

**ENPRO INDUSTRIES, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

The following Corporate Governance Guidelines (the “Guidelines”) have been adopted by the Board of Directors (the “Board”) of EnPro Industries, Inc. (the “Company”) to assist the Board in the exercise of its responsibilities. These Guidelines reflect the Board’s commitment to monitor the effectiveness of policy and decision making both at the Board and management levels, with a view to enhancing shareholder value over the long term. These Guidelines are in addition to and are not intended to change or interpret any federal or state law or regulation, including the North Carolina Business Corporation Act, or the Articles of Incorporation or By-Laws of the Company or any action that has been or may hereafter be adopted by the Board. These Guidelines are subject to modification from time to time by the Board.

**A. BOARD COMPOSITION**

1. Selection of Chairman and Chief Executive Officer

The By-Laws of the Company provide that the Board shall designate a Chairman of the Board from its membership. The Board has no policy with respect to the separation of the position of Chairman and the office of Chief Executive Officer; however, at present the two are separate. The Board believes that this issue is part of the succession planning process and it recognizes that there may be circumstances that would lead it to have the Chief Executive Officer also serve as Chairman. It is in the best interests of the Company for the Board to make such a determination as appropriate from time to time.

2. Size of the Board

The Board currently has eight directors. The Board will consider increasing this number in order to accommodate the addition of members due to the needs of its standing committees, a significant merger or other business combination, or the availability of an outstanding candidate. Under the Company’s Articles of Incorporation, the size of the Board may be no less than five and no more than 11.

3. Employee Directors

It is the sense of the Board that normally only the Chief Executive Officer should be an employee director. The Board may make exceptions to this policy.

4. Independent Directors

The Board believes that as a matter of policy a substantial majority of the members of the Board should be independent directors. All directors are required to deal at arm’s length with the Company and its subsidiaries and to disclose circumstances that might be perceived as a conflict of interest. A director will not be considered as “independent” unless the Board affirmatively determines that the director has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). For purposes of such determination, a director will not fail to be deemed “independent” solely as a

result of a relationship between the Company or its subsidiaries, on the one hand, and an organization with which the director is affiliated by reason of being a partner, shareholder or officer thereof, on the other, provided that (i) the relationship is in the ordinary course of business of the Company and is on substantially the same terms as those generally prevailing at the time for comparable transactions with non-affiliated persons, and (ii) with respect to a relationship involving extensions of credit to the Company or its subsidiaries, the extensions of credit have been made in compliance with all applicable laws and no event of default has occurred with respect thereto.

In addition, a director is not independent if:

- The director is, or has been within the last three years, an employee of the Company, or an immediate family member is, or has been within the last three years, an executive officer of the Company.
- The director or an immediate family member has received more than \$120,000 during any 12-month period within the last three years in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).
- The director or an immediate family member is a current partner of the Company's auditor; the director is a current employee of the Company's auditor; the director has an immediate family member who is a current employee of the Company's auditor and who personally works on the firm's audit; or the director or an immediate family member was within the last three years a partner or employee of the Company's auditor and personally worked on the Company's audit within that time.
- The director or an immediate family member is, or has been in the past three years, part of an interlocking directorate in which an executive officer of the Company serves on the compensation committee of another company that concurrently employs the director.
- The director is a current employee, or an immediate family member is a current executive officer of a company that does business with the Company and the sales by that company to the Company or purchases by that company from the Company in any of the last three fiscal years exceeds the greater of \$1,000,000 or 2% of such other company's consolidated annual revenues.
- The director or the director's spouse serves as an officer, director or trustee of a charitable organization, and the Company's discretionary charitable contributions to such organization exceeds the greater of \$1,000,000 or 2% of the other organization's annual revenues.

The definition of independence and compliance with that definition should be reviewed regularly by the Company's Nominating and Corporate Governance Committee (the "Nominating Committee").

The ownership of stock in the Company by directors is encouraged, and the ownership of a substantial amount of stock does not affect the independent status of a director.

The Company will not make any personal loans or extensions of credit to directors.

#### 5. Selection of New Director Candidates

The Board is responsible for nominating members of the Board and for filling vacancies on the Board that may exist between annual meetings of shareholders. The Nominating Committee shall identify individuals qualified to serve as directors and recommend to the Board individuals to be nominated for election as directors by the shareholders or for election by the Board to fill vacancies on the Board.

