

## **Corporate Governance Guidelines**

### **Table of Contents**

1. Classification and Definition of Directors
2. Mix of Independent and Management Directors
3. Size of the Board
4. Board Membership Criteria
5. Selection of New Director Candidates
6. Invitation to New Director Candidates
7. Director Evaluation; Term Limits
8. Majority Voting in Election of Directors
9. Directors Who Change Job Responsibility
10. Required Notice for Director Resignation, Retirement or Refusal to Stand for Re-Election
11. Board Membership of Former Members of Management
12. Board Retirement Age
13. Director Responsibilities
14. Strategic Planning
15. Executive Sessions
16. Lead Independent Director
17. Board Compensation
18. Non-Management Director Stock Ownership
19. Board Access to Independent Advisors
20. Board Access to Senior Management
21. Board Interaction with Shareholders, Media, Customers, etc.
22. Workforce Management
23. Board Committees
24. Assignment and Rotation of Committee Members
25. Committee Agendas
26. Selection of Agenda Items for Board Meetings
27. Board Materials Distributed in Advance
28. Presentations
29. Attendance of Non-Directors at Board Meetings
30. Selection of Chairman and Chief Executive Officer
31. Formal Evaluation of the Chief Executive Officer
32. Succession Planning
33. Director Orientation and Continuing Education
34. Assessing the Board's Performance
35. Amendment, Modification and Waiver

Exhibit A     Categorical Standards for Determination of Director Independence

**Lowe's Companies, Inc.**  
**Board of Directors'**  
**Corporate Governance Guidelines**

**1. Classification and Definition of Directors**

The principal classifications of Directors on the Lowe's Companies, Inc. ("Lowe's" or the "Company") Board of Directors (the "Board") are as follows:

A "Management Director" includes both present and former employees who do not qualify as Independent Directors (as defined below) of the Company who serve on the Board.

An "Independent Director" is an individual who qualifies as "independent" in accordance with the applicable provisions of the Securities Exchange Act of 1934, and the rules promulgated thereunder, and the applicable rules of the New York Stock Exchange ("NYSE"). No Director will qualify as "independent" unless the Board has determined that such Director does not have a material relationship with Lowe's in accordance with the categorical standards set forth in Exhibit A.

Management Directors shall not serve on any committee of the Board.

**2. Mix of Independent and Management Directors**

In accordance with Lowe's long-standing policy and the applicable rules of the NYSE, a substantial majority of the members of the Board must qualify as Independent Directors. The Board also expects to continue to have Management Director(s), including the Chief Executive Officer.

**3. Size of the Board**

The Company's Articles of Incorporation and Bylaws provide that the number of Directors shall be determined by the Board and may not be less than three.

**4. Board Membership Criteria**

The Nominating and Governance Committee of the Board is responsible for identifying and recommending individuals to the Board for nomination as members of the Board and its committees and, in this regard, reviewing with the Board on an annual basis the current skills, background, diversity in its broadest sense, and expertise of the members of the Board, as well as future and ongoing needs of the Company. This assessment shall be used to establish criteria for evaluation of potential candidates for the Board. The Board is committed to having diverse individuals (in the broadest sense of that term), including from different backgrounds and with varying perspectives, professional experience, and skills serving as members of the Board. The Board believes that a diverse membership with a variety of perspectives and experiences is an important feature of a well-functioning board.

The criteria to be considered in selecting director nominees shall reflect at a minimum any requirements of applicable law or listing standards of the NYSE. Candidates nominated for election or re-election to the Board should also possess the following qualifications:

- high personal and professional ethics, integrity, practical wisdom, and mature judgment;
- diverse individuals with varying perspectives and experience;

- broad training and experience at the policy-making level in business, government, education, or technology;
- expertise that is useful to the Company and complementary to the background and experience of other Board members;
- willingness to devote the required amount of time to carrying out duties and responsibilities of Board membership;
- commitment to serve on the Board over a period of several years to develop knowledge about the Company's principal operations; and
- willingness to represent the best interests of all shareholders and objectively appraise the performance of Company officers ("Management").

