

# MVB Financial Corp. Board of Directors Human Resources & Compensation Committee Charter

Approved: 03-20-18

## 1. Purpose

The Board of Directors (the “Board”) of MVB Financial Corp. (“MVB Financial”) in fulfilling its responsibility for effective board governance of MVB Financial and its subsidiaries (herein after collectively referred to as “MVB”) has duly established the Human Resources & Compensation Committee (the “Committee”).

The Committee is established to help assure that MVB fulfills its responsibilities effectively by: (1) attending to all Human Resources issues that come before the Board; (2) reviewing and setting CEO total compensation; (3) conducting an annual CEO performance goal setting and evaluation process; (4) oversee succession planning for both emergency and future leadership, 5) approving Senior Management Team total compensation; (6) evaluating all MVB benefit plans, and (7) reviewing the compensation for non-employee Board of Directors as appropriate.

## 2. Responsibilities of the Committee

The following shall be recurring duties and responsibilities of the Committee in carrying out its purpose.

- a. **Executive Selection.** Ensure a process is in place for identification and selection of the CEO/President of MVB. This will include an annual report on potential replacements for the current CEO/President.
- b. **Executive Performance Evaluation.** Design and complete appropriate goal setting and performance evaluation of the CEO/President. On an annual basis, complete the evaluation of the CEO/President and analyze the results as part of the consideration in determining the compensation for the CEO/President.
- c. **Executive Compensation.** Working with the Chair and other Board members, complete the annual review and setting of compensation for the CEO/President to include incentive, if applicable, and bonus programs. Working with the President/CEO, review the recommendations of the President/CEO regarding the compensation of all other MVB executive officers, based on the performance of such executive officers considering the goals and objectives approved by the Committee, and approve such compensation.
- d. **Directors Compensation.** Review the compensation practices for directors and make recommendations for changes to the full Board.
- e. **Incentive Plans.** Identify or design and recommend equity-based, cash or other incentive programs necessary to implement MVB’s compensation strategy or to provide incentives/bonuses for reaching designated performance benchmarks or specific goals within the strategic plan.
- f. **Benefit Plans.** Review and recommend competitive benefit programs in order to attract and retain top talent.
- g. **Emergency Succession Plan Development.** Review and update annually the MVB Emergency Succession Plan.

- h. Emergency Succession Plan Implementation.** In the event of an emergency that triggers the MVB Emergency Succession Plan, monitor and provide Board oversight of the implementation of the plan in conjunction with the Board Chair and other appropriate Board members, as warranted.
- i. Succession Planning.** Review and make an annual report to the Board on management succession planning, including the CEO/President. The succession planning shall include policies regarding succession in the event of an emergency or the retirement of the CEO/President.
- j. Executive Level Development.** Work with the CEO/President and other identified senior management to establish additional training, education, or experience goals to assure continuing development and to address succession planning.
- k. Non-Executive Development and Succession Plan.** Review at least annually with MVB leadership, including the CEO/President, its management development and specific succession planning (plan) for managers and officers below executive officer level.
- l. MVB Organization and Staffing.** Review periodically, but not less than annually, MVB's organization, staffing and planned organizational (structure) changes to assure that each supports the strategic plan, MVB's succession planning and management development efforts.
- m. Other Duties.** Perform such other duties and responsibilities as may be assigned to the Committee by the Board from time to time.
- n. Executive Compensation Program.** Establish and maintain on an on-going basis an executive compensation program designed to enable MVB to attract, retain, motivate and reward executive officers to support the strategic plan.
- o. Philosophy and Objectives.** The Committee shall review and approve MVB's compensation philosophy and objectives.
- p. Say on Pay Frequency.** Review with Senior Management the results of the shareholder "say on pay" advisory vote on the compensation of MVB's executive officers. Recommend to the Board the frequency of holding a "say on pay" advisory vote on the compensation of MVB's named executive officers: CEO/President, Chief Financial Officer, Chief Risk Officer, Chief Lending Officer and CEO, Mortgage.
- q. CD&A and Report.** Review and discuss with senior management all proposed disclosures regarding executive and director compensation, including the Compensation Discussion & Analysis ("CD&A") to be included in MVB's Annual Report on Form 10-K and proxy statement and recommend to the Board, based on such review and discussion, whether the CD&A should be included in Form 10-K and the proxy statement, and prepare an annual report on executive compensation for including in Form 10-K and the proxy statement as required by the SEC.
- r. Employment and Other Agreements.** Review and approve any employment, severance, change in control, supplemental retirement or termination arrangements with any executive officer.
- s. Clawbacks.** Approve and oversee the application of MVB's clawback, or recoupment policy.
- t. Risk Assessment.** Review and discuss with senior management any disclosures relating to risk related to MVB's compensation programs and policies in the annual proxy statement.
- u. Stock Ownership Guidelines.** Monitor adherence to MVB's share ownership guidelines for senior management and Board of Directors.

v. **Peer Group.** Review competitive practices and trends in the industry to determine the adequacy of the executive compensation program, including selecting a peer group, to ensure they are competitive and supportive of MVB's strategy.