#### 6. Qualification for Board Membership

Candidates nominated for election or re-election to the Board generally should meet the following qualifications:

- Candidates should possess broad training and experience at the policy-making level in business, government, education, technology or philanthropy.
- Candidates should possess expertise that is useful to the Company and complementary to the background and experience of other Board members, so that an optimum balance in Board membership can be achieved and maintained.
- Candidates should be of the highest integrity, possess strength of character and the mature judgment essential to effective decision making.
- Candidates should be willing to devote the required amount of time to the work of the Board and one or more of its committees. Candidates should be willing to serve on the Board over a period of several years to allow for the development of sound knowledge of the Company and its principal operations.
- Candidates should be without any significant conflict of interest or legal impediment.

Under the Company's Bylaws, no person is eligible to be elected as a director if he or she is less than 18 years of age. In addition, no candidate shall be nominated by the Board for election or re-election as a director after reaching age 72 unless the Nominating and Corporate Governance Committee and the Board of Directors, by a vote of a majority of directors not subject to such a determination, specifically determine that, in light of all the circumstances, it is in the best interests of the Company and its shareholders that such candidate be nominated for election or re-election.

7. Directors Who Change Their Present Job Responsibility

A director is expected to volunteer to resign from the Board at such time as the director changes the responsibility he or she held when elected to the Board. It is not the sense of the Board that such a director should necessarily leave the Board. There should, however, be an opportunity for the Board, through its Nominating Committee, to review the continued appropriateness of Board membership under these circumstances.

8. Resignation and Removal

A director is expected to submit a letter of resignation under the following circumstances:

- if he or she is declared of unsound mind by a court order;
- if he or she is declared bankrupt;
- if he or she engages in conduct that causes the director or the Company to be held in public disgrace or disrepute;
- if he or she breaches the confidentiality of proprietary information of the Company;  
or
- if he or she is convicted of a felony or adjudged by a court of competent jurisdiction to have engaged in conduct involving willful misconduct, dishonesty or fraud.

9. Retirement

The Nominating Committee, in consultation with the Chairman, will review each director's continuation on the Board annually. This will allow each director the opportunity to confirm his or her desire to continue as a member of the Board.

10. Conflicts of Interest

If an actual or potential conflict of interest develops because of a change in the business operations of the Company or a subsidiary, or in a director's circumstances (for example, significant and ongoing competition between the Company and a business with which the director is affiliated), the director should report such matter immediately to the Chairman and to the Chair of the Nominating Committee for evaluation. A significant conflict must be resolved or the director should resign.

If a director has a personal interest in a matter before the Board, the director shall disclose the personal interest to the full Board and excuse himself or herself from participation in the discussion and vote on the matter.

11. Board Interaction with Institutional Investors, the Press, Customers, etc.

The Board believes that senior management has the responsibility to speak for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies of the Company, including institutional investors and other large shareholders. It is expected, however, that Board members will communicate with outside constituencies only with the knowledge of senior management and, absent unusual circumstances, only at the request of senior management.

Employees, shareholders and other interested parties may contact the Board by means of the EnTegrity Assistance Line or by writing to the Board c/o the Company's Secretary.

12. Hedging and Monetization Transactions

Hedging or monetization transactions that permit a director of the Company to continue to own the securities of the Company, but without the full risks and rewards of ownership, may result in a director no longer having the same objectives as the Company's other shareholders. The Board believes that directors must not engage in any hedging or monetization transactions with respect to the Company's securities, including, but not limited to, through the use of financial instruments such as exchange funds, prepaid variable forwards, equity swaps, puts, calls, collars, forwards and other derivative instruments, or through the establishment of a short position in the Company's securities.

13. Service as Director of Other Corporations

Each director shall notify the Nominating Committee prior to agreeing to serve as a director of another publicly held for-profit corporation and the Nominating Committee shall review the appropriateness of such service.

14. Election by a Majority Vote of Shareholders

In an uncontested election of directors (*i.e.*, an election where the only nominees are those recommended by the Board), any nominee for director who receives a greater number of votes "withheld" from his or her election than votes "for" his or her election will promptly tender his or her resignation to the Chairman following certification of the shareholder vote.