Directors shall advise the Chairman of the Board and, if applicable, the Lead Independent Director in advance of accepting any other public company directorship or any assignment to serve on the Audit Committee or Compensation Committee of the board of directors of any public company of which such Director is a member, or as non-executive chair, lead independent director, or committee chair on any such board of directors. No Director shall serve on more than four public company boards, inclusive of the Company's Board. Subject to any exception approved by the Nominating and Governance Committee, Independent Directors who serve as an executive officer of another public company may only serve on the board of directors of that company in addition to service on the Company's Board. Management Directors shall not serve on more than two public company boards, inclusive of the Company's Board. In accordance with the NYSE's disclosure requirement, no member of the Audit Committee may serve on more than two other public company audit committees without first obtaining the prior approval of the Board. It is expected that, before accepting another board position, a Director shall consider whether that service may compromise his or her ability to perform his or her responsibilities to the Company. The Nominating and Governance Committee annually reviews outside director time commitments, including any leadership positions on another public company's board of directors, to evaluate and confirm that all director nominees have demonstrated that they have committed and expect to commit appropriate time to serve effectively on the Board and its committees.

## **5. Selection of New Director Candidates**

The Board is responsible for selecting nominees for election as Directors by the Company's shareholders and for filling vacancies on the Board. Nominees for election as Directors will be identified and recommended by the Nominating and Governance Committee, and nominated or appointed by the full Board, or, if proposed by a shareholder, included in the Company's proxy statement for election by the Company's shareholders if the applicable conditions in the Company's Bylaws are met.

## **6. Invitation to New Director Candidates**

An invitation to join the Board should be extended jointly by the Chief Executive Officer and the Chairman or, if applicable, the Lead Independent Director.

## **7. Director Evaluation; Term Limits**

Each Director stands for election by the Company's shareholders annually to serve a one-year term. The Nominating and Governance Committee will review each Director's continuation on the Board prior to his or her nomination to continue to serve on the Board. This will allow each Director the opportunity to confirm his or her desire to continue as a

member of the Board and provide for an evaluation by the Nominating and Governance Committee of whether or not the Director, based upon his or her skills, background, expertise, and contribution to the Board, continues to support Lowe's present and future needs for Board composition. After review of a Director, the Chair of the Nominating and Governance Committee and Chairman of the Board shall inform each Director under consideration of the Committee's decision whether to recommend renomination of such Director. The Nominating and Governance Committee shall report its recommendation to the Board.

The Board does not believe it should establish term limits, and the process of evaluating Board members before renomination is an alternative to term limits. While term limits could help insure that there are fresh ideas and viewpoints available to the Board, there is also the disadvantage of losing the contribution of Directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole.

## **8. Majority Voting in Election of Directors**

As provided for under the Company's Charter, Directors are elected by the affirmative vote, at a meeting of shareholders at which a quorum is present, of a majority of the voting shares voted at the meeting in person or by proxy (including those shares in respect of which votes are "withheld" pursuant to Rule 14a-4(b)(2) of the proxy solicitation rules and regulations promulgated under the Securities Exchange Act of 1934, as amended), unless the number of nominees exceeds the number of Directors to be elected, in which case, Directors are elected by a plurality of the votes cast.

In the event a Director who has been nominated for re-election fails to be elected by the affirmative vote of a majority of the voting shares voted in an election where the number of nominees equals the number of Directors to be elected, he or she shall promptly tender his or her resignation to the Board of Directors (if a contingent resignation was not already obtained by the Company). The Nominating and Governance Committee will recommend to the Board whether to accept or reject the resignation offer, or whether other action should be taken. In determining whether to recommend that the Board accept any resignation offer, the Nominating and Governance Committee may consider all factors that the Committee's members believe are relevant, including any information furnished by the Director. Within 90 days following the certification of the election results, the Board will act on the Nominating and Governance Committee's recommendation and promptly publicly disclose its decision regarding the Director's resignation. Any Director who tenders his or her resignation pursuant to this provision will not participate in the proceedings of either the Nominating and Governance Committee or the Board with respect to his or her own resignation offer. If the Board accepts a Director's resignation offer pursuant to this process, the Board may decrease the number of Directors, fill any vacancy, or take other appropriate action, after consideration of the recommendation of the Nominating and Governance Committee.

## **9. Directors Who Change Job Responsibility**

Individual Directors who have a substantial change in the responsibility they held when they were elected to, or at any time while serving on, the Board are expected to offer to resign from the Board. It is not the Board's view that Directors who retire, or substantially change the position they held when they joined the Board, should necessarily leave the Board. There should, however, be an opportunity for the Board, via the Nominating and Governance Committee, to review the continued qualifications of a Board member under these changed circumstances.

