



**CORPORATE GOVERNANCE GUIDELINES
OF
THE HOME DEPOT, INC. BOARD OF DIRECTORS**

(Effective February 28, 2019)

1. MISSION STATEMENT

The Board of Directors (the “Board”) of The Home Depot, Inc. (the “Company”) is committed to maximizing long-term shareholder value while supporting management in the business and operations of the Company, observing the highest ethical standards, and adhering to the laws of the jurisdictions within which the Company operates.

2. PRIMARY FUNCTIONS OF THE BOARD

The primary responsibility of the Board is to exercise its business judgment to act in what it reasonably believes to be the best interests of the Company and its shareholders. In carrying out its responsibilities, the Board selects the Company’s management, acts as an advisor to management and oversees management’s performance. It is management’s responsibility to manage the day-to-day operations of the Company. The Board periodically reviews the Company’s long-term strategic plan, business initiatives, capital projects and budget matters.

3. DIRECTOR RESPONSIBILITIES

The Board represents the interests of all shareholders, as owners of the Company, in optimizing long-term value by overseeing management’s performance on the shareholders’ behalf. The Board’s responsibilities in performing this oversight function include a duty of care and a duty of loyalty.

A director’s duty of care refers to the responsibility to exercise appropriate diligence in overseeing the management of the Company, making decisions and taking other actions. In meeting the duty of care, directors are expected to:

- *Attend and participate in Board and Committee meetings.* Personal participation is required. Directors may not vote or participate by proxy.
- *Remain properly informed about the Company’s business and affairs.* Directors should review and devote appropriate time to studying Board materials and assure appropriate information and reporting systems concerning the Company’s performance and compliance with law are in place.
- *Rely on others and corporate records.* Directors may rely in good faith on the official records of the Company and upon Board Committees, management, associates, professional advisors, and any other person as to matters the directors reasonably believe are within such other person’s professional or expert competence and who has been selected with reasonable care by or on behalf of the Company.

- *Make inquiries.* Directors are encouraged to make inquiries about potential problems that come to their attention and follow up until they are satisfied that management is addressing them appropriately.

A director's duty of loyalty refers to the responsibility to act in good faith and in the best interests of the Company and its shareholders, not the interests of the director, a family member or an organization with which the director is affiliated. Directors should not use their positions for personal gain. The duty of loyalty may be relevant in cases where directors have a conflict of interest or a business relationship with the Company, and where directors compete for corporate opportunities.

4. CONFIDENTIALITY

Pursuant to their duties of care and loyalty, directors must protect and hold confidential all non-public information that comes to them, from whatever source, in their capacity as a director of the Company, absent the permission of the Board to disclose particular information or as may otherwise be required by applicable law, rules or regulations or in legal proceedings. Accordingly, directors may not: (a) use confidential information for their own personal benefit or to benefit persons or entities outside the Company; or (b) disclose confidential information outside the Company, either during or after their service as directors, except with authorization of the Board or as may be otherwise required by applicable law, rules or regulations or in legal proceedings.

"Confidential information" includes all non-public information entrusted to or obtained by a director by reason of his or her position as a director of the Company, whether the information relates to the Company or a third party. Confidential information includes, but is not limited to, non-public information that might be of use to competitors or harmful to the Company or its customers if disclosed, such as:

- non-public information about the Company's financial condition, prospects or plans, its strategic initiatives, entry into new markets, marketing and sales programs, as well as information related to mergers and acquisitions, divestitures, stock splits, stock repurchases, and dividends;
- non-public information about possible transactions with other companies, or about any of the Company's customers, suppliers, vendors, services providers or joint venture partners; and
- non-public information about discussions and deliberations relating to business issues and decisions that take place between and among associates, officers and directors, as well as Board dynamics.

Confidential information about the Company, including information that can be expected to have an impact on the market for the Company's stock such as projections of revenue or earnings, may be released only in accordance with Company's Securities Laws Policy and United States securities laws. Contacts with news organizations will be handled through the Company's Corporate Communications and External Affairs department, and contacts with the investor community will be handled through the Company's Investor Relations department, unless otherwise determined by the Board.

