One and will qualify as independent provided that (a) the director meets these Standards and (b) if any relationship or transaction of a type not specifically mentioned in these Standards exists, the Board, taking into account all relevant facts and circumstances, determines that the existence of such other relationship or transaction is not material and would not impair the director's exercise of independent judgment.

Each director shall notify the Board of any change in circumstances that may place his or her independence at issue. If so notified, the Board will reevaluate, as promptly as practicable thereafter, such director's independence.



### Material Relationships

Any transaction or relationship described below shall be presumed material for purposes of the Board's determination of whether a director is independent:

- The director is, or has been within the last three (3) years, an employee of Capital One or any of its consolidated subsidiaries or an immediate family member is, or has been within the last three (3) years, an executive officer of Capital One.
- The director has received, or has an immediate family member (as defined in the listing standards of the NYSE) who has received, during any twelve month period within the last three (3) years, more than \$120,000 in direct compensation from Capital One, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).
- The director is a current partner or employee of Capital One's internal or external auditor; the director has an immediate family member who is a current partner of such a firm; the director has an immediate family member who is a current employee of such a firm and personally works on Capital One's audit; or the director or an immediate family member was within the last three (3) years a partner or employee of such a firm and personally worked on Capital One's audit within that time.
- The director or an immediate family member is, or has been within the last three (3) years, employed as an executive officer of another company where any of Capital One's present executive officers at the same time serves or served on that company's compensation committee.
- The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, Capital One for property or services in an amount which, in any of the last three (3) fiscal years, exceeds the greater of \$1 million, or 2% of such other company's consolidated gross revenues.
- If the director serves on the Audit Committee, then he or she (i) does not accept any consulting, advisory or other compensatory fee from Capital One, directly or indirectly, other than in such director's capacity as a member of the Board or any Committee; and (ii) is not an affiliated person (as defined under the Sarbanes-Oxley Act of 2002 and the SEC's implementing rules thereunder) of Capital One.

### Immaterial Relationships

Any transaction or relationship described below shall be presumed immaterial for purposes of the Board's determination of whether a director is independent:

- Any relationship between Capital One and an entity where a director serves solely as a non-management director.
- Transactions between Capital One and a director, a director's primary business affiliation, a director's immediate family member, or such immediate family member's primary business affiliation, that do not fall under any of the tests listed above and that meet the following criteria: (i) the transaction was in the ordinary course of business of Capital One; (ii) the transaction was on substantially the same terms (including, if applicable, interest rates and collateral) as those prevailing at the time for comparable transactions by Capital One with non-affiliated persons; and (iii) if such transaction involved an extension of credit, Capital One followed credit underwriting procedures that are not less stringent than those prevailing at the time for comparable transactions by Capital One with non-affiliated persons, the extension of credit was made in compliance with applicable law (including Regulation O of the Board of Governors of the Federal Reserve System and the Sarbanes-Oxley Act of 2002 and the SEC's implementing rules thereunder) and the extension of credit does not involve more than the normal risk of repayment or present other unfavorable features.



- Any transaction involving discretionary contributions by Capital One (excluding for this purpose matching funds paid by Capital One as a result of contributions by the director) to a not-for-profit organization, foundation or university in which a director serves or has within the past three (3) years served as an executive officer which does not exceed the greater of \$1 million or 2% of that entity's charitable receipts shall not be deemed a material relationship for purposes of determining such director's independence.

These Director Independence Standards shall be deemed to be automatically updated to reflect any changes made to the NYSE listing standards and interpreted in the same manner as such rules.

### **Director Election**

At each annual meeting of stockholders, all directors elected at the annual meeting of stockholders shall be elected for terms of one (1) year expiring at the next annual meeting of stockholders. Each director who is serving as a director shall hold office until the expiration of the term for which he or she was elected, and until his or her successor shall be elected and shall qualify, or until his or her earlier death, resignation, retirement, removal or disqualification from office.

### **Voting For Directors**

Any nominee for director in an uncontested election (*i.e.*, an election where the only nominees are those nominated by the Board) who receives a greater number of votes "against" from his or her election than votes "for" such election shall tender his or her resignation to the Chair of the Board within five (5) business days following certification of the stockholder vote.