## **10. Notice of Director Resignation, Retirement or Refusal to Stand for Re-Election**

Any Director who determines to resign or retire from, or refuse to stand for re-election for, the Board for any reason should promptly communicate his or her intention in writing to the Secretary of the Company.

#### **11. Board Membership of Former Members of Management**

A Management Director shall be expected to resign from the Board when he or she ceases to be a member of Management.

#### **12. Board Retirement Age**

The Board has adopted a retirement age of 75 for all Directors. No Director who is, or would be over, the age of 75 at the expiration of his or her current term may be nominated to a new term.

#### **13. Director Responsibilities**

The fundamental role of the Directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of Lowe's and its shareholders. Directors are expected to regularly attend all meetings of the Board, all meetings of the Board committees upon which they serve and the annual meeting of shareholders. Directors are expected to rigorously prepare for all meetings, review the materials that are sent to Directors in advance of those meetings, and to spend the time needed and meet as often as necessary to properly discharge their obligations.

Directors shall avoid any situation that may give rise to a conflict of interest or the appearance of a conflict of interest, and shall report any potential conflict of interest immediately to the Company's Chief Legal Officer. Directors must disclose to other Directors any potential conflicts of interest they may have with respect to any matter under discussion and, if appropriate, refrain from voting on a matter in which they may have a conflict.

No Director shall engage in any personal or business relationship with, or including, any executive officer of the Company without informing the Company's Chief Legal Officer in writing about the nature and significance of the proposed relationship. Such a relationship could impair a Director's independence and may need to be reviewed by the Nominating and Governance Committee of the Board of Directors depending upon its size and significance.

Pursuant to their fiduciary duties, Directors must hold confidential all non-public information they receive, from whatever source, in their capacity as a Director of the Company, except as may be required by applicable law. To foster open discussions, proceedings of the Board and its committees are confidential.

#### **14. Strategic Planning**

The Board is actively involved in overseeing, reviewing, and guiding the Company's long-term strategic plan. The Board formally reviews the Company's business strategy, including the risks and opportunities facing the Company and its portfolio, at an annual strategic planning session and monitors the implementation of the strategic plan throughout the year.

#### **15. Executive Sessions**

The Board will schedule executive sessions at which non-Management Directors (i.e., Directors who are not company officers) meet without Management participation at each regularly scheduled meeting of the Board. The Chairman or the Lead Independent Director, if applicable, shall preside at each executive session and in his or her absence, the non-

Management Directors shall select a non-Management Director to preside. The Board of Directors or the Company will establish methods by which interested parties may communicate directly with the presiding Director or with the non-Management Directors as a group and cause such methods to be disclosed. If the non-Management Directors include any Directors who are not Independent Directors at such executive sessions, then the Independent Directors will themselves meet in executive session at least once per year.

## **16. Lead Independent Director**

If the Chairman is not an Independent Director, a Lead Independent Director will be elected by the Independent Directors annually at the meeting of the Board of Directors held in conjunction with the annual meeting of shareholders. The Lead Independent Director will (i) preside at all meetings of the Board at which the Chairman of the Board (or the Chief Executive Officer, if such officer is a director) is not present, including executive sessions of the non-Management and/or Independent Directors; (ii) serve as a liaison between the Chairman and the Independent Directors; (iii) approve information sent to the Board; (iv) approve meeting agendas for the Board; (v) approve meeting schedules for the Board to assure that there is sufficient time for discussion of all agenda items; (vi) have the authority to call meetings of the Independent Directors; (vii) provide feedback from executive sessions of the non-Management and/or Independent Directors to the Chairman of the Board, (viii) coordinate, with the Nominating and Governance Committee, the annual performance evaluation of the CEO, the Board and each of its Committees and individual Directors, and (ix) promote effective communication between the Board and shareholders and be available for consultation and direct communication with major shareholders. A Director shall not serve as Lead Independent Director for more than six years.

## **17. Board Compensation**

Attracting and retaining highly qualified individuals who are prepared to commit the time and effort required to fulfill the responsibilities of serving as non-Management Directors is an important part of the Company's strategy for long-term success. Lowe's policy on compensating non-Management Directors is to utilize a mix of cash and equity that will align their interests with Lowe's shareholders and compensate them fairly and competitively for the obligations and responsibilities of serving as a non-Management Director.

Management Directors who are also employees shall receive no additional compensation for Board service.