5. MEMBERS OF THE BOARD OF DIRECTORS

Selection and Size of Board. Members of the Board are elected each year by the majority vote of the Company's shareholders at the annual meeting of shareholders as set forth in the Company's By-Laws. The Board, however, may adjust the number of Board members within the limits approved by the Company's shareholders (not less than three nor more than fifteen) as set forth in the Company's Certificate of Incorporation. Additionally, the Nominating and Corporate Governance Committee will periodically evaluate and review the Board's organization, including its size, and make any recommendations to the Board, as appropriate.

Director Qualifications. As described more fully in the Company's Policy on Consideration and Evaluation of Board Candidates, those nominated for director must demonstrate integrity, accountability, informed judgment, financial literacy, passion, creativity and vision. At least two-thirds of the members of the Board are independent directors, as determined by the Board in accordance with the categorical standards set forth in Exhibit A to these Guidelines. In addition, the Board is comprised of directors from various backgrounds and professions in order to maximize perspective and ensure a wealth of experiences to inform its decisions.

Director Retirement Policy. Directors and nominees for director are eligible for nomination for election to the Board provided that such directors or nominees have not reached age 72 by the calendar year-end immediately preceding the Company's next annual meeting of shareholders.

Director Tenure. The Board does not believe that it should limit the number of terms for which a person may serve as a director, because such term limits could deprive the Company of the valuable contributions made by directors who have developed, over time, significant insights into the Company and its operations. At the same time, the Board recognizes the importance of an appropriate balance of experience and perspectives and considers the overall mix of tenure of the Board. As part of its responsibilities, the Nominating and Corporate Governance Committee will evaluate at least annually the Board's composition, tenure and experience through the evaluation and nomination process described in these Guidelines and the Company's Policy on Consideration and Evaluation of Board Candidates.

Change in Primary Employment or Responsibilities. In the event of a significant change in circumstances involving a director's employment status, professional position, or substantial commitments to a business or governmental organization, the director shall offer to tender his or her resignation for consideration by the Nominating and Corporate Governance Committee and the Board. The Nominating and Corporate Governance Committee will evaluate the change in circumstances and will recommend to the Board whether the director should continue serving as a member of the Board or whether the Board should accept the resignation. It is not the sense of the Board that in every instance such director should leave the Board. A director who is an officer of the Company shall tender his or her resignation upon retirement or other termination of active employment with the Company.

Service on Other Boards. A non-management director who is active in a full-time role for a for-profit business may not serve on more than four public company boards, inclusive of the Company's Board, and other non-management directors may not serve on more than five

public company boards, inclusive of the Company's Board. The Chief Executive Officer may not serve on more than two public company boards, inclusive of the Company's Board. Any director seeking to join the board of directors of another public company or other for-profit enterprise must first notify the Nominating and Corporate Governance Committee and obtain its approval to continue as a member of the Company's Board. Directors are also asked to make the Nominating and Corporate Governance Committee aware of any appointment to the audit committee or compensation committee of a public company; any appointment to a committee chair or lead director position on any public company board; and any other change that could impact the analysis of that director's independence under the Director Independence Standards attached as Exhibit A to these Guidelines or the director's ability to serve the Company. The Nominating and Corporate Governance Committee will review the information provided to assess any possible conflicts of interest or impacts on the director's independence and to ensure that new demands on the director's time will not detract from his or her ability to serve the Company.

Business Relationships with Directors. Non-management directors must disclose to the Company's General Counsel any proposed arrangement in which they, or one of their immediate family members, may work for, be a consultant to, advise, serve on the board of, perform services for or otherwise be affiliated with a supplier, vendor or service provider of the Company. The General Counsel will then analyze the arrangement in light of the Company's conflict of interest, independence and disclosure requirements and in accordance with applicable law. In addition, any direct or indirect monetary arrangement for goods or services between a director or his or her immediate family members and the Company must also be approved or ratified by the Nominating and Corporate Governance Committee. This approval will not be required where:

- The interest of the Board member or family member is solely due to that person's status as a director of, or the collective ownership by the Board member and his or her family members of less than a 10% equity interest in, an entity with which the Company has such an arrangement;
- The value of the payments made to or by the Company constitute less than \$120,000 per year; and
- Neither the Board member nor his or her immediate family member is personally involved in (a) the negotiation or execution of the arrangement; (b) the performance of services or provision of goods pursuant to the arrangement; or (c) the monetary aspects of the arrangement.