The Governance and Nominating Committee shall consider the resignation offer and recommend to the Board whether to accept it. In considering whether to accept or reject the tendered resignation, the Committee will consider all factors deemed relevant by the members of the Committee including, without limitation, the reasons why stockholders voted "against" election of the director, the length of service and qualifications of the director whose resignation has been tendered and the director's contributions to the Company.

The members of the Board will take action on the Committee's recommendation within ninety (90) days following the submission of the director's resignation. In considering the Committee's recommendation, the Board will consider the factors considered by the Committee and such additional information and factors the Board believes to be appropriate. The Company will disclose the Board's decision and provide a full explanation of its process and the factors it considered within four business days of its decision by way of a filing with the SEC. If the Board is unable to reach a decision on a timely basis, it will promptly disclose the reasons therefor. The Board may also elect to delay acceptance of a resignation for a specified period to provide it with an opportunity to address the underlying stockholder concerns, to recruit a new director or for any other reason it believes appropriate.

To the extent that one or more directors' resignations are accepted by the Board, the Committee will recommend to the Board whether to fill such vacancy or vacancies or to reduce the size of the Board. If the Board does not accept one or more such resignations, it may elect to address the specific stated reasons why stockholders voted "against" election of the directors at issue or take such other actions that the Board deems appropriate and in the best interests of the Company and its stockholders.

Any director who tenders his or her resignation as set forth above shall be expected to recuse him or herself from the Committee action or Board recommendation regarding whether to accept such resignation. If a majority of the Committee recuse themselves, then the remaining Independent Directors will consider such resignations and recommend action to the members of the Board other than those so recused.

### **New Director Candidates**

The Governance and Nominating Committee shall consider and make recommendations to the Board concerning nominees to fill open positions within the Board. It is the Committee's policy that Stockholders may propose nominees for consideration by the Governance and Nominating Committee by submitting the names and other relevant information to:



Corporate Secretary's Office  
Capital One Financial Corporation  
1680 Capital One Drive  
McLean, Virginia 22102

and

Chairperson of the Governance and Nominating Committee  
c/o Corporate Secretary's Office  
Capital One Financial Corporation  
1680 Capital One Drive  
McLean, Virginia 22102

Candidates will represent diversity of experience and possess a strong educational background, substantial tenure and breadth of experience in leadership capacities, and business and financial acumen. Candidates may also be selected for their background relevant to the Company's business strategy, their understanding of the intricacies of a public company, their international business background, and for their experience in risk management. Other relevant criteria that may be used in assessing candidacy include a reputation for high personal and professional ethics, integrity and honesty, good character and judgment, the ability to be an independent thinker, and diversity along a variety of dimensions, including the candidates' professional and personal experience, background, perspective and viewpoint. The Governance and Nominating Committee and the Board believe diversity along multiple dimensions is an important element of its nomination considerations. The Board also considers each nominee in light of the Board as a whole, with the objective of assembling a board of directors that can best maintain the success of Capital One's business.

#### ***Other Directorships***

As described in Article III of these Corporate Governance Guidelines, directors are expected to devote sufficient time to carry out their duties and responsibilities effectively. Accordingly, directors shall notify the chairperson of the Governance and Nominating Committee in advance of accepting an invitation to serve on another public company board. In addition, directors should consult and follow the provisions of the Company's Code of Business Conduct and Ethics and its accompanying Standard and Procedures (collectively, the "Code of Conduct") in the event that a director is considering additional employment opportunities or engaging in other pursuits that may impair the director's ability to effectively and objectively carry out his or her responsibilities to the Company. The Governance and Nominating Committee shall consider the nature of and time involved in a director's service on other boards in evaluating whether any additional participation may impair the director's ability to objectively and effectively serve on the Company's Board.

#### ***Change in Principal Occupation***

If a non-management director substantially changes his or her principal occupation, position or business association, other than by an upward or expanded promotion, or a management director resigns from employment with Capital One or otherwise changes his or her employment status with Capital One, other than by an upward or expanded promotion, that director must tender his or her resignation for consideration by the Governance and Nominating Committee. The Governance and Nominating Committee shall consider the resignation offer in light of the circumstances and shall recommend to the Board whether or not to accept it.

#### ***Age Limit***

In order to be qualified to be appointed or stand for election or reelection as a director, a person must not have attained the age of seventy-two (72) years; provided, however, the Board may waive this prohibition of eligibility if it determines that, in light of all the circumstances, a waiver is in the best interests of the Company and its stockholders.