The Compensation Committee of the Board will periodically review the form and amount of Director compensation, including cash, equity-based awards and other compensation, and recommend any changes therein to the Board. In connection with such review, the Compensation Committee will consider the recommendations of any compensation consultant engaged to advise the Compensation Committee, the responsibilities and compensation of directors at comparable public companies, and developments in the marketplace generally for director compensation. In recommending changes for individual non-Management Directors' compensation, the Compensation Committee will consider the additional responsibilities of those Directors serving as Chairman or Lead Independent Director, if applicable, or a Committee chair. The Compensation Committee will also consider the corporate governance listing standards of the New York Stock Exchange, applicable securities laws and regulations, and such other guidelines and standards as the Compensation Committee deems appropriate.

## **18. Non-Management Director Stock Ownership**

The Board believes that Director stock ownership is a hallmark of enlightened corporate governance and provides greater alignment of interests between Directors and shareholders.

The compensation plan adopted by the Board for non-Management Directors adheres to this principle by providing a substantial portion of such Director's compensation in Deferred Stock Units, which are held in a deferral account during the term of such Director's service, and are payable in one share of common stock of the Company per Deferred Stock Unit to such Director only upon his or her ceasing to serve as a Director (or to the Director's estate if the Director should die while serving on the Board).

To provide for non-Management Directors to become and remain meaningfully invested in Company stock, non-Management Directors are required to own shares of common stock of the Company having a market value equal to five times the annual retainer fee payable to each non-Management Director. A non-Management Director must meet this stock ownership requirement within five years of becoming a member of the Board. In addition to shares of Company stock owned by non-Management Directors, the full value of Deferred Stock Units awarded to non-Management Directors will be counted for purposes of determining a Director's compliance with the stock ownership requirement.

#### **19. Board Access to Independent Advisors**

The Board, and to the extent set forth in the applicable committee charter, Board committees, have the right to consult and retain independent legal and other advisors at the expense of the Company.

#### **20. Board Access to Senior Management**

Board members have complete access to Lowe's Management and are encouraged to make regular contact. Board members shall coordinate such access with respect to matters relating to standing committees of the Board through the appropriate committee chair. Board members will use judgment to assure that this access is efficient and appropriate and not distracting to Management and the business operation of the Company. Directors shall refrain from giving strategic or operating direction to members of Management outside the scope of full Board or committee responsibility and accountability.

#### **21. Board Interaction with Shareholders, Media, Customers, etc.**

The Board believes that senior Management and specifically, the Chief Executive Officer and his or her designees, serve as the primary spokesperson(s) for the Company and are responsible for communicating with various constituencies, including shareholders, on behalf of the Company. Directors may participate in discussions with shareholders and other constituencies on issues where Board-level involvement is appropriate.

#### **22. Workforce Management**

The Board of Directors views effective management of the workforce and Company culture as key to the Company's ability to execute its long-term strategy. The full Board oversees workforce management and reviews talent management topics as standing agenda items, including CEO and senior Management succession planning, diversity and inclusion and culture.

#### **23. Board Committees**

The Board of Directors shall at all times maintain an Audit Committee, a Nominating and Governance Committee, and a Compensation Committee, all of which must operate in accordance with applicable law, their respective charters as may be adopted and amended from time to time by the Board, and the applicable rules of the Securities and Exchange Commission and the NYSE. Each committee may, in its discretion, delegate all or a portion of its authority and responsibilities to a subcommittee of such committee. The Board may also

establish such other committees as it deems appropriate and delegate to such committees such authority permitted by applicable law and the Company's Bylaws as the Board determines appropriate.

#### **24. Assignment and Rotation of Committee Members**

The Nominating and Governance Committee, after consultation with the Chairman, shall recommend to the Board for approval, and the Board shall approve, all assignments of committee members. The Board shall designate the chairs of the committees. The Board does not feel that rotating Committee assignments on a fixed schedule should be mandated as a policy, since there may be reasons at any given time to maintain an individual Director's committee membership for a longer period.

#### **25. Committee Agendas**

The Chair of each committee of the Board, in consultation with committee members and the appropriate members of Management and staff, will develop the committee's agenda. Each committee should annually review its charter for any necessary revisions. At the beginning of each fiscal year, each committee will issue a schedule of agenda subjects to be discussed for the ensuing year (to the degree these can be foreseen). This forward agenda will be shared with the Board.

#### **26. Selection of Agenda Items for Board Meetings**

The Chairman of the Board and the Chief Executive Officer in consultation with the Lead Independent Director, if applicable, will establish the agenda for each Board meeting.

