



Adopted November 28, 2018

## **PATRIOT TRANSPORTATION HOLDING, INC. COMPENSATION COMMITTEE CHARTER**

### **Purpose**

The Compensation Committee (the “Committee”) is a committee of the board of directors (“Board”) of New Patriot Transportation Holding, Inc. (the “Company”). The Committee’s primary role is to discharge the responsibilities of the Board relating to the compensation of the Company’s executive officers and such other employees as the Committee may decide have compensation or authority of significant importance that they merit Committee review.

### **Committee Membership**

The Committee shall consist of three (3) or more independent directors. Each member shall be: (i) independent within the meaning of the NASDAQ listing standards and any independence standards established by the Board from time to time as such standards apply to compensation committee members and (ii) a “non-employee director” for purposes of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended. At least two members of the Committee shall qualify as “outside directors” within the meaning of Section 162(m) of the Internal Revenue Code.

The members of the Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee. One member of the Committee shall be appointed as the Chairman by the Board. The Board may remove any member from the Committee at any time with or without cause.

### **Meetings**

The Committee shall meet as often as necessary to carry out its responsibilities and at least twice annually. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board, as appropriate. The Committee is governed by the same rules regarding meetings, action without meetings, notice, waiver of notice and quorum and voting requirements as are applicable to the Board pursuant to the Company’s Bylaws.

The Committee may invite such members of management to its meetings as it deems appropriate. However, the Committee shall meet regularly without such members present, and in all cases, no employee of the Company, including the chief executive officer, shall be present at meetings at which their compensation or performance is discussed or determined.

## **Committee Duties and Responsibilities**

The Committee shall have the duty and responsibility to:

### ***Compensation***

1. Determine compensation philosophy, principles and policies applicable to executive compensation including guidelines or requirements as to Company stock ownership by executive officers of the Company. In undertaking these responsibilities, the Committee shall take into account factors it deems appropriate from time to time, including the Company's business strategy and risks to the Company and its business resulting from such programs;

2. Review and approve the Company's goals and objectives relevant to the compensation of the Chief Executive Officer ("CEO") of the Company;

3. Evaluate the job performance of the CEO in light of the Company's goals and objectives;

4. Determine and approve the compensation level of the CEO based on the Committee's evaluation of his job performance. The CEO cannot be present during any voting or deliberations by the Committee on his or her compensation;

5. Review annually with the Chairman of the Board ("Chairman") and the CEO the performance of the other executive officers;

6. Review and approve the compensation levels of the other named executive officers;

7. In determining CEO and executive officer compensation, the Committee shall consider factors it deems appropriate from time to time, including the Company's performance and relative shareholder return, the results of the most recent shareholder advisory vote on executive compensation required by Section 14A of the Exchange Act, the nature, extent and acceptability of risks that the Chief Executive Officer may be encouraged to take by such compensation, the value of similar compensation packages for chief executive officers at comparable companies, and the compensation awarded to management in prior years;

### ***Compensation Plans***

8. Administer the Company's incentive compensation plans and equity-based plans;

9. Make recommendations to the Board with respect to the adoption of new incentive compensation plans and equity-based plans;

10. Set objective performance goals and potential bonus levels for named executive officers within the first quarter of each fiscal year;

11. Certify that performance targets and material terms have been met prior to payment of bonuses to named executive officers;

12. Review on a periodic basis the Company's executive compensation programs;

13. Review on a periodic basis policies with respect to post-service and severance arrangements and perquisites provided to the CEO and the other executive officers;

14. Ensure that the Company's incentive compensation plans are appropriately competitive, support organization objectives and shareholder interests, and ensure a pay for performance linkage;

15. Review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate compensation policies and practices that could mitigate any such risk;

16. In carrying out its responsibilities hereunder, the Committee shall consider the results of the most recent shareholder advisory vote on executive compensation ("Say on Pay Vote") required by Section 14A of the Exchange Act;

17. The Committee shall review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent shareholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement;

#### ***Stock Ownership Guidelines***

18. Determine any stock ownership guidelines for the CEO and other executive officers and monitor compliance with such guidelines;

#### ***Succession Plans***

19. Review, periodically, with the Chairman and the CEO, the succession plans for executive officers and make recommendations to the Board regarding the selection of individuals to occupy these positions;

#### ***Director Compensation***

20. Make recommendations to the Board regarding compensation arrangements for non-employee directors;

#### ***Charter and Report***

21. Review and update this Charter periodically, as may be necessary or appropriate;

22. Report to the Board regarding compliance with this Charter, the activities of the Committee and any issues with respect to the duties and responsibilities of the Committee;

### ***Proxy Statement and Annual Report***

23. Review and discuss with management the Compensation Discussion and Analysis, if required, and, based on such review and discussion, recommend to the Board that the Compensation Discussion and Analysis, if required, be included in the proxy statement and annual report;

24. Review and discuss with management the proposed narrative disclosure, if any, of the Company's compensation policies and practices as they relate to the Company's risk management and, based on such review and discussion, recommend to the Board whether such disclosure should be included in the proxy statement and annual report;

25. Provide the Compensation Committee Report to be included in the proxy statement to shareholders;

### ***Shareholder Matters***

26. Oversee the Company's compliance with SEC rules and regulations regarding shareholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under the NASDAQ listing standards that, with limited exceptions, shareholders approve equity compensation plans;

27. Oversee, along with other committees appointed by the Board, engagement with shareholders and proxy advisory firms on executive compensation matters; and

### ***Miscellaneous***

28. Perform any other activities consistent with this Charter, the Company's Bylaws and all applicable laws and listing standards, as the Committee deems necessary or appropriate.

### **Self-Evaluation**

The Committee shall perform and conduct an annual self-evaluation of its performance to determine and assess whether the Committee is fulfilling all of its duties and responsibilities hereunder and under all applicable laws and listing standards and shall report the results to the Board.

### **Compensation Consultants and Other Advisors**

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a compensation consultant, legal counsel or other advisor as necessary or desirable to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the compensation consultant, legal counsel or other advisor. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside legal counsel and any other advisors. However, the Committee shall not be required to implement or act consistently with the

advice or recommendations of its compensation consultant, legal counsel or other advisor to the compensation committee, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.

The Committee may only select, or receive advice from, compensation consultants, legal counsel or other advisors after taking into considerations the following factors: (i) the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser; (ii) the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser; (iii) the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee; (v) any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and (vi) any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an Executive Officer of the Company.

The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

### **Subcommittees**

The Committee shall have the authority, as it deems appropriate, to delegate to any subcommittee or committee member any of its duties or responsibilities under this Charter or any applicable law or listing standard.

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