Even if a relationship is approved, Board members must not participate in any matter affecting the business relationship or transactions between the Company and the other entity.

6. LEAD DIRECTOR

The independent directors serving on the Company's Board will select annually a Lead Director. The Lead Director, who is required to be independent, will (i) act as a liaison between the non-management directors and the Chairman, (ii) work with management to determine the information and materials provided to Board members, (iii) chair the executive sessions of non-management directors, (iv) chair Board meetings when the Chairman is not present, (v) consult

with the Chairman and approve the schedules, agendas and information provided to the Board for each meeting and (vi) consult with the Chairman on such other matters pertinent to the Company and the Board. The Lead Director may call meetings of non-management directors by providing appropriate notice of such meetings in accordance with the By-Laws. The Lead Director shall also be available for consultation and direct communication with major shareholders upon request. Shareholders may contact the Lead Director in writing or via email as provided in paragraph 14 below.

7. BOARD MEETINGS AND STRATEGIC REVIEW

The Board has four regular meetings each year and such special meetings as are deemed necessary. In addition, at least once a year, the Board conducts a strategic planning session with management to review organizational needs, competitive challenges and long-term strategic goals. Directors are expected to attend all Board meetings and meetings of the Committees of the Board on which they serve. Directors are also expected to attend the annual meeting of shareholders, absent extraordinary circumstances. The Chairman, in coordination with the Lead Director, sets the agenda for each meeting, taking into account input and suggestions from other members of the Board and management. The Board must be given sufficient information to exercise fully its governance functions. Generally, Board members receive information prior to each Board meeting so that they have an opportunity to reflect properly on the matters to be considered at the meeting. The Board ensures that adequate time is provided for full discussion of important items.

The non-management directors will meet without management present at each regularly scheduled meeting of the Board. These executive sessions will be chaired by the Lead Director. The non-management directors may meet without management present at such other times as may be determined by the Lead Director to be appropriate.

8. ACCESS TO MANAGEMENT AND OUTSIDE ADVISORS

Directors have full access to management and to information about the Company's operations in accordance with applicable law. The Chairman and Chief Executive Officer, the Lead Director and the Chair of the Nominating and Corporate Governance Committee shall be informed of any non-routine director requests for meetings, contacts or other Company information. The directors shall use their judgment to ensure that any requests that they make for meetings, contacts or other information are not disruptive to the business operations of the Company. It is the expectation of the Board that directors will keep the Chairman and Chief Executive Officer, the Lead Director and the Chair of the Nominating and Corporate Governance Committee informed of communications between a director and an officer or other associate of the Company, as appropriate.

Regular attendance and participation in Board meetings by management is encouraged as appropriate. In addition, the Board and any of its Committees have the authority to retain advisors, including outside counsel, as they may deem necessary and appropriate, without obtaining approval for such engagements from the Company.

9. BOARD COMMITTEES

The Board has established four standing Committees: Audit, Leadership Development and Compensation, Nominating and Corporate Governance, and Finance. The Audit Committee, Leadership Development and Compensation Committee, and Nominating and Corporate Governance Committees are comprised solely of independent directors as determined by the Board in accordance with the Company's categorical standards attached as Exhibit A. Each of these Committees has a written charter setting forth its responsibilities, duties and authorities. The Board may add new Committees, alter the responsibilities of existing Committees or eliminate Committees as it deems advisable for purposes of fulfilling its primary responsibilities.