### **III. DIRECTOR RESPONSIBILITIES**

#### ***Attendance at Board and Stockholder Meetings***

Directors are expected to attend in person and participate in all meetings of the Board and Committees on which such director serves, but are permitted to attend via telephone or videoconference. The Board is expected to meet during the year often enough to perform its functions relative to the size and scope of the Company's business, and expects to meet not less than five times per year. All Board members are expected to attend Capital One's Annual Meeting of Stockholders.

#### ***Personal Commitment***

Directors are expected to devote sufficient time to carrying out their duties and responsibilities effectively. Directors should be committed to serve on the Board for an extended period of time and should become familiar with the Company's business.

#### ***Advance Review of Materials***

Generally, Board materials related to agenda items shall be provided to Board members sufficiently in advance of Board meetings to allow the directors to prepare for discussion and decision making, if appropriate. However, certain materials may be distributed at the meeting to provide updated information, context or as otherwise appropriate.

#### ***Board Agendas***

The Chair of the Board sets the agenda for each Board meeting. The Lead Independent Director reviews and approves the agenda for each Board meeting prior to its distribution to the Board members in advance of the meeting. The Lead Independent Director will invite directors to suggest matters and issues for inclusion on the agenda and encourage and facilitate directors' input on the agenda. At least one (1) Board meeting each year will be a Board "retreat" during which the Board will review the long-term strategy of the Company and the principal strategic opportunities and challenges that the Company is expected to face in the future.

#### ***Basic Duties and Responsibilities***

The Board is accountable for oversight of Capital One's business affairs. This oversight generally covers four areas: accuracy and completeness of financial results, appointment of senior management and succession planning, enterprise risk management, and corporate strategy. Directors are expected to make an independent evaluation of the performance of the Company. Each director is responsible for acting (i) in good faith, (ii) with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and (iii) in a manner he or she reasonably considers to be in the best interests of Capital One and its stockholders. Each director must exercise his or her best judgment in the interests of Capital One and not in his or her own interest or in the interest of another person or entity. A director should deal in confidence on all matters involving Capital One until the Company has made a general public disclosure concerning that matter.

### **IV. ETHICS & CONFLICTS OF INTEREST**

Directors, as well as officers and employees, are expected to act with the highest degree of personal and business ethics at all times and to comply fully with the Code of Conduct. The Board expects directors to avoid any actual or potential conflict of interest. In the event that a director identifies an actual or potential conflict of interest, he or she shall report the actual or potential conflict to the General Counsel in accordance with the Code of Conduct Procedures. In the event that the General Counsel believes that additional review is appropriate, he or she will elevate the issue to the Governance and Nominating Committee and ultimately, to the Board. The disinterested members of the Board shall then make the final determination as to whether a conflict of interest exists, and if so, whether to waive such conflict.



## **V. DIRECTOR ACCESS TO MANAGEMENT AND INDEPENDENT ADVISORS**

Directors shall have access to any member of management to discuss matters relating to Capital One's business and, as appropriate, Board members may consult with independent legal, financial, accounting and other advisors to assist in their duties to Capital One and its stockholders.

## **VI. DIRECTOR COMPENSATION**

The Compensation Committee shall be responsible for recommending to the Board compensation for directors. Director compensation shall be designed with the objectives of (i) attracting and retaining directors capable of fulfilling all the duties and responsibilities of a director and perpetuating the success of Capital One's business and (ii) fairly paying directors for work required in a company of Capital One's size and scope and recognizing the individual roles and responsibilities of the directors. The Board believes that director compensation should align the directors' interests with the long-term interests of the Company's stockholders.

## **VII. DIRECTOR ORIENTATION AND CONTINUING EDUCATION**

All new directors shall be provided an orientation program, including presentations by senior management, to familiarize new directors with the Company's values, strategic plans, accounting policies, financial reporting, risk management, code of ethics, key regulatory issues, competition and industry dynamics. The Company, in consultation with the Governance and Nominating Committee, shall be responsible for developing and implementing a continuing education process for Board members and shall lead the effort in keeping directors current on industry and corporate developments. Directors are expected to take advantage of such opportunities offered by the Company, in consultation with the Governance and Nominating Committee, and are encouraged to pursue other educational opportunities, at the Company's expense, that may enable them to better perform their duties.