The Nominating Committee will promptly consider the resignation submitted by a director receiving a greater number of votes "withheld" from his or her election than votes "for" his or her election, and the Nominating Committee will recommend to the Board whether to accept the tendered resignation or reject it. In considering whether to accept or reject the tendered resignation, the Nominating Committee will consider all factors deemed relevant by the members of the Nominating Committee including, without limitation, the stated reasons why shareholders "withheld" votes for election from such director, the length of service and qualifications of the director whose resignation has been tendered, the director's contributions to the Company, and the Company's Corporate Governance Guidelines.

The Board will act on the Nominating Committee's recommendation no later than 90 days following the date of the shareholders' meeting where the election occurred. In considering the Nominating Committee's recommendation, the Board will consider the factors considered by the Nominating Committee and such additional information and factors the Board believes to be relevant. Following the Board's decision on the Nominating Committee's recommendation, the Company will promptly publicly disclose the Board's decision whether to accept the resignation as tendered (providing a full explanation of the process by which the decision was reached and, if applicable, the reasons for rejecting the tendered resignation) in a Form 8-K filed with the Securities and Exchange Commission.

To the extent that one or more directors' resignations are accepted by the Board, the Nominating Committee will recommend to the Board whether to fill such vacancy or vacancies or to reduce the size of the Board.

Any director who tenders his or her resignation pursuant to this provision will not participate in the Nominating Committee recommendation or Board consideration regarding whether or not to accept the tendered resignation. If a majority of the members of the Nominating Committee received a greater number of votes "withheld" from their election than votes "for" their election at the same election, then the independent directors who are on the Board who did not receive a greater number of votes "withheld" from their election than votes "for" their election (or who were not standing for election) will appoint a Board committee amongst themselves solely for the purpose of considering the tendered resignations and will recommend to the Board whether to accept or reject them. This Board committee may, but need not, consist of all of the independent directors who did not receive a greater number of votes "withheld" from their election than votes "for" their election or who were not standing for election.

This corporate governance guideline will be summarized or included in each proxy statement relating to an election of directors of the Company.

## **B. BOARD AND SHAREHOLDER MEETINGS**

### **1. Selection of Agenda Items for Board Meetings**

The Chairman is responsible for the agenda for each Board meeting. Each director is free to suggest the inclusion of items on the agenda. Each director is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

### **2. Board Materials Distributed in Advance**

It is the sense of the Board that, to the extent feasible, information and data that is important to the Board's understanding of matters requiring Board action be distributed in writing to each director before the Board meets.

### 3. Attendance

Directors shall use their best efforts to maintain regular attendance at meetings of the Board of Directors and Board committees. Absent unusual circumstances (e.g., illness), a director will not be nominated for re-election if he or she attended fewer than 75% of the aggregate number of meetings of the Board and the committees on which he or she served for each of two consecutive years.

### 4. Regular Attendance of Non-Directors at Board Meetings

The Chairman may invite one or more members of senior management to attend Board meetings regularly.

### 5. Executive Sessions of Non-Management Directors

The non-management directors should meet in regularly scheduled executive sessions without management present immediately before, during interim adjournments, or following regular meetings of the Board. The Chair for such executive sessions will be the Chairman of the Board or, in his or her absence, the Chair of the committee which has responsibility for the subject matter to be discussed at such session. Executive sessions do not constitute meetings of the Board and separate minutes of these sessions need not be maintained.

### 6. Board Access to Management, Advisors and Consultants

Directors have complete access to management, to any inside or outside counsel employed by the Company, and to any internal auditor or independent auditor serving the Company. The Board further has complete access to outside counsel, auditors and other advisors and consultants of its choice with respect to any issue relating to its activities.

If an individual director desires to hire an outside advisor at the expense of the Company, he or she must first obtain the approval of the Nominating Committee and senior management must be fully advised.

The Board encourages senior management to bring managers into Board or committee meetings from time to time who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, or (b) represent managers with future potential whom senior management believes should be given exposure to the Board.

### 7. Due Diligence

Directors are expected to devote sufficient time to the business of the Board of Directors to obtain an understanding of the Company's business, risks and strategies and of the matters that are brought to the Board for action. Directors should actively and constructively participate in the work of the Board and each committee on which they serve.