The Nominating and Corporate Governance Committee, in consultation with the Board Chairman and the Lead Director, shall periodically, but no less than annually, review Committee assignments and make recommendations to the Board for Committee assignments and the appointment of Committee Chairs and the Lead Director. The Board recognizes that rotations in Board service roles and Committee memberships help to ensure the continual development of Board leadership, support the appropriate distribution of work, and contribute to director education and engagement. While maintaining the flexibility needed to address shareholder interests, changing circumstances, and the skills and experience of Board members, the Nominating and Corporate Governance Committee will use as a guideline the goal of rotating Committee Chair assignments at least every three to five years and the Lead Director role at least every five years.

The Chair of each Committee, in consultation with management and the other Committee members, will develop the agenda for each meeting and will determine the frequency of the Committee meetings consistent with the Committee's charter and the needs of the Company. The Chair of each Committee will report on the proceedings of each Committee meeting to the Board, when requested by the Board and in accordance with the Committee's charter.

10. ANNUAL PERFORMANCE EVALUATION

The Board and each Committee will conduct at a minimum an annual self-evaluation to determine their effectiveness. The Nominating and Corporate Governance Committee will oversee the evaluation process.

11. COMPENSATION OF DIRECTORS

From time to time, the compensation of non-management directors is reviewed by the Leadership Development and Compensation Committee, which makes recommendations to the full Board. In order to align the interests of non-management directors with shareholders, the Company requires that each non-management director's annual retainer shall be two-thirds Company equity. Furthermore, equity awards made to non-management directors stipulate that shares of Company stock may not be sold until the non-management director retires from the Board or for one year after withdrawal if such non-management director terminates his or her Board service for any reason other than ordinary Board retirement.

12. DIRECTOR ENGAGEMENT, CONTINUING EDUCATION AND ORIENTATION

The Nominating and Corporate Governance Committee oversees the directors' engagement, continuing education and orientation program. The program includes both internal activities and access to external programming. Among the most distinctive elements of the program is that each director is asked to participate in at least one store walk and at least one in-depth meeting with a member of the senior leadership team each quarter, with the anticipation that annually each director will visit at least four different stores and meet with four different members of the senior leadership team. The quarterly store walks provide directors the opportunity to observe customer experience programs in action; to gauge product assortment and store appearance; to become acquainted with operational processes; to see the impact of capital investments on the stores; to gain insight into the challenges and opportunities associated with interconnected retail; and, most importantly, to interact directly with our associates. The quarterly meetings with members of the leadership team provide directors the opportunity to expand their insight into business operations and activities. When appropriate, this meeting may be combined with a store walk to provide the director the opportunity to view store operations through the lens of the business leader's area of responsibility.

13. DIRECTOR CONFLICT OF INTEREST POLICY

Conflicts of Interest. Directors should avoid conflicts of interest between the director and the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company should be disclosed promptly to the Chair of the Nominating and Corporate Governance Committee or the General Counsel.

A "conflict of interest" can occur when a director's personal or business interests are adverse to—or may appear to be adverse to—the interests of the Company as a whole. A director's personal or business interests include the interests of an immediate family member or an organization with which a director or an immediate family member has a relationship. Conflicts of interest also arise when a director, or a member of his or her immediate family, receives improper personal benefits as a result of his or her position as a director of the Company. A director's immediate family includes the director's spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers and sisters-in-law, and anyone (other than a domestic employee or tenant) who shares the director's home.

This policy does not attempt to describe all possible conflicts of interest which could develop. Some of the more common conflicts from which directors should refrain, however, are set out below.

- *Relationship of Company with third-parties.* Directors may not engage in any conduct or activities that are inconsistent with the Company's best interests or that disrupt or impair the Company's relationship with any person or entity with which the Company has or proposes to enter into a business or contractual relationship.
- *Compensation from non-Company sources.* Directors may not accept compensation (in any form) for services performed for the Company from any source other than the Company.

