

**Corporate Governance Guidelines**  
**of**  
**Cowen Inc.**

**Adopted as of October 22, 2019**

## **Corporate Governance Guidelines of Cowen Inc.**

The following Corporate Governance Guidelines have been adopted by the Board of Directors (the “Board”) of Cowen Inc. (the “Company”) to assist the Board in the exercise of its responsibilities and to promote the effective functioning of the Board and its committees. These Corporate Governance Guidelines are not intended to change or interpret any Federal or state law or regulation, including the General Corporation Law of the State of Delaware, or the Certificate of Incorporation or Bylaws of the Company. These Corporate Governance Guidelines are subject to modification from time to time by the Board and will be reviewed by the Nominating and Corporate Governance Committee at least annually.

### **THE BOARD**

#### **The Board's Goals**

The business and affairs of the Company shall be managed by or under the direction of the Board. The Board's goal is to oversee and direct management in building long-term value for the Company's stockholders. In pursuing this goal, one of the Board's principal roles is to select and oversee a well-qualified and responsible Chief Executive Officer and executive team to manage the Company. In addition to serving the long-term interests of stockholders, the Board's goal is to assure the strength, integrity and vitality of the Company for its customers, clients, employees and the communities in which it operates, which goal includes the promotion of the highest ethical standards.

To achieve these goals the Board monitors both the performance of the Company (in relation to its goals, strategy and competitors) and the performance of the Chief Executive Officer and the executive team.

#### **Role of Directors**

A director is expected to spend the time and effort necessary to properly discharge such director's responsibilities. Accordingly, a director is expected to regularly attend meetings of the Board and committees on which he or she serves, and to review in advance of meetings material distributed for such meetings. In addition, a director should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and the competition it faces, to ensure active and effective participation in the deliberations of the Board and the committees on which he or she serves.

A director is also expected to comply with the Company's Code of Business Conduct & Ethics (the "Code"). Certain portions of the Code deal with activities of directors, particularly with respect to potential conflicts of interest, the taking of corporate opportunities for personal use, and transactions in the securities of the Company. Directors should be familiar with the Code's provisions in these areas and should consult with the Company's General Counsel in the event any of these issues arise.

## **Lead Director**

The Board shall be free to choose a Lead Director and may delegate certain authority to the Lead Director as it deems necessary and in the best interest of the Company. The Lead Director has the following responsibilities:

- Presiding at executive sessions of the independent directors;
- Serving as liaison between the CEO and the independent directors;
- Approving Board of Director meeting agendas and adding such agenda items as may be requested by the Directors;
- Approving information sent to the Board and requests additional information, as required;
- Calling executive sessions of the independent directors;
- Providing oversight and advice to the CEO regarding corporate strategy;
- Conducting performance appraisals of the CEO (together with the Compensation Committee); and
- Primary responsibility, subject to advice and assistance from the General Counsel, for monitoring communications from shareholders and other interested parties and providing copies or summaries of such communications to the other directors as he or she deems appropriate.

## **Size of the Board**

The Board believes that it should generally have no fewer than 4 and no more than 12 directors. This range permits diversity of experience without hindering effective discussion or diminishing individual accountability. The size of the Board could, however, be increased or decreased if determined to be appropriate by the Board.

## **Selection of New Directors**

The Board shall be responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. The Nominating and Corporate Governance Committee is responsible for identifying, screening and recommending candidates to the Board for Board membership. When formulating its Board membership recommendations, the Nominating and Corporate Governance Committee shall also consider advice and recommendations from others as it deems appropriate.

The Nominating and Corporate Governance Committee will consider candidates recommended by stockholders. In considering candidates submitted by stockholders, the Nominating and Corporate Governance Committee will take into consideration the needs

of the Board, the Company and the qualifications of the candidate. The Nominating and Corporate Governance Committee may establish procedures, from time to time, regarding stockholder submission of candidates.

### **Board Membership Criteria**

The Nominating and Corporate Governance Committee shall be responsible for assessing the appropriate balance of criteria and qualifications required of Board members.

The Nominating and Corporate Governance Committee may apply several criteria in selecting nominees. The Committee shall consider all factors it deems appropriate, including whether each such nominee has the experience, knowledge or skills useful to the oversight of the Company's business, and the nominee's reputation for honesty and ethical conduct in his or her personal and professional activities, including specific business and financial expertise currently desired on the Board, experience as a director of a public company, geography, age, gender and ethnic diversity. Additional factors which the Committee may consider include time availability in light of other commitments, age, potential conflicts of interest, material relationships with the Company and independence from management and the Company.