## **VIII. MANAGEMENT SUCCESSION**

### ***Chief Executive Officer Successor***

The Board shall be responsible for ensuring that a succession plan for the Chief Executive Officer exists. The succession plan shall be reviewed annually by the Board. Each year, as part of its succession planning process, the Board reviews the senior executive team's experience, skills, competencies and potential to assess which, if any, executives possess or have the ability to develop, the attributes that the Board believes necessary to lead and achieve the Company's goals. There is also available, on a continuing basis, the Chief Executive Officer's recommendation as to a successor should the Chief Executive Officer become unexpectedly disabled. The Board shall review the Chief Executive Officer's successor recommendations on an annual basis.

### ***Chief Executive Officer Performance Review***

The Governance and Nominating Committee shall develop and oversee a process by which the performance of the Chief Executive Officer is assessed. The Chief Executive Officer's performance shall be assessed at least annually, facilitated by the Lead Independent Director, who will solicit and coordinate input on the Chief Executive Officer's performance from each director.

## **IX. BOARD EVALUATION**

The Board shall conduct a self-assessment of its performance once a year. To assist the Board in its self-assessment, the Governance and Nominating Committee will establish an evaluation process and the specific criteria on which performance of the Board and its individual members are assessed. This assessment should be of the Board's contribution as a whole and specifically review areas in which the Board and/or management believes a better contribution could be made. Each Committee of the Board will conduct a similar self-assessment of its performance once a year.



## **X. SIZE OF THE BOARD**

While the Board need not adhere to a fixed number of directors, the number of directors shall be as permitted by the Bylaws. The Board may review from time to time the appropriate size of the Board and any recommendations of the Governance and Nominating Committee concerning changes to the size of the Board, taking into consideration the overall responsibilities of the Board and its Committees, the number of Committees and the workload of the directors.

## **XI. EXECUTIVE SESSIONS**

### ***Number of Sessions***

Executive sessions of non-management directors without senior management shall be held on a regularly scheduled basis, no less than two (2) times per year. In addition, at least one (1) executive session of only Independent Directors without senior management shall be held annually. During these executive sessions, the non-management directors or Independent Directors, as the case may be, shall have complete access to such members of the Company's senior executive management as they may request, including the Chief Financial Officer, General Counsel, Chief Risk Officer, Chief Internal Auditor, Chief Credit Review Officer, Chief Compliance Officer and principal operating executives.

### ***Lead Independent Director***

The lead independent director (the "Lead Independent Director") shall report to and assist the Board. The Lead Independent Director shall be elected by the Independent Directors on an annual basis. The role of the Lead Independent Director shall be to aid and assist the Chair of the Board and the remainder of the Board in assuring effective governance in managing the affairs of the Board and the Company.

The Lead Independent Director:

- (i) with respect to executive sessions:
  - organizes and presides over executive sessions;
  - sets the agendas for and leads executive sessions; and
  - is responsible for soliciting feedback for and engaging the Chief Executive Officer on executive sessions;
- (ii) with respect to Board meetings and agendas:
  - presides at all meetings of the Board at which the Chair of the Board is not present;
  - has authority to call meetings of the Independent Directors;
  - approves meeting agendas for the Board;
  - approves information sent to the Board; and
  - approves meeting schedules and works with the Chair of the Board and Committee chairpersons to assure that there is sufficient time for discussion of all agenda items;
- (iii) with respect to other responsibilities related to the Independent Directors:
  - facilitates discussion among the Independent Directors on key issues and concerns outside of Board meetings;
  - serves as liaison between the Chair of the Board and the Independent Directors;
  - facilitates teamwork and communication among the Independent Directors; and
  - in a crisis, calls together the Independent Directors to establish appropriate Board leadership responsibility; and
- (iv) with respect to performance assessments:
  - leads the performance assessment of the Chief Executive Officer;
  - facilitates the Board's engagement with the Chief Executive Officer and Chief Executive Officer succession planning; and
  - leads the Board's self-assessment and recommendations for improvement, if any.



If requested by major stockholders, the Lead Independent Director ensures that he or she is available for consultation and direct communication.

Interested parties may make their concerns known to the Independent Directors by submitting relevant information as set forth below:

Lead Independent Director  
c/o Corporate Secretary's Office  
Capital One Financial Corporation  
1680 Capital One Drive  
McLean, Virginia 22102

## **XII. REQUIREMENT OF SHARE OWNERSHIP**

Directors should have a significant financial stake in Capital One. Directors are expected to retain all shares of restricted stock or restricted stock units granted by Capital One until their service with the Board ends. The Board will evaluate whether exceptions should be made for any director on whom this requirement would impose a financial hardship.