- *Gifts.* Directors and members of their immediate families may not accept gifts from the Company's suppliers, vendors or service providers in those cases where any such gift has a value beyond what is a normal and customary business courtesy or is being made in order to influence the director's actions as a member of the Board, or where acceptance of the gifts could create the appearance of improper influence.
- *Interests in Competitors.* Directors should not serve as a director, officer or employee of, or have a material financial interest in, a direct competitor of the Company, unless the Nominating and Corporate Governance Committee determines that such position or interest does not create a conflict of interest or impair the director's independence. This restriction does not apply to mutual funds or similar investments in which the director does not have direct control over the particular companies included in the fund. In addition, as an exception to the rules described in this paragraph, directors may own up to 1% of the stock of a publicly traded company that is a competitor, provided that such ownership is their only relationship with such company.

Corporate Opportunities. A director must not use an opportunity (i) that the Company is financially able to exploit, that is within the Company's line of business, that the Company has an interest or expectancy in and that would place the director in a position adverse to his or her duties to the Company if pursued by the director, or (ii) that is otherwise discovered through the use of Company information or his or her position with the Company for the director's own personal benefit or for the benefit of any person or entity outside the Company, unless the Company has already been given the opportunity and has determined that it will not pursue that opportunity, and then only after notifying the Chairman of the Board or the Chair of the Nominating and Corporate Governance Committee of the director's intended actions in order to avoid an appearance of a conflict of interest.

14. DIRECT SHAREHOLDER COMMUNICATION WITH BOARD

Shareholders and others who are interested in communicating directly with the members of the Board, including communication of concerns relating to accounting, internal controls, audit matters, fraud or unethical behaviors, may do so by email to HD_Directors@homedepot.com or by writing to the directors at the following address:

Name of Director or Directors
 c/o Secretary to the Board of Directors
 The Home Depot, Inc.
 2455 Paces Ferry Road, Building C-22
 Atlanta, Georgia 30339

All correspondence received is opened and screened for security purposes and is then entered into a log for tracking purposes. The Corporate Secretary of the Company reviews such correspondence and provides the Board at each of its regularly scheduled meetings with a summary of all such correspondence and a copy of any correspondence that, in the opinion of the Corporate Secretary, deals with the functions of the Board or the standing Committees of the Board or that otherwise requires their attention. Correspondence relating to accounting, internal controls or auditing matters is immediately brought to the attention of the Company's internal audit department and handled in accordance with procedures established by the Audit Committee

with respect to such matters. All communications are treated confidentially, and shareholders can remain anonymous when communicating their concerns.

15. MANAGEMENT SUCCESSION

The Board and the Chief Executive Officer recognize the importance to the Company and long-term shareholder value of identifying and developing talented individuals who are able to assume senior management positions as they become open. While external recruitment remains a valuable tool, the Company focuses on maintaining a robust succession planning program for senior positions in the Company, including the Chief Executive Officer position. On an ongoing basis, the Company, in collaboration with the Board and the Leadership Development and Compensation Committee, reviews its associates and identifies those with high potential for advancement. They simultaneously review the most senior positions in the Company to determine the skills and other characteristics that are required to be effective in those positions. The Company then matches high potential associates with positions for which they may be qualified in the near and long terms, ensuring that there are multiple candidates identified for all senior positions, and puts together development plans to enable the candidates to reach those positions. On a regular basis, but no less often than once a year, the Board and the Leadership Development and Compensation Committee review the status of the program and progress against the development plans. The Board also conducts advance planning for emergency and ordinary course contingencies such as the departure, death or disability of the Chief Executive Officer and other senior members of management.

16. EXECUTIVE COMPENSATION

The Company's Leadership Development and Compensation Committee, a Committee of the Board comprised entirely of independent directors, has the responsibility of maintaining an executive compensation program designed to attract, motivate and retain the most highly talented and experienced leadership for the Company. The program is designed around various components of compensation, including base salaries, incentive bonuses, and various equity awards, including performance-based restricted stock, performance shares and stock options.

The Committee considers performance in establishing every element of executive compensation. In addition, all of the Company's equity awards include time-based vesting requirements. The Company also utilizes restricted stock to provide long-term benefits that align the interests of the Company's senior leadership with those of shareholders. Thus, the Company's approach in awarding compensation is to utilize performance-based criteria to determine the amount or value of the awards, to utilize time-based vesting as an incentive for leadership retention and to provide long-term retirement benefits.

