

# CONSOL ENERGY INC.

## CORPORATE GOVERNANCE GUIDELINES

Effective as of December 12, 2019

### **Introduction**

The Board of Directors (the “**Board**”) of CONSOL Energy Inc. (the “**Company**”) has adopted these Corporate Governance Guidelines (these “**Guidelines**”) as of the date set forth above.

The Board has established these Guidelines to promote the effective governance of the Company, and to comply with applicable rules and regulations. Together with the Company’s charter documents and Board committee charter documents, these Guidelines provide the framework within which our directors and management pursue the Company’s objectives for the benefit of its stockholders, employees, and other stakeholders. These Guidelines are not intended to establish binding legal obligations.

### **1. Director Qualifications**

The Board will consist of at least the number of required “independent” directors as defined by the rules of the Securities and Exchange Commission and the New York Stock Exchange (the “**NYSE**”) as set forth in the NYSE Listed Company Manual. The Board shall assess, on an annual basis, the skills and characteristics that candidates for election to the Board should possess, as well as the composition of the Board as a whole. This assessment shall include the qualifications under applicable independence standards and other standards applicable to the Board and its committees, as well as consideration of skills and experience in the context of the needs of the Board.

It is the sense of the Board that an individual director who changes the principal employment or responsibility he or she held when last elected to the Board (other than a change anticipated and disclosed to the Board at the time of nomination for the last election) should volunteer to resign from the Board. It is not the sense of the Board that every such change in position by a director should necessarily result in the director’s stepping down from the Board. There should, however, be an opportunity for the Board to review and assess the continued appropriateness of Board membership under the circumstances.

No director should serve on so many other public or private company boards that his or her ability to devote the necessary time and attention to his or her duties to the Board or to the Company’s affairs would be compromised. Determination of the existence of such a situation would be subject to the discretion of the Board. Notwithstanding the foregoing, in addition to a director’s service on the Board, in no event shall: (A) any director who is a named executive officer of the Company serve on the board of more than one other public company, other than any public company that is a direct or indirect subsidiary of the Company, and (B) any other director serve on more than three other public company boards. Directors should advise the

Chairman of the Board in advance of accepting an invitation to serve on another public company's board.

## **2. Board Diversity**

The Company believes in diversity and values the benefits that diversity can bring to the Board and the Company. Diversity promotes the inclusion of different perspectives and ideas, mitigates against groupthink and ensures that the Company has the opportunity to benefit from all available talent. The promotion of a diverse Board makes prudent business sense and makes for better corporate governance.

The Company seeks to maintain a Board comprised of talented and dedicated directors with a diverse mix of expertise, experience, skills and backgrounds. The skills and backgrounds collectively represented on the Board should reflect the diverse nature of the business environment in which the Company operates. For purposes of Board composition, diversity includes, but is not limited to, business experience, geography, age, gender, and ethnicity.

The Company is committed to a Board composition within a diverse and inclusive culture, which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination. When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the Company will consider candidates based on the needs of the Board at that time, having due regard to the benefits of diversity and the needs of the Board.

The Company will periodically assess the expertise, experience, skills and backgrounds of its directors in light of the needs of the Board, including the extent to which the current composition of the Board reflects a diverse mix of knowledge, experience, skills and backgrounds.

Any search firm engaged to assist the Board or a committee of the Board in identifying candidates for appointment to the Board will be specifically directed to include diverse candidates generally.

## **3. Director Responsibilities**

The basic responsibility of the directors is to exercise their business judgment to act in what they believe to be the best interests of the Company. In discharging that obligation, a director is entitled to rely reasonably on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The directors shall also be entitled to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the Company's governing documents and any indemnification agreements, and to exculpation as provided by state law and the Company's governing documents.

Directors are expected to attend Board meetings and meetings of committees of the Board on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Information and data that are important to the Board's

understanding of the business to be conducted at a Board or committee meeting should ordinarily be distributed to the directors before the meeting and directors should review these materials in advance of the meeting. Directors or members of any committee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment or by such other means by which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting.

The Board has no policy requiring either that the positions of the Chairman of the Board and the Chief Executive Officer of the Company (the “CEO”) be separate or that they be occupied by the same individual. The Board believes that this issue is properly addressed as part of the succession planning process and that it is in the best interests of the Company for the Board to make a determination on this subject whenever it elects a CEO or at other times when consideration of the matter is warranted by circumstances.

The Board shall meet at least six times per year. Additional meetings may be scheduled as necessary or appropriate. The Chairman of the Board, assisted by the Secretary and/or other members of management of the Company as requested by the Chairman of the Board, shall prepare an annual schedule of meetings for the Board and the standing committees. In addition, the Chairman of the Audit Committee of the Board, assisted by the Chief Financial Officer and/or other accounting/financial personnel of the Company as requested by the Chairman of the Audit Committee of the Board, shall assist with preparing the schedule of meetings for the Audit Committee of the Board. To the extent practicable, the schedule shall reflect agenda subjects that are generally of a recurring nature and are expected to be discussed during the year in question.