8. Shareholder Meetings

Directors are expected to attend the Company's annual meeting of shareholders.

9. Director Travel and Expenses

Directors will be reimbursed for Company-related travel, including travel to and from the Company's Board and Shareholder meetings, for their actual travel costs incurred, up to but not to exceed the cost of first class, round-trip airline travel to the meeting destination and returning to the directors' home or origination point, except in unusual circumstances where the reimbursement limit is expressly waived in advance by the Nominating Committee or the Executive Committee. In addition, directors will be reimbursed their reasonable out-of-pocket expenses for meals, lodging and other incidental expenses incurred during Company-related travel.

**C. BOARD COMMITTEES**

1. Board Committees

A substantial portion of the analysis and work of the Board is done by standing Board committees. A director is expected to participate actively in the meetings of each committee to which he or she is appointed.

The Board has established the following committees: the Audit and Risk Management Committee (the "Audit Committee"), the Compensation and Human Resources Committee (the "Compensation Committee"), the Executive Committee, and the Nominating and Corporate Governance Committee (the "Nominating Committee"). Each committee's charter is to be reviewed periodically by both the Nominating Committee and the committee itself. The Board has the flexibility to form a new committee or disband any committee.

2. Assignment of Committee Members

The Board designates the members of the committees, taking into account the desires of individual Board members and the recommendations of the Nominating Committee. It is the policy of the Board that no director can be appointed to or serve on the Audit Committee while he or she serves on the audit committee of more than two other public companies. This provision can be waived by a majority of the directors acting without the director affected.

Given the current size of the Board and in order to make the best use of meeting time, at present the Board has determined that each independent Director should serve on the Audit Committee, the Compensation Committee and the Nominating Committee. The Executive Committee shall be comprised of the current CEO and the chairman of each of the aforementioned committees.

### 3. Frequency and Length of Committee Meetings

The Chair of each committee, in consultation with its members, determines the frequency and length of the meetings of the committee. In general, however, it is the Board's view that the Executive Committee will meet only when formal action is necessary and it is not feasible to convene a special meeting (in person or by telephone) of the full Board.

### 4. Committee Agenda

The Chair of each committee, in consultation with senior management of the Company, is responsible for the committee's agenda for each meeting. A schedule of agenda subjects (to the degree that they can be foreseen) for each committee (other than the Executive Committee) to be discussed during the year will be established and furnished to all directors.

## **D. BOARD REVIEW AND LEADERSHIP DEVELOPMENT**

### 1. Board Compensation Review

Senior management will report periodically to the Compensation Committee on the status of the Company's compensation to directors in relation to other similarly situated U.S. companies. It is the Board's intention that directors' fees and other compensation will not exceed what is customary.

Changes in Board compensation, if any, should come upon the recommendation of the Compensation Committee, but with full discussion and concurrence by the Board.

### 2. Self-Assessment of the Board's Performance

The Nominating Committee is responsible to assess annually the performance and contributions of the Board of Directors as a whole. The Chairman of the Board periodically will inquire of each director his or her comments or concerns regarding the functioning of the Board and will advise the Nominating Committee of such discussions. Each director may make suggestions or comments for modifying procedures of the Board. In addition, each director may provide comments on any other director standing for re-election to the Chairman of the Nominating Committee.

### 3. Evaluation of the Chief Executive Officer

The independent directors should evaluate the Chief Executive Officer annually, and the results of the evaluation should be communicated to him or her by two directors, one of whom shall be the Chairman of the Compensation Committee and the other of whom shall be the Chairman of the Board (if such individual is not also the Chief Executive Officer in which case the other shall be the Chairman of the Nominating Committee). The evaluation should be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives, development of management, etc. The evaluation will be used by the Compensation Committee in the course of its deliberations when considering the compensation of the Chief Executive Officer.

4. Succession Planning and Management Development

There should be an annual report to the Board by the Chief Executive Officer on succession planning (including contingency plans) and management development.

5. Director Orientation and Continuing Education

The Board and the Company have developed an orientation process for new directors that includes background materials and meetings with senior management. In addition, senior management will, from time to time, update the Board on significant legal and other developments that may affect the Board's responsibilities.

Approved on April 26, 2017