17. EXECUTIVE COMPENSATION CLAWBACK POLICY

To the extent permitted by law, and as it deems appropriate under the circumstances, the Board or a Committee thereof shall recover from an executive officer of the Company, as defined by Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended, any bonus, incentive payment, equity award or other compensation that has been awarded to or received by such executive officer (in whole or in part) if the Board, or a Committee thereof, determines that (i) such compensation was based on any financial results or operating metrics that were satisfied

as a result of such officer's knowing or intentional fraudulent or illegal conduct, or (ii) such executive officer engaged in any intentional misconduct that caused the Company material financial or reputational harm. The term "intentional misconduct" shall be limited to conduct that the Committee determines indicates an intentional violation of law, an intentional violation of the Company's Business Code of Conduct and Ethics (or any successor or replacement code of conduct for employees), or an intentional violation of a significant ethics or compliance policy of the Company. Further, following a restatement of the Company's financial statements, the Company shall recover any compensation received by the CEO and CFO that is required to be recovered by Section 304 of Sarbanes-Oxley Act of 2002. In determining whether to recover a payment, the Board shall take into account such considerations as it deems appropriate, including whether the assertion of a claim may violate applicable law or prejudice the interests of the Company in any related proceeding or investigation. The Board shall have sole discretion in determining whether an officer's conduct has or has not met any particular standard of conduct under law or Company policy and whether any financial or reputational harm is material.

18. INDEPENDENT COMPENSATION CONSULTANT POLICY

It is the policy of the Leadership Development and Compensation Committee of the Board (the "Committee") to use only independent compensation consultants in connection with the discharge of its duties and responsibilities. In determining whether a compensation consultant is independent or whether the compensation consultant's work raises any conflict of interest, the Committee shall consider the factors set forth in New York Stock Exchange ("NYSE") listing standards with respect to adviser independence. In addition, a consultant will not be considered independent for purposes of this policy unless the consultant satisfies the following requirements:

(a) The individual consultant, and the firm or other organization employing such consultant, shall not provide services or products of any kind to the Company and its affiliates or to their management; and

(b) Any consultant firm or organization which is part of an affiliated group shall not be independent for purposes of this policy in the event that such affiliates, in the aggregate, are paid by the Company and its affiliates for services or products in an amount which exceeds 2% of the affiliated group's consolidated gross revenues.

It shall be the responsibility of any consultant employed by the Committee to ensure continuing compliance with, and to remain independent, at all times in accordance with the foregoing policy. The consultant shall provide a written report to the Committee at least annually providing the information necessary for the Committee to assess the independence factors set forth in the NYSE listing standards and providing appropriate assurances and confirmation of such consultant's independent status pursuant to this policy.

Management shall inform the Committee if it engages any affiliate of a consultant firm or organization to provide services or products to the Company, and any such engagement shall comply with the independence standards established by this policy.

19. POLICY ON SHAREHOLDER RIGHTS PLANS

The term “shareholder rights plans” refers to plans that some companies adopt to make a hostile takeover of the company more difficult. The Company does not have such a plan and has no present intention of implementing a rights plan because a hostile takeover of a company our size would be unlikely.

The policy of the Board is that it will obtain prior shareholder approval of any shareholder rights plan, except in the limited circumstances described below. If the Board adopts a shareholder rights plan, it will do so after careful deliberation and in the exercise of its fiduciary duties.

The Board may adopt a shareholder rights plan without obtaining prior shareholder approval if the Board, including a majority of the independent members of the Board, determines that, based on then prevailing circumstances, it would be detrimental to the Company and not in the best interests of the Company’s shareholders to defer the effectiveness of a shareholder rights plan until shareholder approval may be obtained.

If a shareholder rights plan is adopted without prior shareholder approval, the plan must be ratified by shareholders within one year after the effective date of the shareholder rights plan. Absent such ratification, the shareholder rights plan will expire on the first anniversary of its effective date.

