

**ALLIANCE DATA SYSTEMS CORPORATION**  
**NOMINATING & CORPORATE GOVERNANCE COMMITTEE CHARTER**

Revised as of December 13, 2016

**Function**

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The Nominating & Corporate Governance Committee (the “*Governance Committee*”) is a committee of the Board of Directors (the “*Board*”) of Alliance Data Systems Corporation (the “*Company*”). Its primary functions are to (1) assist the Board by identifying individuals qualified to become Board members and recommend to the Board the director nominees for the next annual meeting of stockholders; (2) recommend to the Board the chairperson and members for each Board committee; (3) develop and recommend to the Board a set of corporate governance guidelines applicable to the Company; and (4) lead the Board in its annual review of the Board’s performance.

**Responsibilities**

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In addition to such other duties as the Board may from time to time assign, the Governance Committee shall:

**Board Candidates and Nominees**

- Review with the Board the desired experience, mix of skills, and other qualities, including diversity of race, ethnicity and gender, to assure appropriate Board composition, taking into account the current Board members and the specific needs of the Company and the Board.
- Develop criteria and procedures for selecting directors, including for reviewing potential nominees proposed by stockholders.
- When the circumstances require, conduct candidate searches, interview prospective candidates and conduct inquiries into their background and qualifications, arrange programs to introduce the candidates to the Company, its management and operations, and confirm the appropriate level of interest of such candidates.
- Identify individuals qualified to become Board members, consistent with criteria approved by the Board.
- Recommend to the Board, with input from the Chief Executive Officer (“*CEO*”), qualified director candidates who bring the background, knowledge, experience, skill sets, and expertise that would strengthen and increase the diversity of the Board.
- Review the suitability for continued service as a director of each Board member before recommending the nomination of such director for an additional term.
- Upon any substantial change in status of a director, such as an employment change, review such director’s resignation letter and recommend to the Board, the action, if any, to be taken.

- Recommend to the Board a slate of nominees for election by the stockholders at each meeting of stockholders at which directors will be elected, as well as prospective director candidates in the event of a vacancy or newly-created directorship on the Board or a change in Board composition requirements.
- Work with senior management to provide an orientation and continuing education program for directors.

### **Board and Committees**

- Review, monitor, and make recommendations regarding the size and composition of the Board and its committees to ensure that the requisite number of directors are “independent directors” within the meaning of any rules and laws applicable to the Company.
- Establish and review policies pertaining to the roles, responsibilities, tenure, and removal of directors.
- Review and consider possible conflicts of interests that may arise between the Company and any director.
- Review periodically, with the participation of the CEO, the composition, size, purpose, structure, and operations of each of the Board committees, including the creation of additional committees or elimination of existing committees, and recommend to the Board changes, as appropriate, in the number, responsibilities, membership, and chairs of the committees.
- Recommend that the Board establish such special committees as may be necessary or appropriate to address ethical, legal, or other matters that may arise.

### **Corporate Governance**

- Develop and recommend to the Board a set of corporate governance guidelines applicable to the Company. Review at least annually the Company’s corporate governance guidelines to ensure that they reflect best practices and are appropriate for the Company, and recommend any proposed changes to the Board for approval.
- Form and delegate authority to subcommittees where appropriate.
- Oversee the annual review of the Board’s performance and evaluate the performance of the Governance Committee at least annually.
- Periodically review and recommend changes to the Company’s bylaws as they relate to corporate governance issues.
- Periodically review the effectiveness of the Audit Committee with respect to its compliance oversight responsibilities, including with regard to auditor independence, compliance with the Company’s Code of Ethics, the handling of anonymous complaints regarding accounting matters, and related items.

- Review the Governance Committee’s charter annually and recommend any proposed changes to the Board for approval.
- Regularly report Governance Committee actions to the Board with such recommendations as the Governance Committee may deem appropriate.
- Review proposals submitted by Company shareholders for inclusion in the Company’s proxy materials and recommend appropriate action to the Board.

## **Membership**

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The Governance Committee shall consist of at least two independent members of the Board, as such independence is defined by the rules and regulations of the New York Stock Exchange. The members of the Governance Committee and the Chairperson shall be appointed by the Board, and shall serve at the pleasure of the Board. Governance Committee members may be removed at any time, with or without cause, by the Board.

The duties and responsibilities of a member of the Governance Committee are in addition to those duties set out for a member of the Board. Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Governance Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules, and the Governance Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

## **Meetings and Operations**

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The Governance Committee shall meet at least once a year or more frequently as circumstances require. The Governance Committee may invite to its meetings any members of management, including the CEO, and such other persons as it deems appropriate in order to carry out its duties and responsibilities.

Minutes of each meeting are to be prepared and sent to Governance Committee members and the Company’s directors who are not members of the Governance Committee. If the secretary or assistant secretary of the Company has not taken the minutes, the minutes should be sent to him or her for permanent filing.

## **Authority**

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The Governance Committee has the authority to retain, at the Company’s expense, one or more search firms to be used to identify director candidates, as well as other advisors, as the Governance Committee determines necessary or appropriate to assist with the execution of its duties and responsibilities as set forth in this charter. The Governance Committee shall have the sole authority to retain, oversee the work, and terminate any such search firms and advisors and to approve the fees and other retention terms.