The Chairman of the Board, together with other members of the Board or management of the Company, in each case as requested by the Chairman of the Board, shall establish the agenda for each Board meeting. Each Board member is invited to suggest the inclusion of items on the agenda. The Board shall review the Company’s long-term strategic plans and the principal issues that the Company will face in the future during at least one Board meeting each year.

The non-management directors shall meet in executive session without management participation at each meeting. The directors who so meet in executive session shall not constitute a committee of the Board and therefore shall not take action at such sessions, although the participating directors may make recommendations for consideration by the full Board. If the non-management directors include directors who are not independent, the independent directors shall meet separately in executive session at least once a year. These executive sessions shall be chaired by the Chairman of the Board, if independent, or by the chairman of the Audit Committee of the Board or such independent director of the Board that is designated by the Chairman (the “Lead Director”).

Interested parties may communicate directly with the independent directors by submitting a communication in an envelope marked “Confidential” addressed to the “Independent Members of the Board of Directors” in care of the Chairman of the Board, if independent, or the Lead Director of the Company at:

CONSOL Energy Inc.  
1000 CONSOL Energy Drive, Suite 100  
Canonsburg, Pennsylvania 15317

The Company shall disclose in its Annual Proxy Statement (its “**Proxy Statement**”) the method by which interested parties may communicate with the independent directors.

The Board believes that management should speak for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. However, it is expected that Board members would do this with the knowledge of management and, absent unusual circumstances or as contemplated by the charters of the committees of the Board, at the request of management.

#### **4. Lead Director**

In the event that the director serving as Chairman of the Board is not independent, the Board will, upon the recommendation of the Nominating and Corporate Governance Committee, designate one of its independent members who has served as a director of the Company for at least one year to serve as Lead Director of the Board, with the following specific duties and responsibilities:

- (i) To act as a liaison between the Chairman and the independent directors;
- (ii) To preside at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors;
- (iii) To review and approve with the Chairman the schedule of meetings, meeting agendas and type of information to be provided for each of the applicable Board meetings and review with the Chairman whether there are risks which the Board should focus upon at such meetings;
- (iv) To have the authority to direct the CEO or Corporate Secretary to call a special meeting of the independent directors;
- (v) To consult directly with major stockholders, when requested and appropriate to do so; and
- (vi) To perform such other duties as may from time to time be delegated to the Lead Director by the Board.

The director who is appointed Lead Director will be appointed on an annual basis by at least a majority of the remaining directors.

#### **5. Responsibilities of Key Board Committees**

The Board has determined to constitute only those committees that it believes are critical to the efficient operation of the Board or are required by applicable law or a listing standard. The Board initially has four standing Committees: the Audit Committee; the Compensation

Committee; the Health, Safety and Environmental Committee; and the Nominating and Corporate Governance Committee. The Board has the authority to establish such other committees, temporary or permanent, as the Board deems advisable.

Each of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee will consist of three or more directors, each of whom will satisfy the independence requirements set forth in their respective charters and any other listing or regulatory requirements. The Health, Safety and Environmental Committee will consist of three or more directors. The Nominating and Corporate Governance Committee will recommend, and the Board will designate, a Chairperson of each committee. Each committee will have appropriate written charters that comply with applicable laws and regulations, and each committee will have the duties and responsibilities set forth in its respective charter. The charter of each committee will be reviewed annually by the Board and the relevant committee. These committee charters will be made available on the Company's website. Each committee will have the opportunity to meet in executive session in conjunction with each of the Board's regularly scheduled meetings.

The Chairperson of each committee, in consultation with the appropriate members of the committee and management, will develop his or her committee's agenda.

The Board is responsible for overseeing the activities of its committees (except where such committees have sole authority to act pursuant to applicable law or a listing standard) and for ensuring that the committees are fulfilling their duties and responsibilities. The Board will regularly receive reports from its committees regarding their activities and will take such actions as it deems necessary and appropriate in response to these reports.

## **6. Corporate Social Responsibility**

The Board is responsible for oversight of the Company's policies, programs and strategies regarding significant corporate social responsibility (CSR) issues, including matters related to environmental, social, and governance concerns. In furtherance of this oversight responsibility, periodically (but no less than annually), the Board receives CSR updates from management and its committees, and reviews these policies, programs, and strategies, providing guidance to management with respect to such matters. Various committees of the Board have been delegated oversight of certain CSR issues, as specified in the charters for such committees, including the Health, Safety and Environmental Committee with respect to certain health, safety, security and environmental matters, the Nominating and Corporate Governance Committee with respect to certain corporate governance matters, and the Audit Committee with respect to cybersecurity matters.