The Nominating and Corporate Governance Committee shall review this policy statement annually and recommend any appropriate changes for approval by the Board.

20. PUBLICATION OF CORPORATE GOVERNANCE GUIDELINES AND COMMITTEE CHARTERS

The Board shall publish these Corporate Governance Guidelines and the Charters of the Audit, Leadership Development and Compensation, and Nominating and Corporate Governance Committees and make them available upon request as required by the listing standards of the NYSE and applicable rules of the Securities and Exchange Commission.

EXHIBIT A

DIRECTOR INDEPENDENCE STANDARDS

At least two-thirds of the Board of Directors of The Home Depot, Inc. (the “Company”) shall be independent. No director shall qualify as “independent” unless the Board of Directors affirmatively determines that the director has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). In making such determination, the Board of Directors shall consider the factors identified below, as well as such other factors that the Board of Directors may deem relevant. A director will not be deemed independent if:

1. the director is employed by the Company or any of its affiliates (as used herein, such term shall have the meaning set forth in Rule 144(a)(1) promulgated under the Securities Act of 1933, as amended) or was employed by the Company or any of its affiliates at any time during the preceding three years;
2. the director is a member of the immediate family of an individual who is, or has been, employed by the Company or any of its affiliates as an executive officer (as used herein, such term shall have the same meaning as the term “officer” in Rule 16a-1(f) under the Securities Exchange Act of 1934 (the “Exchange Act”)) at any time during the preceding three years;
3. the director (a) presently receives, or his or her immediate family member receives, more than \$120,000 in any consecutive 12-month period in direct compensation from the Company, 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), or (b) the director or the director’s immediate family member had received such compensation during any consecutive 12-month period within the preceding three years;
4. (a) the director or his or her immediate family member is presently a partner of a firm that is the Company’s internal or external auditor; (b) the director is presently an employee of such firm; (c) the director’s immediate family member is presently an employee of such firm and personally works on the Company’s audit; or (d) the director or his or her immediate family member was within the preceding three years (but is no longer) a partner or employee of such firm and personally worked on the Company’s audit during such three year period;
5. the director (a) is presently an executive officer or an employee, or his or her immediate family member is an executive officer, of another company (including any tax-exempt organization) that makes payments to, or receives payments from, the Company for property or services in an amount which, in any single fiscal year, exceeds \$1 million or 2 percent of such other company’s consolidated gross revenues for its last fiscal year, whichever is greater, or (b) the Company and the company of which the director is an executive officer or employee or his or her immediate family member is an executive officer had such relationship within the preceding three years;

6. the director is affiliated with, or his or her immediate family member is affiliated with, a paid advisor or consultant to the Company;
7. the director has, or his or her immediate family member has, a personal services contract with the Company;
8. the director has any interest in an investment that the director jointly acquired in conjunction with the Company;
9. the director or his or her immediate family member is employed and compensated by a foundation, university or other nonprofit institution that has received significant charitable contributions from the Company that are disclosed or will be required to be disclosed in the Company's proxy statement; and
10. the director (a) is presently employed, or his or her immediate family member is presently employed, as an executive officer of another company where any of the Company's present executive officers serves on that company's compensation committee, or (b) such director or his or her immediate family member was employed in such capacity within the preceding three years.

In addition to being independent as determined by the Board of Directors in accordance with the factors set forth above, (a) members of the Audit Committee may not (i) receive, directly or indirectly, any compensation other than directors' fees from the Company, or (ii) be an "affiliated person" of the Company or any of its subsidiaries as such term is defined under Rule 10A-3 under the Exchange Act and (b) members of the Leadership Development and Compensation Committee (the "LDCC") must qualify as: "outside directors" as such term is defined under Section 162(m) of the Internal Revenue Code of 1986, as amended and "non-employee directors" as such term is defined under Rule 16b-3 promulgated under the Exchange Act. In addition, members of the LDCC must meet the independence standards for compensation committee members under applicable New York Stock Exchange listing standards and cannot be executive officers of a public company at which an executive officer of the Company serves as a member of such public company's compensation committee.