### 3. Membership

a. **Composition of the Committee.** The Committee shall consist of no fewer than three members of the Board. The members of the Committee shall be independent in accordance with applicable NASDAQ and SEC rules and regulations and shall meet the requirements of MVB Governance Guidelines and such other rules and regulations that may be appropriate. The Board of Directors shall consider all factors relevant to determining whether a director has a relationship to MVB which are material to that director's ability to be independent from management in connection with the duties of a member of the Committee. Committee members will be "non-employee directors" within the meaning of the Rule 16b-3 of the Securities and Exchange Act of 1934, as amended.

b. **Selection of Members.** The members of the Committee shall be appointed annually by the Board on the recommendation of the Governance Committee.

c. **Selection of the Chair.** The Chair of the Committee shall be appointed annually by the Board on the recommendation of the Governance Committee.

d. **Vacancies.** Vacancies on the Committee or in the Chair shall be filled by the Board upon recommendation of the Governance Committee at the next meeting of the Board following the occurrence of the vacancy.

e. **Removal or Replacement of Members.** Members of the committee may be removed or replaced, with or without cause, by a majority vote of the Board.

### 4. Meetings, Minutes, and Voting

a. **Meeting Schedule.** The Committee will meet as often as necessary to carry out its responsibilities. The Chair, in consultation with the other members of the Committee, shall set the time, frequency, and length of each meeting. The Committee may, in its discretion, delegate all or some of its duties and responsibilities to a subcommittee of the Committee.

b. **Agendas.** The Chair, in consultation with the other members of the Committee, shall establish the Agenda of items to be addressed at each upcoming meeting of the Committee.

c. **Quorum.** A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

d. **Procedures.** The Chair will preside at each meeting of the Committee. The Chair shall ensure that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee as well as to each other director in advance of the meeting. The Chair, subject to the approval of a majority of the members of the Committee, shall have the authority to change the agenda to respond to any matters that warrant attention. Members may waive advance notice of the agenda in writing.

e. **Voting.** The Committee shall make decisions and take other actions by majority vote. The Committee may act in writing by the unanimous consent of its members.

f. **Minutes.** The Committee shall keep minutes of each meeting and file those minutes with the Board Secretary in a timely fashion.

## 5. Report

Reports of meetings of the Committee shall be made to the Board at its next regularly scheduled meeting following the Committee meeting accompanied by any recommendations to the Board approved by the Committee.

## 6. Advisors and Counsel; Cooperation and Reliance

The Committee shall have the resources and authority to discharge its responsibilities; and the Board shall provide appropriate funding, as determined by the Committee, in its capacity as a committee of the Board with notification to the MVB Financial CEO.

a. **Retention of Advisors and Counsel.** The Committee shall have the authority, in its sole discretion, to obtain advice and assistance from, and to retain at MVB's expense, such independent or outside legal counsel, accounting, compensation or other advisors and experts as the Committee determines necessary or appropriate to carry out its duties, and in connection therewith to receive appropriate funding, as determined by the Committee, from MVB, with notification to the MVB Financial CEO. Prior to selecting or receiving advice from counsel (other than in house counsel), or accounting, compensation or other consultants or advisors, the Committee shall take into consideration such factors as could affect the independence of such counsel, or accounting, compensation or other consultants or advisors.

b. **Determine Administrative Expenses.** The Committee shall have the authority to determine the level and cost of separate administrative support necessary or appropriate in carrying out its duties, with MVB bearing such costs.

c. **Required Participation of Employees.** The Committee shall have unrestricted access to MVB's employees, independent auditors, and outside counsel and may require any employee of MVB or representative of MVB's independent auditors or outside counsel to attend meetings of the Committee or to meet with any members of the Committee or representative of the Committee's counsel, advisors, or experts.

d. **Reliance Permitted.** The Committee may act in reliance upon other committees of the Board, management, and other employees, MVB's independent auditors, internal auditors, advisors, and experts, as it deems necessary or appropriate.

## 7. Evaluation of the Committee

The Committee shall, on an annual basis, evaluate its performance under this Charter. In conducting this review, the Committee shall evaluate:

a. **Scope of Charter.** Whether this Charter appropriately addresses the matters that are or should be within its scope.

b. **Quality of Committee Work.** The adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board.

c. **Participation of Members and Quality of Decision Process.** The manner in which issues were discussed or debated, and whether all members actively participated and contributed to the work of the Committee.

d. **Length and Number of Meetings.** Whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

e. **Other Appropriate Factors.** Such other factors as the Committee deems relevant to the completion of its responsibilities under this Charter.

## **8. Rules and Procedures**

Except as expressly set forth in this Charter or the bylaws and operating agreements of MVB Financial and its subsidiaries or MVB Governance Guidelines, or as otherwise required by law or overriding regulatory rules, the Committee shall establish its own rules and procedures that are consistent with this Charter.

## **9. Limitation on Responsibility**

Nothing in this Charter or in a member's service on the Committee shall increase or be deemed to increase the liability of any member of the Board under applicable state law.

## **10. Annual Review of Charter**

The Committee shall review this Charter at least annually and recommend to the Board for its consideration and action revisions to this Charter, as the Committee shall deem necessary or appropriate.