## **XIII. ATTENDANCE OF MANAGEMENT AT BOARD MEETINGS**

The Board welcomes attendance at Board meetings of appropriate representatives of senior management of the Company. The Board expects the Chair of the Board and the Corporate Secretary to help guide the Board's determinations concerning which executives, if any, should attend Board meetings. The Board reserves the right to enter into executive session at any time and to include in such session those members of management as it may deem appropriate.

## **XIV. BOARD COMMITTEES AND COMMITTEE COMPOSITION**

### ***Types of Committees***

The committees of the Board shall include all committees required under NYSE and federal banking rules and may also include such other committees as the Board may deem appropriate.

The Board has established the following committees to assist the Board in fulfilling its responsibilities (each, a "Committee" and collectively, the "Committees"):

Audit Committee  
Compensation Committee  
Governance and Nominating Committee  
Risk Committee

The charters of the Committees are reviewed annually and posted on the Company's website.

### ***Committee Composition***

Each Committee shall have a chairperson who shall determine the frequency, length and agenda of meetings for his or her Committee in accordance with such Committee's charter and in consultation with appropriate members of management and shall establish an annual calendar of topics for consideration by the Committee. In addition, each chairperson shall seek comment on key issues from directors who are not on the Committee, and shall make complete reports to the full Board.

Members of the Audit Committee, the Compensation Committee, and the Governance and Nominating Committee shall be comprised solely of Independent Directors, and the Risk Committee shall be chaired by an Independent Director.



**XV. BOARD INTERACTION WITH INVESTORS, THE PRESS, GOVERNMENT OFFICIALS AND OTHER MEMBERS OF THE PUBLIC**

It is the policy of the Company that management speaks for the Company. Individual directors may, from time to time, meet or otherwise communicate with constituencies of Capital One. It is expected, however, that directors would do this with the advance knowledge of the Chief Executive Officer and, absent unusual circumstances, only at the specific request of the Chief Executive Officer. Similarly, directors may speak at or participate in conferences or seminars at their discretion, but will affirm to the audience in so doing that they speak in their individual capacities and not on behalf of Capital One. Directors should also consult with the Corporate Secretary in advance of accepting an invitation to speak at or participate in a conference or seminar, so that the Corporate Secretary may provide advice on the value of such engagement and offer assistance regarding such director's descriptions of Capital One's practices. Further, directors will notify the Corporate Secretary or the Chief Executive Officer regarding any recommendations to change, or criticisms of, Capital One's practices during the course of such conference or seminar so that management may be prepared to respond to any subsequent questions from external parties.

**XVI. CHAIR OF THE BOARD/CHIEF EXECUTIVE OFFICER POSITIONS**

It is the policy of the Company that the positions of Chair of the Board and Chief Executive Officer may be held by the same person, and that such person will have the duties, responsibilities and authorities of such positions as may be prescribed by the Board or as provided by law, the Certificate of Incorporation and Bylaws, as applicable. This policy may be subject to review by the Board upon the appointment of a new Chief Executive Officer, or otherwise from time to time in the Board's judgment.

**XVII. CHIEF EXECUTIVE OFFICER AND SENIOR MANAGEMENT COMPENSATION**

The Compensation Committee shall approve the criteria for compensating the Chief Executive Officer and shall recommend to the Independent Directors the Chief Executive Officer's final compensation in light of the Chief Executive Officer's evaluation facilitated by the Lead Independent Director as described in these Corporate Governance Guidelines, market comparators, Company objectives and any other factors the Compensation Committee deems appropriate. The Compensation Committee shall also review and recommend to the Independent Directors the hiring, promotion, titles, salary levels, incentive awards and termination arrangements for executive officers (other than the Chief Executive Officer) of the Corporation as defined under Section 16 of the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder.

**XVIII. REVIEW OF GUIDELINES**

The Governance and Nominating Committee will review these guidelines approximately every two (2) years and recommend any changes to the Board for approval. The Governance and Nominating Committee and the Board may further review these guidelines at any time, including upon major changes in corporate strategy, the regulatory environment, financial market conditions or other significant events in the Governance and Nominating Committee and the Board's discretion.