



## NAVIGANT CONSULTING, INC.

### CORPORATE GOVERNANCE GUIDELINES

(adopted by the Board of Directors effective March 20, 2014)

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The board of directors (the "Board") of Navigant Consulting, Inc. (the "Company") has adopted the following Corporate Governance Guidelines (the "Guidelines") to assist the Board in exercising its responsibilities. The Guidelines reflect the Board's commitment to monitor the effectiveness of policy and decision making at the Board and management level, with a view to enhancing stockholder value over the long term. The Guidelines also assure that the Board will have the necessary authority and practices in place to review and evaluate the Company's business operations as needed and to make decisions that are independent of the Company's management. The Guidelines are subject to modification from time to time as the Board deems necessary or advisable.

#### **Board Composition**

**Responsibilities.** The Board is elected by the stockholders to oversee the Company's management and ensure that the long-term interests of the stockholders are served. The Board is the ultimate decision-making authority within the Company, except with respect to those matters, including the election of directors, that are reserved for the Company's stockholders.

**Board Size.** The range of the size of the Board is as set forth in the Company's Certificate of Incorporation, with the exact number of directors to be determined by the Board from time to time.

**Selection of Board Members.** The Board is responsible for nominating individuals for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. The Nominating and Governance Committee is responsible for identifying, evaluating and recommending candidates to the full Board for Board membership, taking into consideration the needs of the Board and the qualifications of the candidates. The Nominating and Governance Committee and the Board will consider nominees for director recommended by the Company's stockholders using the same criteria as described below, provided that the stockholder nominations are received by the Company's secretary within the time frame established by the Company's bylaws.

**Board Membership Criteria.** In evaluating the suitability of director candidates, the Nominating and Governance Committee and the Board take into account many factors such as general understanding of various business disciplines (e.g., marketing, finance, etc.), the Company's business environment, educational and professional background, analytical ability, diversity of experience and backgrounds and viewpoint and willingness to devote adequate time to Board duties. The Board evaluates each individual in the context of the Board as a whole with the objective of retaining a group that can best perpetuate the Company's success and represent stockholder interests through sound judgment.

**Independent Directors.** It is the policy of the Board, consistent with New York Stock Exchange listing standards, that at least a majority of the Board members shall be independent directors. The Board shall determine on an annual basis whether each director qualifies as an "independent director" pursuant to New York Stock Exchange listing standards.

**Director Orientation and Continuing Education.** The Board believes that director orientation is essential to valuable Board participation and decision making. To that end, the Company conducts an orientation program for new Board members designed to familiarize each new Board member with the Company's business operations, strategy and objectives, financial structure and corporate governance principles and practices. In addition, portions of certain Board meetings are devoted to educational topics at which senior management and outside subject matter experts present information regarding matters such as the Company's business operations, strategies, objectives, risks and opportunities. The Company encourages directors to periodically pursue or obtain appropriate programs, sessions or materials as to the responsibilities of directors of public companies. The Company reimburses directors for reasonable expenses associated with such programs, sessions and materials in accordance with Company policy.

**Director Service on Other Boards.** Directors should not serve on more than four other boards of public companies in addition to the Company's Board and should obtain Board approval prior to agreeing to serve on the board of another public company. In addition, directors who serve on the Audit Committee should not serve on the audit committees of more than two other public companies. The Company's Chief Executive Officer ("CEO") should not serve on more than two other boards of public companies in addition to the Company's Board and should obtain Board approval prior to agreeing to serve on the board of any public company.

**Change in Principal Occupation or Business Association.** The Board does not believe that directors who experience a significant change in their principal employment or business association should necessarily leave the Board. However, any director who experiences a significant change to his or her principal occupation or business association that reasonably may have an adverse affect on a director's service on the Board or the Company's business or reputation, should promptly tender a resignation to the Board. The Nominating and Governance Committee shall then review the appropriateness of that director's continued service on the Board in light of the new circumstances and make a recommendation to the Board as to whether the resignation should be accepted.

