

LYDALL, INC.

CORPORATE GOVERNANCE COMMITTEE CHARTER

Purpose

The purpose of the Corporate Governance Committee (“Committee”) of the Lydall, Inc. Board of Directors (the “Board”) shall be to assist the Board in identifying individuals who are qualified to become Board members consistent with criteria determined by the Board; selecting and recommending to the Board the director nominees for the next Annual Meeting of Stockholders; making recommendations to the Board as to the membership and chairperson of each standing committee; developing and recommending to the Board a set of corporate governance guidelines (“Corporate Governance Guidelines”) applicable to the Company designed to provide for effective and efficient governance of the Company; overseeing the evaluation of the Board; evaluating annually the performance of the Committee and the Chief Executive Officer; and providing guidance on matters relating to corporate governance.

Committee Structure and Operation

The Committee shall be composed entirely of “independent” Directors, as defined in the Corporate Governance Listing Standards of the New York Stock Exchange (“New York Stock Exchange Standards”), with a minimum of three members.

The members of the Committee shall be subject to removal by the Board. If a vacancy shall occur on the Committee, the Board of Directors will fill that vacancy by appointing another director to the Committee, so long as the new appointee satisfies the independence requirements of the New York Stock Exchange Standards. If any member of the Committee ceases to meet those requirements, the Committee member shall resign from the Committee.

The Committee may form, and delegate authority to, subcommittees when appropriate. If the Committee delegates any function to one or more members of the Committee for any purpose, those members shall report any action taken to the full Committee at its next meeting. The Committee shall meet as frequently as circumstances dictate. A majority of the Committee members present at any Committee meeting at which a quorum is present in person or by conference call may act on behalf of the Committee. The Committee may also act by unanimous written consent. If a chairperson is not designated by the Board, the Committee may designate a chairperson by majority vote of the full Committee membership. The Chairperson shall designate a secretary, who need not be a member, to record minutes and prepare agendas for meetings.

Duties and Responsibilities

The Committee shall:

1. Evaluate the skills and expertise needed by the Board and other criteria for nominating directors and propose those criteria to the Board for approval.
2. Oversee the process of recruiting qualified new directors, consistent with criteria approved by the Board.
3. Select the Director nominees and recommend to the Board for the next Annual Shareholder Meeting.
4. Oversee an annual evaluation of the Board, including developing and recommending to the Board procedures for improving the effectiveness of the Board and its members.
5. Plan for Board continuing education, including new member orientation and education for Board members.
6. Develop and recommend to the Board a set of Corporate Governance Guidelines addressing: director qualification standards (including independence standards); director responsibilities; director access to management and independent advisors; director compensation; director orientation and continuing education; management succession; and the annual performance evaluation of the Board.
7. Assess, in its sole and absolute discretion, and recommend to the Board what action should be taken with respect to: (i) a director nominee who does not receive a “majority of the votes cast” at an election of directors; (ii) an offer not to stand for reelection received from a Director aged seventy years or older; and (iii) an offer of resignation received from a Director whose employment status or principal position has changed or who has had another significant change in his/her personal circumstance.
8. Review annually the relationships between directors, the Company and members of management and recommend to the Board whether each director qualifies as “independent” under the Board’s definition of “independence” and the New York Stock Exchange Standards.
9. Periodically review the Board’s leadership structure to assess whether it is appropriate given the specific characteristics or circumstances of the Company.
10. Oversee development of a succession plan for the Chief Executive Officer.
11. The Committee (together with the other independent Directors, if directed by the Board) shall evaluate the Chief Executive Officer’s performance annually. The Committee shall report the results of its evaluation of the Chief Executive Officer’s performance to the Compensation Committee.

Approved
December 9, 2016

12. The Committee shall review and approve all Director and Officer indemnification and insurance arrangements.

13. Plan for and perform an annual self-evaluation of the Committee to determine the extent to which it fulfilled its obligations as described in this Charter, the Corporate Governance Guidelines or otherwise required by applicable listing standards, regulations or law.

14. Review and reassess the adequacy of this Charter annually, and recommend to the Board such amendments to this Charter as the Committee deems appropriate.

15. Review and assess, from time to time as it deems appropriate, the adequacy of the Corporate Governance Guidelines and recommend to the Board such amendments to the Corporate Governance Guidelines, as the Committee deems appropriate.

16. In discharging its oversight role, the Committee shall have the power to investigate any matter that comes to its attention, with full access to all books, records, facilities and personnel of the Company. The Committee shall also have the sole authority to retain (at the Company's expense) outside counsel and other advisors as it determines necessary to carry out its purposes and to determine the engagement terms and fees of such outside counsel, auditors and other advisors. The Committee shall have the sole authority to retain and terminate search firms to identify director candidates, and to approve the search firm's fees and other retention terms.