## **7. Director Access to Officers, Employees, Advisors, Shareholders and Other Interested Parties**

Directors have full and free access to officers and any employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO or made directly by the director. The directors shall use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and shall, to the extent not

inappropriate, copy the CEO on any written communications (including e-mail) between a director and an officer or employee of the Company. The Board also regularly schedules attendance at Board meetings by senior officers of the Company. To the extent they consider it necessary and appropriate, directors also shall have access to the Company's independent advisors using the same procedures.

The Chairperson of the Board and the CEO are responsible for establishing effective communications with the Company's shareholders, customers, associates, communities, suppliers, creditors, and corporate partners. Directors may meet with such parties, but any such meetings generally should be held with management present.

## **8. Director Compensation**

The Board shall determine its compensation. Directors who are employees of the Company or any subsidiary thereof, shall not be separately compensated for their services as directors. The Board shall consider that directors' independence may be jeopardized if director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a director is affiliated, or if the Company enters into consulting contracts with or provides other indirect forms of compensation to a director or an organization with which a director is affiliated.

(i) Non-Employee Directors. The Compensation Committee will report periodically as to how the Company's non-employee director compensation practices compare with those of other similarly situated public corporations. The Board should make changes in its non-employee director compensation practices only upon the recommendation of the Compensation Committee after discussion and unanimous concurrence by the full Board and with the advice of qualified independent advisors. In discharging this duty, the Committee and the full Board should be guided by the following principles: compensation should fairly pay directors for the work required; compensation should align directors' interests with the long-term interests of shareholders; and the structure of the compensation should be simple, transparent and easy for shareholders to understand.

(ii) Management Directors. Directors who are also employees of the Company do not receive director fees for their service on the Board.

## **9. Director Orientation and Continuing Education**

Each new director may participate in an orientation program, which may be conducted at any time after his or her initial election or appointment. This orientation may include presentations by senior management to familiarize new directors with the Company's operations, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct and Ethics, its principal officers, and its internal and independent auditors, as well as visits to Company facilities. Other directors are also welcome to attend any of these orientation programs. The Board believes it is appropriate for directors, at their discretion, to have access to educational programs related to their duties as directors on an ongoing basis to enable them to better perform their duties and to recognize and deal

appropriately with issues that arise. The Company shall provide appropriate funding for any such program in which a director wishes to participate.

#### **10. CEO Evaluation; Management Succession**

The Board shall conduct an annual review of the CEO's performance and shall identify and periodically update the qualities and characteristics necessary for an effective CEO. The Board recognizes that advance planning for contingencies such as the departure, death or disability of the CEO or other top executives is also critical so that, in the event of an untimely vacancy, the Company has in place an emergency succession plan to facilitate the transition to both interim and longer-term leadership. The designation of the CEO, as in the case of other officers, is a decision for the Board.

(i) **Assessing CEO Performance.** Each year, the Nominating and Corporate Governance Committee will oversee the annual evaluation of the CEO (and other members of management). The independent directors of the Board shall meet annually with the CEO to receive his or her: (i) recommendations concerning his or her goals and objectives for the upcoming year; and (ii) self- evaluation of his or her performance in light of the prior year's goals and objectives. The Compensation Committee shall then evaluate the CEO's performance and review the CEO's self- evaluation in the development and approval, and the subsequent submission to the independent directors of the Board for approval, of the CEO's salary, bonus, and long-term incentives (such as equity-based compensation). In addition, the Compensation Committee will develop and approve annual and long-term performance goals for the CEO, and submit them to the independent directors of the Board for approval.

(ii) **Succession Planning.** The Board will plan for the succession to the positions of CEO and other executive officers of the Company. To assist the Board, the CEO will annually provide the Compensation Committee with an assessment of the executive officers and their potential to succeed him or her in the event of an emergency or the unexpected resignation, retirement or disability of the CEO. The CEO also will provide the Compensation Committee with an assessment of persons considered to be potential successors to executive officer positions and a review of any development plans recommended for such potential successors. The results of these reports will be reported to and discussed with the Board.

#### **11. Annual Performance Evaluation**

The Board shall conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Board's evaluation will be facilitated by the Nominating and Corporate Governance Committee. Such evaluations may be conducted with the assistance of appropriate internal and external advisors.

#### **12. Anti-Hedging; Anti-Pledging**

The Board encourages each director and executive officer to own stock in the company. The Board considers it inappropriate for any director or executive officer to enter into

speculative transactions in Company securities. Therefore, the Company prohibits directors or executive officers purchasing or selling puts, calls, options or other derivative securities based on Company securities. This policy also prohibits hedging or monetization transactions, such as forward sale contracts, in which the holder continues to own the underlying Company security without all the risks or rewards of ownership. In addition, directors and officers of the Company are prohibited from holding Company securities in a margin account or otherwise pledging Company securities as collateral for a loan.

**13. Posting Requirement**

The Company shall post these Guidelines on the Company's website as required by applicable rules and regulations. In addition, the Company shall disclose in its Proxy Statement that a copy of these Guidelines is available on the Company's website.