

# **WISCONSIN ENERGY CORPORATION**

## **CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS**

### **CHARTER**

**Approved: July 21, 2011**

#### **PURPOSE**

The principal purpose of the Corporate Governance Committee (Committee) is to (i) establish and review the Company's Corporate Governance Guidelines to ensure the Board is effectively performing its fiduciary responsibilities to stockholders, (ii) identify and recommend candidates to be named as nominees of the Board for election as directors, and (iii) lead the Board in its annual review of the Board's performance. The Committee shall report all significant findings to the Board.

#### **COMPOSITION**

The Committee shall be comprised of three or more independent directors who are periodically appointed by the Board. Members shall serve at the pleasure of the Board and for such term or terms as the Board may determine. One of the directors shall be appointed Committee Chair for a term to be determined by the Board. In the event the Committee Chair is unable to serve as Chair for a specific meeting, he/she shall designate one of the Committee members to preside. The Committee shall meet as often as desired to accomplish the duties and responsibilities listed below, but not less than once per year.

#### **DUTIES AND RESPONSIBILITIES**

##### **Corporate Governance**

- Establish and annually assess the appropriateness and effectiveness of the Board's Corporate Governance Guidelines; recommend changes to the Board.
- Oversee the evaluation of the Board. Conduct an annual assessment of the Board's effectiveness as a whole.
- Produce and provide to the Board an annual performance evaluation of the Committee. The evaluation shall compare the performance of the Committee with the requirements of this Charter. Recommend to the Board any improvements to the Charter.
- Review and recommend director education topics.
- When determining the frequency of advisory stockholder votes on the compensation of the named executive officers ("say-when-on-pay"), the Committee will review and take into consideration the results of recent say-when-on-pay votes.

##### **Director Nominees**

- Establish and annually review director candidate selection criteria.
- Conduct a search for director candidates to fill vacancies on the Board and establish a slate of nominees for election by stockholders.

- Have sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms.
- Meet with, screen and review the qualifications of candidates for election as directors, including candidates proposed by stockholders, directors, employees and others.
- Review the performance of the incumbent directors whose terms are expiring prior to recommending to the Board the nominees for election at the annual meeting.
- Recommend to the Board candidates to be named as nominees of the Board for election as directors.

#### **Other Matters**

- The Committee shall also be responsible for any other matters as may from time to time be requested by the Board of Directors and/or the Chief Executive Officer.
- The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.