### **Stock Ownership Guidelines**

The Board believes that it is important for each director to have a financial stake in the Company to help align the director's interests with those of the Company's stockholders. To meet this objective, the Company adopted stock ownership guidelines in 2013 that require directors to hold Company stock or restricted stock units that have a value equal to at least three times the amount of annual fees paid to non-employee directors within the later of the adoption of the policy or five years of being appointed to the Board.

### **Other Public Company Directorships**

The Company does not have a policy limiting the number of other public company boards of directors upon which a director may sit, in general. However, the Nominating and Corporate Governance Committee shall consider the number of other public company boards and other boards (or comparable governing bodies) on which a prospective nominee is a member.

Although the Company does not impose a limit on outside directorships, it does recognize the substantial time commitments attendant to Board membership and expects that the members of its Board be fully committed to devoting all such time as is necessary to fulfill their Board responsibilities, both in terms of preparation for, and attendance and participation at meetings. Directors should also advise the Chairman of the Nominating and Corporate Governance Committee before accepting a seat on the board of another for-profit corporation, particularly those that may result in significant time commitments or a change in the director's relationship to the Company.

### **Independence of the Board**

The Board shall be comprised of a majority of directors who qualify as independent directors ("Independent Directors") under the Nasdaq Marketplace Rules. Audit Committee members have additional independence requirements pursuant to SEC and Nasdaq rules.

The Board shall review annually the relationships that each director has with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). Following such annual review, only those directors who the Board affirmatively determines have no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company) will be considered Independent Directors, subject to additional qualifications prescribed under the Nasdaq Marketplace Rules or under applicable law. In the event that a director becomes aware of any change in circumstances that may result in such director no longer being considered independent under the Nasdaq Marketplace Rules or under applicable law, the director shall promptly inform the Chairman of the Nominating and Corporate Governance Committee.

### **Directors Who Change Their Present Job Responsibility**

Any director who retires from his or her principal current employment, or who materially changes his or her current position, should promptly notify the Nominating and Corporate Governance Committee and the Board of Directors. The Nominating and Corporate Governance Committee may request that the director tender his or her resignation in light of his or her new status.

### **Retirement Age**

Upon attaining the age of 80 years, and annually thereafter, a director shall notify the Nominating and Corporate Governance Committee that he or she is willing to not stand for re-election at the immediately succeeding Annual Meeting of Stockholders. The Nominating and Corporate Governance Committee shall review the director's continuation on the Board, in light of all the circumstances, and, at its meeting to determine nominees for election to the Board, the Nominating and Corporate Governance Committee shall determine whether such director should be nominated to stand for re-election at the Company's immediately succeeding Annual Meeting.

### **Board Compensation**

A director who is also an officer of the Company shall not receive additional compensation for such service as a director.

The Company believes that compensation for non-employee directors should be competitive and, in order to more closely align the interests of directors with those of stockholders, should encourage increased ownership of the Company's stock through the payment of a portion of director compensation in Company stock, options to purchase Company stock or similar forms of equity compensation. The Compensation Committee

will periodically review the level and form of the Company's director compensation, including how such compensation relates to director compensation of companies of comparable size, industry and complexity, and make recommendations to the Board with respect thereto. Such review will also include a review of both direct and indirect forms of compensation to the Company's directors, including any charitable contributions by the Company to organizations in which a director is affiliated and consulting or other similar arrangements between the Company and a director. The full Board shall set the level and form of director compensation, taking into account the recommendations of the Compensation Committee.

Director's fees (including any additional amounts paid to chairs of committees and to members of committees of the Board) are the only compensation a member of the Audit Committee may receive from the Company; provided, however, that a member of the Audit Committee may also receive fixed amounts of compensation under a retirement plan (including deferred compensation) from the Company for prior service with the Company so long as such compensation is not contingent in any way on continued service.

### **Separate Sessions of Independent Directors**

The Independent Directors of the Company shall meet in executive session without management present on a regularly scheduled basis, but not less frequently than quarterly.

These executive sessions shall serve as the forum for, among other things, an open and critical discussion and evaluation of the Company's management and discussion of management succession plans.

### **Self-Evaluation by the Board**

The Corporate Governance Committee will sponsor an annual self-assessment of the Board's performance as well as the performance of each committee of the Board, the results of which will be discussed with the full Board and each committee. The assessment should include a review of any areas in which the Board or management believes the Board can make a better contribution to the Company. The Nominating and Corporate Governance Committee will utilize the results of this self-evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board and making recommendations to the Board with respect to assignments of Board members to various committees.

### **Strategic Direction of the Company**

Normally it is management's responsibility to formulate, propose and implement strategic choices and the Board's role to approve strategic direction and evaluate strategic results. As a practical matter, the Board and management will be better able to carry out their respective strategic responsibilities if there is an ongoing dialogue among the Chief Executive Officer, other members of management and other Board members. To

facilitate such discussions, members of senior management who are not directors may be invited to participate in Board meetings when appropriate.

