

## **DIME COMMUNITY BANCSHARES, INC.**

### **COMPENSATION AND HUMAN RESOURCES COMMITTEE CHARTER**

#### **I. Purpose**

The Compensation and Human Resources Committee (the "Committee") shall assist the Board of Directors in discharging its responsibilities regarding the Company's compensation and benefit plans and practices as well as its oversight of the human resources function.

#### **II. Appointment and Composition**

The Committee shall be composed of a minimum of two non-management Directors, each of whom shall: (i) be independent pursuant to applicable law and Company policy, and (ii) not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or any subsidiary thereof. Compensatory fees shall not include: (a) fees received as a member of the Committee, the Board of Directors or any other Board Committee; or (b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company (provided that such compensation is not contingent in any manner upon continued service).

Notwithstanding the above, if the Committee is comprised of at least three members, one Director who does not satisfy the above requirements and is not a current Executive Officer or employee or a family member of an Executive Officer, may be appointed to the Committee if the Board, under exceptional and limited circumstances, determines that such individual's membership on the Committee is required by the best interests of the Company and its shareholders. A member appointed pursuant to this exception may not serve in excess of two years.

Members of the Committee shall be appointed annually by the Board, acting upon the recommendation of the Nominating Committee, and shall serve for a one-year term or until their resignation, retirement, or removal by the Board. In determining whether a Director is eligible to serve on the Committee, the Board must consider whether the Director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company to determine whether such affiliation would impair the Director's judgment as a member of the Committee. Ownership of Company stock by itself, or possession of a controlling interest through ownership of Company stock by itself, does not preclude the Board from determining that it is appropriate for a Director to serve on the Committee.

One member of the Committee shall be appointed as Chair by the Board. The Chair shall be responsible for leadership of the Committee, including scheduling, and presiding over, meetings.

#### **III. Authority**

The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser it retains.

The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Committee.

The Committee may delegate such of its responsibilities and duties as it deems appropriate to: (i) subcommittees comprised of one or more Committee members, or (ii) officers of the Company.

The Committee shall be provided full access to the Company's Board and executive management as necessary to satisfy its responsibilities and duties.

#### **IV. Responsibilities and Duties**

The Committee shall perform the functions below in fulfilling its purposes as set forth in this Charter. These responsibilities are intended to serve as a guide, and the Committee may execute supplementary functions and adopt additional policies and procedures as may be appropriate in view of varying business, legislative, regulatory or other conditions. The Committee shall additionally perform any other responsibilities and duties delegated to it by the Board related to the purposes of the Committee as set forth in this Charter.

To fulfill its purposes, the Committee shall:

- Annually review and approve, or recommend for approval by the Board, corporate goals and objectives relevant to compensation of the Chief Executive Officer (“CEO”); evaluate the CEO’s performance based upon the goals and objectives; and determine the CEO’s compensation based upon the evaluation, as well as market competitive data and other relevant information the Committee deems appropriate. The CEO may not be present during deliberations or voting on his/her compensation.
- Review and approve other significant terms of employment for the CEO, including, but not limited to, employment agreements.
- Review the performance, and approve the compensation and other significant terms of employment, of executive management. In determining executive officer compensation, a guiding objective shall be attracting and retaining highly qualified individuals by maintaining competitive compensation, while making an appropriate portion of each officer's target total compensation at-risk and dependent upon Company performance and creation of long-term shareholder value.
- Oversee administration of the process for determining the compensation of officers and employees of the Company.
- Consider the following factors prior to selecting, or receiving advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel:
  - the provision of other services to the Company by the entity that employs the compensation consultant, legal counsel or other adviser;
  - the amount of fees received from the Company by the entity that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of that entity;
  - the policies and procedures of the entity that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
  - any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;

- any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- any business or personal relationship of the compensation consultant, legal counsel, other adviser or the entity employing the adviser with an Executive Officer of the Company.

For purposes of this subsection, the Committee is not required to conduct an independence assessment of a compensation adviser that acts in a role limited to the following activities for which no disclosure is required under Item 407(e)(3)(iii) of Regulation S-K: (i) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of Executive Officers or Directors of the Company, and that is available generally to all salaried employees; and/or (ii) providing information that is either not customized for the Company or is customized based on parameters that are not developed by the adviser, and about which the adviser does not provide advice.

Nothing in this subsection requires a compensation consultant, legal counsel or other compensation adviser to be independent; only that the Committee consider the enumerated independence factors prior to selecting, or receiving advice from, a compensation adviser. The Committee may select, or receive advice from, any compensation adviser it prefers, including those that are not independent, after considering the six independence factors outlined above.

In addition, nothing in this subsection shall be construed to: (i) require the Committee to implement or act consistently with the advice or recommendations of a compensation consultant, legal counsel or other adviser to the Committee; or (ii) affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties.

- Oversee administration of the benefit plans of the Company.
- Provide recommendations to the Board concerning the adoption or amendment of incentive compensation and equity-based plans.
- Review, approve and recommend for Board approval all Director compensation, including annual retainers, meeting fees, and equity compensation.
- Review and discuss the Compensation Discussion and Analysis (the "CD&A") with management, and, if appropriate, recommend to the Board that the CD&A be included in the Company's annual proxy statement. The Committee shall also prepare the Report of the Committee required by the SEC to be included in the Company's annual proxy statement or annual report on Form 10-K and review all other disclosure with respect to the Committee and its activities contained in the Company's filings with the SEC as the Committee deems appropriate.
- Regularly report to the Board of Directors regarding the activities of the Committee.
- Review and reassess the adequacy of this Charter at least annually and, if appropriate, recommend changes to the Board.
- Assist the Board in its oversight of the human resources activities of the Company, including diversity and inclusion initiatives.
- Review and evaluate the performance of the Committee annually.
- Oversee the implementation of risk-balancing and risk management methodologies for incentive compensation plans and programs for senior executives and employees in a position to expose the Company to material risk.
- Oversee succession planning.

- Perform such other or additional duties and responsibilities as may be assigned to the Committee by the Board.

## **V. Meetings**

The Chair of the Committee shall establish its rules of procedure, which shall be consistent with the bylaws of the Company and this Charter. A majority of the number of Committee members shall constitute a quorum for the transaction of business at any meeting of the Committee. If a quorum is present, the affirmative vote of a majority of Committee members present shall constitute the act of the Committee.

The Committee may take any action without a meeting if one or more written consents setting forth the action are executed by all members of the Committee.

The Committee shall meet at least three times annually. The Chair of the Board may call special meetings of the Committee. The attendance of a member at a meeting of the Committee shall constitute a waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully convened.

Notwithstanding anything herein, the Committee is not responsible for guaranteeing the Company's compliance with laws, regulations, or its compliance policies or programs. This is the responsibility of management.