

**CHARTER OF THE HUMAN RESOURCES COMMITTEE  
OF THE BOARD OF DIRECTORS OF ESSENDANT INC.**

(Revised as of June 1, 2015)

**PURPOSE:**

The purpose of the Human Resources Committee (the "Committee") is to assist the Company's Board of Directors (the "Board") in discharging its responsibilities relating to the following:

- compensation of the Company's executive officers and senior management;
- the review and recommendation of compensation plans, policies and benefit programs for employees generally; and
- providing the annual report on executive compensation required by the rules of the Securities and Exchange Commission (the "Commission") to be included in the Company's proxy statement.

**MEMBERSHIP:**

The Committee will consist generally of three or four, and no fewer than two, members of the Board, all of whom will satisfy the general "independence" criteria of the National Association of Securities Dealers, Inc. (the "NASD"). To the extent deemed appropriate by the Board from time to time, each Committee member also will meet the definition of "non-employee director" under Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code").

The Board will appoint Committee members on the recommendation of the Governance Committee, and designate a Committee Chairperson. The Board in its discretion may remove any Committee member at any time.

**MEETINGS AND PROCEDURAL MATTERS:**

The Committee will meet as often as it determines to be appropriate, but not less than three times per year. The Committee may request any officer or employee of the Company (including the Company's senior human resources executive or general counsel), or the Company's outside counsel or outside compensation consultants, to attend a Committee meeting or to meet with any members of, or advisors to, the Committee at any time. The Committee may meet with any of such consultants or advisors in separate executive sessions, as it deems appropriate. Committee actions and meeting results will be reported regularly to the full Board.

Except as otherwise prescribed by the Company's Bylaws, applicable law or NASD rules, the Committee may establish its own procedural rules. The Committee may delegate any of its responsibilities to a subcommittee comprised of one or more members of the Committee, subject to such terms and conditions (including required reporting back to the full Committee) as the Committee may prescribe.

## **RESOURCES AND AUTHORITY:**

The Committee will have the authority to obtain advice and assistance from such internal or external compensation, legal, accounting or other advisors as it deems appropriate. The Committee will have the authority to retain directly (and terminate the engagement of) any outside compensation consultants, outside counsel or other advisors and that the Committee in its discretion deems appropriate to assist it in the performance of its functions, with the sole authority to approve related retention terms and fees for any such advisors. To the extent reasonably practicable, such outside consultants and advisors shall not have been engaged by the Company to provide similar advice and assistance during the period of engagement by the Committee. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any such outside advisors the Committee retains.

## **KEY RESPONSIBILITIES AND FUNCTIONS:**

The following key responsibilities and functions are set forth as a general guide for Committee activities, with the understanding that the Committee may diverge from this guide as it deems necessary or appropriate. In general, as and to the extent the Committee deems appropriate, the Committee will:

1. Assist the Board, as requested, in evaluating and developing potential external and/or internal candidates for executive positions, and in overseeing the design and implementation of general executive development and succession plans and programs.
2. Review periodically and make recommendations to the Board on the Company's overall executive compensation and benefits philosophy and objectives, including the balance between short-term compensation and long-term incentives.
3. Review periodically, adjust as deemed appropriate and approve a list of peer group companies against which comparisons may be made for compensation and benefits benchmarking and evaluation purposes.
4. Evaluate and recommend to the Board the annual compensation of the Company's chief executive officer ("CEO"), including the amount and components thereof, with consideration of the corporate goals and objectives established for the CEO and the annual evaluation of the CEO's performance in light of those goals and objectives. In evaluating the long-term incentive component of CEO compensation, the Committee may choose to consider a variety of factors, including but not limited to the Company's performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies and the awards given to the Company's CEO in prior years. The CEO may not be present during voting or deliberations on his or her compensation.
5. Review the outcome of each shareholder advisory vote on the compensation of the Company's named executive officers and based on this review recommend to the Board any action that the Company should take in response to the results of such shareholder advisory vote and the disclosure of such response in the Company's Compensation Discussion & Analysis.
6. Review and approve, for all Company executive officers, as well as any other individuals reasonably likely to be "covered employee" under Section 162(m) of the Code, (a) their annual

base salary level, (b) their annual opportunity level(s) under any and all management incentive plans, (c) their annual long-term incentive award(s) or opportunity level(s), (d) any employment agreements, severance agreements, or change in control agreements or provisions applicable to them, in each case as, when and if appropriate, and (e) any special or supplemental benefits or perquisites provided to or made available for them. Provide general advice and oversight of management's decisions concerning the performance and compensation of other Company officers.

7. Advise and consult with the Governance Committee and/or the Board, as appropriate, with respect to non-employee Director compensation for service on the Board and/or any Board committees (including cash and/or equity components, and any related non-employee Director compensatory plans or programs), and proposed changes thereto.
8. Review the establishment and principal terms of, and as appropriate approve or make recommendations to the Board in connection with its approval (and determine, based on advice of counsel, the need for or desirability of shareholder approval of), the adoption of and any significant amendments to, the Company's compensation and benefit plans and programs (including both short and long-term cash and equity-based incentive plans, collectively "Plans"), in each case subject to any applicable Plan terms, listing standards and legal or regulatory requirements.
9. As provided under any Company Plans, administer or oversee the administration of the Company's Plans, including review and approval of annual performance goals under any short-term or long term management incentive plans intended to qualify under Section 162(m) of the Code and determination of equity-based grants or awards, in each case subject to any permitted Plan delegations of any such assigned responsibilities.
10. Provide the report on executive compensation required by Commission rules for inclusion in the Company's annual proxy statement.
11. Review periodically the Company's policies, practices and procedures relating to human resource matters in order to identify potential risks to the Company and to ensure that the Company is well positioned to employ, retain and develop talent necessary to achieve the key strategies and initiatives of the Company.
12. Approve, administer and periodically review the Company's clawback policy and recommend to the Board any changes to the policy as the Committee determines to be appropriate or as may be required by law.
13. Review and approve the design of executive stock ownership guidelines and monitor compliance with any adopted executive stock ownership guidelines.
14. Perform such other duties and responsibilities as may be assigned to the Committee from time to time by the Board or the Chairman of the Board or as designated in any Company benefit plan documents.

#### **COMMITTEE GOVERNANCE MATTERS:**

The Committee will review and reassess the adequacy of this Charter annually and recommend any changes to the Board for approval. The Committee also will review and evaluate its own performance annually.