**Chair of the Board; Lead Director.** The Chair of the Board and CEO positions may (but need not) be filled by the same individual. The Chair of the Board, among other things, (i) presides at, and chairs, Board meetings and meetings of stockholders, (ii) establishes agendas for each Board meeting in consultation with the chairs of applicable committees of the Board, (iii) leads executive sessions of the Board, (iv) sees that orders and resolutions of the Board are carried into effect and (v) performs such other duties and responsibilities as requested by the Board. If the Chair of the Board is not an independent director within the meaning of New York Stock Exchange listing standards, the Board shall also appoint a Lead Director who (i) serves as chairman of the executive committee, (ii) presides at all meetings of the Board at which the Chair of the Board is not present, including executive sessions of the independent directors, (iii) serves as a liaison between the Chair of the Board and the independent directors, including serving as the conduit for independent directors to relay issues, concerns or agenda items in connection with upcoming Board meetings, (iv) approves information sent to the Board, including meeting agendas and meeting schedules, (v) has the authority to call meetings of the independent directors, (vi) ensures that he or she is available for consultation and direct communication with the Company's stockholders upon request and (vii) performs such other duties and responsibilities as requested by the Board.

## **Board Meetings; Involvement of Senior Management**

**Board Meetings—Attendance.** Board members are expected to attend Board meetings and meetings of the committees on which they serve. Each director is also encouraged and expected to attend the Company's annual meeting of stockholders.

**Board Meetings—Agenda.** The frequency and length of Board meetings are determined by the Chair of the Board, with input from the Board. The Chair of the Board sets the agenda for each Board meeting and distributes it to all the directors in advance.

**Advance Distribution of Materials; Review by Board Members.** Information that is relevant to the Board's understanding of matters to be discussed at an upcoming Board meeting should be distributed to the members of the Board sufficiently in advance of meetings to permit meaningful review. Advance information materials should generally be kept as concise as possible while giving directors sufficient information to make informed decisions. Board and committee members should review materials provided to them prior to Board and committee meetings and arrive at such meetings prepared to discuss the issues presented.

**Access to Employees; Independent Advisors.** The Board has access to Company employees to ensure that directors can ask all questions and glean all information necessary to fulfill their duties. With the approval of the Chair of the Board, management invites Company personnel to Board meetings at which their presence and expertise would help the Board have a full understanding of matters being considered. In addition, the Board and its committees have access to, and authority to engage, at the Company's expense, independent financial, legal, accounting and other advisors.

**Executive Sessions.** The non-management directors shall meet at regularly scheduled executive sessions at which no management directors or other members of management are present. If the non-management directors include one or more directors who is not an independent director within the meaning of New York Stock Exchange listing standards, the independent directors will themselves meet in executive session at least once per year.

## **Performance Evaluations and Succession Planning**

**Board Evaluation.** The Board evaluates its performance on an annual basis through an evaluation process administered by the Nominating and Governance Committee. The Board should discuss each evaluation to determine what, if any, actions should be taken to improve the effectiveness of the Board or any committee thereof.

**CEO Evaluation.** The Compensation Committee conducts a review at least annually of the performance of the CEO. The Compensation Committee establishes the evaluation process and determines the criteria by which the CEO is evaluated.

**Succession Planning.** The Compensation Committee works with the CEO to plan for the succession of the CEO and other senior executive officers, as well as to develop plans for interim succession for the CEO in the event of retirement or an unexpected occurrence.

## **Compensation**

**Board Compensation Review.** The Compensation Committee periodically reviews how the Company's director compensation practices compare with those of other comparable companies. The

Board determines its director compensation practices after the Compensation Committee completes this review. Directors who are also members of management will receive no additional compensation for their service as directors.

**Stock Ownership by Directors.** The Board believes that an ownership stake in the Company strengthens the alignment of interests between directors and stockholders. Accordingly, the Board has adopted stock ownership guidelines pertaining to directors which shall be evaluated from time to time by the Compensation Committee.

## **Committees**

**Number and Type of Committees.** The Board has three standing committees—an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. The composition, duties and responsibilities of each committee are set forth in a charter approved by the Board and each of the respective committees. The Board may add new committees or eliminate existing committees as it deems advisable, subject to applicable laws and New York Stock Exchange listing standards.

**Composition of Committees; Committee Chairs.** Each of the Audit, Compensation and Nominating and Governance Committees consists solely of independent directors. The Board is responsible for appointing committee members and committee chairs, pursuant to recommendations made by the Nominating and Governance Committee and subject to applicable laws and New York Stock Exchange listing standards. The Board considers the rotation of committee members and committee chairs from time to time and makes adjustments as it deems necessary or advisable.

## **Communications**

**Board Interaction with Third Parties.** It is the policy of the Board that the CEO and the Chief Financial Officer of the Company act as the spokespersons for the Company, although management may, from time to time, request individual directors to meet or otherwise communicate with various constituencies that are involved with the Company.

**Confidentiality.** In order to facilitate open discussions, the Board believes maintaining confidentiality of information and deliberations is imperative. Each director has a fiduciary obligation to maintain the confidentiality of information received in connection with his or her service as a director or committee member.