Each Board member is free to suggest the inclusion of item(s) on the agenda, which will be subject to approval by the Chairman or Lead Independent Director, if applicable.

The Secretary of the Company is responsible for maintaining compliance with required Board actions.

#### **27. Board Materials Distributed in Advance**

Information and data that is important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the Board or committee members a reasonable period of time prior to the meeting so that each Board or committee member has sufficient time to review and consider such materials.

Particularly sensitive subject matters may be discussed at the meeting without advance distribution of written materials.

#### **28. Presentations**

The sense of the Board is that presentations by senior Management are beneficial in giving Board members the opportunity to evaluate these persons. Further, biographies of presenters will be distributed in advance, with the Board meeting material.

#### **29. Attendance of Non-Directors at Board Meetings**

The Board generally permits attendance at Board meetings of non-Board members who are members of the staff of the Chief Executive Officer.

Further, the Board specifically encourages Management from time to time to bring managers into Board Meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) are managers with future potential that Management believes should be given exposure to the Board.

Should the Chief Executive Officer want to invite people as attendees on a regular basis, it is expected that this suggestion would be made to the Board for its prior concurrence.

### **30. Selection of Chairman and Chief Executive Officer**

The Board will select a Chairman and a Chief Executive Officer based on criteria that the Board believes are in the best interests of the Company and its shareholders and in the manner it judges most appropriate for the Company at any given point in time. At least once every year, the Board reviews the appropriate leadership structure for Lowe's and elects a Chairman. As part of this process, the Board will consider whether the roles of Chairman and Chief Executive Officer should be combined or separated based upon the Company's needs, the directors, the strengths and talents of senior Management and other prevailing circumstances at any given point in time.

### **31. Formal Evaluation of the Chief Executive Officer**

The Independent Directors of the Board, in consultation with the Nominating and Governance Committee, should make an annual formal evaluation of the Chief Executive Officer. The results should be communicated in person by the Chairman of the Board, or in the event the Chairman of the Board is not an Independent Director, then by the Lead Independent Director.

### **32. Succession Planning**

The Board shall consider at least annually succession planning for the Chief Executive Officer. There shall also be available, on a continuing basis, a recommendation to the Board from the Chief Executive Officer as to a succession plan should the Chief Executive Officer be unexpectedly unavailable or unable to serve.

The Chief Executive Officer shall meet at least annually with the Board on succession planning for the Chief Executive Officer's staff and other key positions in the Company.

### **33. Director Orientation and Continuing Education**

The Board or the Company will establish, or identify and provide access to, appropriate orientation programs, sessions or materials for newly elected Directors of the Company for their benefit either prior to or within a reasonable period of time after their nomination or election as a Director. New Directors must participate in the orientation programs after they are elected.

The Board or the Company will encourage, but not require, Directors to periodically pursue or obtain appropriate programs, sessions or materials as to the responsibilities of directors of publicly-traded companies, and the Company shall reimburse Directors for their reasonable expenses in pursuing such opportunities.

Directors are encouraged to visit Company facilities periodically.

### **34. Assessing the Board's Performance**

The Board conducts a self-evaluation annually to assess its performance. The Nominating and

Governance Committee will assist in this evaluation. This evaluation will be of the Board's contribution as a whole and specifically review areas in which the Board and/or Management believes a better contribution can be made. Each committee conducts an annual self-evaluation to assess its performance. In addition, each Director annually evaluates each other Director's performance.

### **35. Amendment, Modification and Waiver**

These Guidelines may be amended, modified or waived by the Board of Directors and waivers of these Guidelines may also be granted by the Nominating and Governance Committee.

Originally adopted: December 1994

Last modified: March 2026

## EXHIBIT A

### CATEGORICAL STANDARDS FOR DETERMINATION OF DIRECTOR INDEPENDENCE

It has been the long-standing policy of Lowe's Companies, Inc. (the "Company") to have a substantial majority of independent directors. No director shall qualify as independent under the New York Stock Exchange ("NYSE") corporate governance rules unless the board of directors of the Company (the "Board of Directors") affirmatively determines that the director has no material relationship with the Company (directly or as a partner, shareholder or officer of an organization that has a relationship with the Company).

The NYSE's corporate governance rules include several "bright-line" tests for director independence. No director who has a direct or indirect relationship that is covered by one of those tests shall qualify as an independent director. However, a director who meets all of the bright-line independence criteria shall not be automatically presumed to be independent; the Board of Directors must still make an affirmative determination that each director has no material relationship with the Company.

