



Luther Burbank[®]

Corporation

Governance and Nominating Committee Charter

Purpose

The Governance and Nominating Committee is responsible for assisting the Board of Directors in (i) developing and recommending to the Board corporate governance principles and practices applicable to the Company; (ii) reviewing and reporting to the Board on succession planning for the Chief Executive Officer; (iii) overseeing the annual review and evaluation of the performance of the Board and its committees; and (iv) identifying individuals qualified to become members of the Board and recommending director nominees to the Board..

Organization

The Committee shall be comprised of at least three directors who shall meet the independence requirements of the applicable listing rules. The members of the Committee and its Chair shall be appointed by the Board, and may be removed by the Board at any time, with or without cause. The Committee may, in its discretion, delegate all or a portion of its responsibilities to a subcommittee of the Committee. To the extent permitted by applicable law, as appropriate, the Committee may delegate to management or management committees certain aspects of its duties and responsibilities.

The Committee shall meet at least four (4) times each year. The Chair shall preside at all such meetings of the Committee. The Chair or the Corporate Secretary has the authority to call meetings of the Committee. A majority of the members of the Committee present at a meeting shall constitute a quorum.

The Committee shall make regular reports to the Board. The Committee shall conduct an annual performance evaluation of the Committee and shall review this charter annually and recommend any proposed changes to the Board.

Responsibilities

Subject to the limitations set forth in this charter and to applicable laws, rules regulations and standards, the Committee will be responsible for the following matters:

- Developing and recommending to the Board corporate governance principles addressing the size, independence, diversity, composition and responsibilities of the Board and its committees.
- Reviewing, and recommending to the Board, charters for each of the Company's committees.
- Reviewing, and recommending to the Board, the appointment of committee members and chairpersons.
- Providing suitable programs for the orientation of new directors and the continuing education of incumbent directors.
- Assuring that there is appropriate emergency CEO succession planning and CEO continuity succession planning, and that such CEO Succession Plan is recommended to the Board.
- Overseeing the annual performance appraisal of the Board and its committees.

- Reviewing and making recommendations to the Board as to the form and amount of compensation for the Company's directors. Director compensation should provide reasonable compensation for non-employee directors commensurate with their duties and responsibilities as directors, and provide a sufficient level of compensation necessary to attract and retain the highest quality individuals. A portion of compensation should be in the form of the Company's common stock in order to further align the interests of non-employee directors with those of the Company's shareholders. Directors who are Company employees shall not be compensated for their service as directors.
- Establishing criteria for selection of new directors which reflect the requirements of applicable law, regulation and listing standards and which require each candidate to possess independence, integrity, forthrightness, experience in areas of importance to the Company and a commitment to the interests of the Company's shareholders.
- Actively considering and recruiting candidates, in consultation with the Chairperson of the Board and the CEO, to fill positions on the Board. The Committee shall also consider and reassess the contributions of those directors eligible for re-election and shall review the candidates who may be recommended by shareholders of the Company not less than 90 days nor more than 120 days prior to the annual meeting of the shareholders.
- Recommending the director nominees for approval by the Board and the shareholders.
- Determining whether to approve a director's request to join the board of any public company.
- Receiving and discussing reports from management regarding significant reported ethics violations or actual or potential conflicts of interest under the Company's Code of Conduct and Business Ethics and other corporate governance policies which may involve directors or the CEO, excluding such violations regarding accounting, internal accounting controls or auditing matters which are within the purview of the Audit and Risk Committee.
- Reviewing with management any requested waivers to the Company's Code of Ethics and Business Conduct for directors or executive officers and documenting approval or denial of such waiver.
- Assisting management in setting a strategy relating to Environmental, Social and Governance ("ESG") matters, approving the ESG Program on an annual basis, and receiving periodic reports on such matters.
- Performing any other responsibilities delegated to the Committee by the Board.

Access to Records and Advisors

The Committee shall have full access to any relevant records of the Company. The Committee may also request that any officer or other employee of the Company, or the Company's outside counsel or any other person, meet with any members of, or consultants to, the Committee.

The Committee shall have the power and authority to obtain, in its sole discretion, advice or assistance from internal or external financial, legal, accounting or other advisors (including compensation consultants), and to hire and compensate external advisors at the Company's expense. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve such firm's fees and other retention items.