

## COMPENSATION AND LEADERSHIP DEVELOPMENT COMMITTEE CHARTER

*(Effective September 25, 2019)*

### Membership

The Compensation and Leadership Development Committee (the “**Committee**”) of the board of directors (the “**Board**”) of Exelon Corporation (“**Exelon**” or the “**Company**”) shall be composed of three or more independent, non-employee directors (as defined in the Company’s Corporate Governance Principles and Section 16 of the Securities Exchange Act of 1934). The Board appoints Committee members and the Committee Chair and may make changes upon the recommendation of the Corporate Governance Committee at any time. In determining the independence of Committee members, the additional factors set forth in in the Corporate Governance Principles shall be considered.

### Meetings and Resources

The Committee regularly meets four times each year or more frequently as the Committee Chair deems appropriate. Regular meetings are scheduled in accordance with the annual schedule approved by the Board. The Secretary or an Assistant Secretary shall record minutes of Committee meetings. A majority of the Committee members shall constitute a quorum for the transaction of business and approval by a majority of the Committee members present at a meeting shall constitute approval by the Committee. The Committee may also act by unanimous written consent without a meeting. The Chief Human Resources Officer and other officers may attend meetings at the invitation of the Committee Chair but will not be present for discussion of matters pertaining to their own compensation.

The Committee is authorized to retain, compensate, oversee and terminate, without Board or management approval, the services of one or more compensation consultants, legal counsel, or other advisers (each a “**Consultant**”) to provide such advice and assistance as the Committee deems appropriate. The Committee may select a Consultant only after taking into consideration all factors relevant to that person’s independence from management, including the following:

- The provision of other services to the Company by the person that employs the Consultant;
- The amount of fees received from the Company by the person that employs the Consultant as a percentage of the total revenue of the person that employs the Consultant;
- The policies and procedures of the person that employs the Consultant that are designed to prevent conflicts of interest;
- Any business or personal relationship of the Consultant with a member of the Committee;
- Any stock of the Company owned by the Consultant; and
- Any business or personal relationship of the Consultant or the person that employs the Consultant with an executive officer of the Company.

The Committee shall conduct the foregoing independence assessment with respect to any Consultant that provides advice to the Committee, other than in-house legal counsel. While the Committee must consider the foregoing independence factors before selecting or receiving advice from a Consultant, the Committee may select or receive advice from any Consultant they prefer, including ones that are not independent. Such Consultants shall report directly to the Committee. The Committee has the sole authority to approve such Consultant’s fees and other retention terms and shall review at least twice per

year any other services that the Consultant or the Consultant's firm may provide to the Company. The Company will fund the cost of the Committee's Consultants.

### **Purpose and Responsibilities**

As detailed further below, the primary purposes of the Compensation and Leadership Development Committee are to (a) assist the Board of Directors in the establishment of performance criteria, evaluation, and compensation setting for the Chief Executive Officer; (b) approve the compensation program design and plans for the compensation of all other officers of Exelon who are designated by the Board of Directors or the Committee as executive officers pursuant to Rule 3b-7 of the Securities Exchange Act of 1934 ("**Executive Officers**"); (c) review and discuss with management the Compensation Discussion and Analysis ("**CD&A**") for inclusion in the Company's annual proxy statement and determine whether to recommend to the Board the inclusion of the CD&A in the annual proxy statement; (d) prepare or cause to be prepared the Compensation Committee Report for inclusion in the annual proxy statement; and (e) develop leadership and succession planning policies and criteria for the Company.

In furtherance of these purposes, the Committee shall have the following responsibilities:

#### Board Chair and Chief Executive Officer

1. The Committee reviews compensation data with its independent compensation consultant(s) and develops a range of appropriate compensation for the Board Chair (if employed by the Company) and the Chief Executive Officer (if such positions are held by separate individuals).
2. The Committee Chair shall collaborate with the Board Chair (if independent as defined in the Company's Corporate Governance Principles) and the Corporate Governance Committee Chair to determine the Chief Executive Officer's compensation in light of the performance criteria established by the Board upon the recommendation of the Corporate Governance Committee and the self-assessment completed by the Chief Executive Officer. The Chief Executive Officer may not be present during voting or deliberations by the Committee on his or her compensation.
3. If the Board Chair is not independent (as defined in the Company's Corporate Governance Principles), the Committee Chair shall collaborate with the Lead Independent Director and the Corporate Governance Committee Chair to lead the process for evaluating the performance and compensation for the Board Chair.

#### Exelon Executive Officers

4. The Committee is responsible for electing officers, including Executive Officers of Exelon and its subsidiaries, for positions below the Chief Executive Officer and President level, upon the recommendation of the Chief Executive Officer.
5. The Committee shall approve the compensation of all Executive Officers, other than the Chief Executive Officer.

### Committee Delegations

6. The Committee delegates to the Chief Executive Officer and the Chief Human Resources Officer the authority to approve salaries, incentives, other compensation and benefit programs, and any amendments to such programs, for Exelon and its subsidiaries and affiliated entities, including controlled affiliates; provided that the total potential expenditures under any such program (or related to any such amendment) complies with the limits provided in the Exelon Corporation Delegation of Authority Policy (LE-AC-11).
7. The Committee delegates to the Chief Executive Officer and the Chief Human Resources Officer the authority to adjust base salaries and make grants of restricted stock units, stock options, and cash recognition awards to officers who are not Executive Officers, subject to ratification by the Committee.