In making its independence determination for each director, the Board of Directors shall broadly consider all relevant facts and circumstances. In particular, when assessing the materiality of a director's relationship with the Company, the Board of Directors shall consider the issue not merely from the standpoint of the director, but also from the standpoint of persons or organizations with which the director has an affiliation. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others.

\* \* \* \*

The Board of Directors has determined that the following relationships with the Company, either directly or indirectly, will not be considered material relationships for purposes of determining whether a director is independent:

- **Relationships in the ordinary course of business.** Relationships involving (1) the purchase or sale of products or services or (2) lending, deposit, banking or other financial service relationships, either by or to the Company or its subsidiaries and involving a director, his or her immediate family members, or an organization of which the director or an immediate family member is a partner, shareholder, officer, employee or director if the following conditions are satisfied:
  - any payments made to, or payments received from, the Company or its subsidiaries in any single fiscal year within the last three fiscal years do not exceed the greater of (i) \$1 million or (ii) 2% of such other organization's consolidated gross revenues;
  - the products and services are provided in the ordinary course of business and on substantially the same terms and conditions, including price, as would be available either to similarly situated customers or current employees;
  - the relationship does not involve consulting, legal, or accounting services provided to the Company or its subsidiaries; and
  - any extension of credit was in the ordinary course of business and was made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other similarly situated borrowers.
- **Relationships with organizations to which a director is connected solely as a shareholder or partner.** Any other relationship between the Company or one of its subsidiaries and a company (including a limited liability company) or partnership to which

a director is connected solely as a shareholder, member or partner as long as the director is not a principal shareholder or principal partner of the organization. For purposes of this categorical standard, a person is a principal shareholder of a company if he or she directly or indirectly, or acting in concert with one or more persons, owns, controls, or has the power to vote more than 10% of any class of voting securities of the company. A person is a principal partner of a partnership if he or she directly or indirectly, or acting in concert with one or more persons, owns, controls, or has the power to vote a 25% or more general partnership interest, or more than a 10% overall partnership interest. Shares or partnership interests owned or controlled by a director's immediate family member who shares the director's home are considered to be held by the director.

- **Contributions to charitable organizations.** Contributions made or pledged by the Company, its subsidiaries, or by any foundation sponsored by or associated with the Company or its subsidiaries to a charitable organization of which a director or his or her immediate family member is an executive officer, director, or trustee if the following conditions are satisfied:

- within the preceding three fiscal years, the aggregate amount of such contributions during any single fiscal year of the charitable organization did not exceed the greater of \$1 million or 2% of the charitable organization's consolidated gross revenues for that fiscal year; and
- the charitable organization is not a family foundation created by the director or an immediate family member.

For purposes of this categorical standard, contributions made to any charitable organization pursuant to a matching gift program maintained by the Company or by its subsidiaries or by any foundation sponsored by or associated with the Company or its subsidiaries shall not be included in calculating the materiality threshold set forth above.

- **Equity relationship.** If the director, or his or her immediate family member, is an executive officer of another organization in which the Company owns an equity interest, and if the amount of the Company's interest is less than 10% of the total voting interest in the other organization.
- **Stock ownership.** The director is the beneficial owner (as that term is defined under Rule 13d of the Securities Exchange Act of 1934, as amended) of less than 10% of the Company's outstanding capital stock.
- **Other family relationships.** A director's relative who is not an immediate family member of the director has a relationship with the Company.
- **Employment relationship.** The director has not been an employee of the Company or any of its subsidiaries during the last five years.
- **Employment of immediate family members.** No immediate family member of the director is a current employee, or has been an executive officer during the last five years, of the Company or any of its subsidiaries.
- **Relationships with acquired or joint venture entities.** In the last five years, the director has not been an executive officer, founder or principal owner of a business organization acquired by the Company, or of a firm or entity that was part of a joint venture or partnership including the Company.
- **Voting arrangements.** The director is not a party to any contract or arrangement with any member of the Company's management regarding the director's nomination or election

to the Board of Directors, or requiring the director to vote with management on proposals brought before the Company's shareholders.

### **Definitions of Terms Used in these Categorical Standards**

- "Immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home. It does not include individuals who are no longer immediate family members as the result of legal separation or divorce, or those who have died or become incapacitated.
- "Executive officer" means the principal executive officer, president, principal financial officer, principal accounting officer, any vice-president in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for an organization.