### **Board Access to Management**

Board members shall have access to the Company's management and, as appropriate, to the Company's outside advisors. In addition, the Board encourages management to bring into Board meetings from time to time (or otherwise make available to Board members) individuals who can provide additional insight into the items being discussed because of personal involvement and substantial knowledge in those areas or individuals with future potential who senior management believes should be given exposure to the Board.

### **Board Materials Distributed in Advance**

Information and materials that are important to the Board's or a committee's understanding of the agenda items and other topics to be considered at a Board or committee meeting should, to the extent practicable, be distributed sufficiently in advance of the meeting to permit prior review by the directors. In the event of a pressing need for the Board or a committee to meet on short notice or if such materials would otherwise contain highly confidential or sensitive information, it is recognized that written materials may not be available in advance of the meeting.

### **Board Interaction with Institutional Investors, Analysts, Press and Customers**

The Board believes that under ordinary circumstances management should speak for the Company. It is suggested that each director shall refer all inquiries from institutional investors, analysts, the press, customers or clients to the Chief Executive Officer or his or her designee.

### **Board Orientation and Continuing Education**

The Company shall provide new directors with a director orientation program to familiarize such directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, code of ethics, corporate governance guidelines, principal officers, internal auditors and independent auditors. Directors are encouraged to attend, at Company expense, continuing educational programs to further their understanding of the Company's business and corporate governance trends and best practices, in order to enhance their performance on the board.

### **Director Attendance at Annual Meetings of Stockholders**

Directors are invited and encouraged to attend the Company's annual meeting of stockholders.

## **BOARD MEETINGS**

### **Frequency of Meetings**

The Board shall meet as frequently as needed for directors to discharge their responsibilities. Without limiting the foregoing, the Board should endeavor to hold regular meetings four times per year and special meetings as required. At least one regularly scheduled meeting of the Board shall be held quarterly.

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

The Chairman of the Board, in consultation with the Company's legal advisor, shall prepare the agenda for each Board meeting. Each committee chairman, in consultation with appropriate members of the committee and with management, shall prepare the agenda for each committee meeting. Any Board member may suggest inclusion of additional items on the agenda and may raise at any Board meeting subjects that are not specifically on the agenda for that meeting.

## **COMMITTEE MATTERS**

### **Number and Names of Board Committees**

The Company shall have three standing committees: Audit, Nominating and Corporate Governance, and Compensation. The purpose and responsibilities for each of these committees shall be outlined in committee charters adopted by the Board. The Board may want, from time to time, to form a new committee or disband a current committee depending on circumstances. In addition, the Board may determine to form ad hoc committees from time to time, and determine the composition and areas of competence of such committees.

### **Independence of Board Committees**

Each of the Audit Committee, the Nominating and Corporate Governance Committee and the Compensation Committee shall be composed entirely of Independent Directors satisfying applicable legal, regulatory and Nasdaq requirements necessary for an assignment to any such committee. All other standing Board committees shall be chaired by Independent Directors, except that the Board may determine that an Executive Committee, if one exists, shall be chaired by the Chairman of the Board, even if he or she is not an Independent Director.

### **Assignment and Rotation of Committee Members**

The Nominating and Corporate Governance Committee shall be responsible for making recommendations to the Board with respect to the assignment of Board members to various committees. After reviewing the Nominating and Corporate Governance Committee's recommendations, the Board shall be responsible for appointing the chairman and members to the committees on an annual basis.

The Nominating and Corporate Governance Committee shall annually review the committee assignments and shall consider the rotation of the chairman and members with a view toward balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors.

## **LEADERSHIP DEVELOPMENT**

### **Evaluation of Chief Executive Officer**

The Board, acting through the Compensation Committee, will annually conduct an evaluation of the performance of the Chief Executive Officer. The Compensation Committee shall establish policies, principles and procedures for the evaluation of the Chief Executive Officer. Such evaluation shall be based on objective criteria, including performance of the Company, accomplishment of long-term strategic objectives and development of management. The evaluation shall solicit the views of the Independent Directors regarding the Chief Executive Officer's performance. The Chairman of the Compensation Committee shall communicate the conclusions of the evaluation to the Chief Executive Officer.

### **Succession Planning**

On an annual basis, the Board shall review a management succession plan, developed by the Chief Executive Officer, which plan shall include emergency CEO succession, CEO succession in the ordinary course of business and succession for other members of senior management. The plan shall include an assessment of senior manager experience, performance, skills and planned career paths.