### Executive Compensation

8. The Committee is responsible for setting the Company's general policy regarding Executive Compensation to ensure that Executive Compensation levels and targets for Exelon and its subsidiaries are consistent with the Board's compensation philosophy and aligned with, and designed to achieve, Exelon's strategic and operating objectives. The Committee shall have the authority to review compensation practices throughout the Company to assess the consistency and fairness for groups and individuals and alignment with strategic and operating objectives.
9. The Committee shall review at least annually the Company's Executive Compensation plans and programs in light of Exelon's strategic goals and objectives and in light of competitive practices of the peer group of companies and emerging "best practices" in executive compensation.
10. The Committee shall review recommendations from management, outside consultants, and the Board (when appropriate), and shall approve or recommend the Board's approval of any new Executive Compensation plans or programs or any amendment to existing executive company plans or programs, including base salaries, incentive awards, stock-based awards, perquisites, and any other form of compensation.
11. The Committee shall have the authority to review, prior to implementation, the compensation policies and decisions of controlled subsidiaries.

### Administration of Incentive Compensation Plans

12. The Committee approves the performance goals and formulae for applying such goals under annual incentive compensation plans and programs and administers and interprets the terms of such plans and programs. The Committee evaluates the performance of the Company in meeting the specific performance goals and formulae, and to the extent that goals are based on adjusted (non-GAAP) operating earnings, the Committee determines what items are to be included in or excluded from adjusted (non-GAAP) operating earnings for purposes of making annual incentive compensation awards.

13. The Committee administers and interprets the terms of any long-term incentive plans in which any employees of Exelon or its subsidiaries may participate and any programs thereunder. The Committee approves the performance goals and formulae for applying such goals under any long-term incentive plan and any programs thereunder and approving or ratifying all awards of stock options, restricted stock units, dividend equivalents, stock appreciation rights, performance units, performance shares and phantom stock under such plan (“Stock-based Awards”). The Committee evaluates the performance of the Company in meeting the specific performance goals and formulae of any Stock-based Awards. Notwithstanding the delegations described above with respect to the various classes of officers and employees, the Committee or the full Board of Directors must approve any Stock-based Awards to an Executive Officer of the Company.
14. The Committee is authorized to seek to recoup incentive compensation paid or payable to current and former incentive plan participants as provided for in the Corporate Governance Principles.
15. It shall be the policy of the Company not to reprice or buy out options awarded under any long-term incentive plan and to seek shareholder approval of all new equity compensation plans and material changes in existing equity compensation plans.

*Employment Agreements, Severance and Change in Control Plans and Perquisites*

16. The Committee reviews and approves employment agreements, severance, and change in control or similar plans or agreements, and payments to be made to any Executive Officer, provided that any such agreements with and payments to the Chief Executive Officer are subject to approval by the independent directors. Severance and change in control or similar payments that are consistent with previously approved employment, severance, change in control or similar plans or agreements do not require further approval from the Committee.
17. The Committee annually reviews the Company’s perquisites and compliance with the Company’s perquisites policies.
18. The Committee shall pre-approve any Executive Compensation arrangement or other perquisite that is outside of the Company’s approved policies.
19. The Committee annually reviews the Company’s total compensation liabilities to the Chief Executive Officer and the named Executive Officers identified in the Company’s proxy statement under various scenarios, including voluntary termination, retirement, involuntary termination and change in control.
20. The Committee shall adopt and amend employee benefit, retirement, deferred compensation and other plans applicable to officers and employees of Exelon and its subsidiaries and affiliated entities, subject to the limitations established by the Board and the Bylaws of the Company and any limitations in authority over such subsidiaries and affiliated entities.

21. The Committee monitors and considers strategies for managing the costs of employee benefit, retirement, deferred compensation and other plans and arrangements (note that the Investment Oversight Committee receives periodic reports from the management-level Pension Investment Committee on the financial status and performance of the material employee benefit trusts, and the Finance and Risk Committee considers associated risks).
22. The Committee monitors compliance with the stock ownership requirements for directors and executives as set forth in the Corporate Governance Principles.

#### Disclosure

23. The Committee reviews and discusses with management the executive compensation disclosures and the compensation discussion and analysis (“**CD&A**”) required by the Securities and Exchange Commission and recommends to the Board that the CD&A be included in the Company’s annual proxy statement and annual report on Form 10-K.
24. The Committee reviews other compensation-related disclosures including disclosures concerning the Committee’s consultants and compensation policies and practices as they relate to risk management.
25. The Committee prepares or causes to be prepared the Compensation Committee Report for inclusion in the Company’s annual proxy statement.

#### Leadership Development and Succession Planning

26. The Committee is responsible for leadership development and succession planning policies and criteria for officer-level positions below the Chief Executive Officer and President.

#### Other Responsibilities

27. The Committee shall annually review the adequacy of its Charter.
28. The Committee shall evaluate annually the performance of the Committee in the fulfillment of its functions and the performance of its responsibilities.

The Committee shall act on behalf of the Exelon Board on matters for which the Board has delegated authority to the Committee.

All action taken by the Committee shall be reported to the Board at the next regularly scheduled Board meeting following such action.