

**Mohawk Industries, Inc.**  
**Nominating and Corporate Governance Committee Charter**

**Purpose**

The Nominating and Corporate Governance Committee (the “Committee”) is intended to assist the Board of Directors of Mohawk Industries, Inc. (the “Company”) in fulfilling its oversight responsibilities under the New York Stock Exchange listing standards and Delaware law. As such, the Committee shall have three primary responsibilities.

First, the Committee shall be responsible for identifying individuals qualified to serve on the Board of Directors and to recommend director nominees for selection by the full Board of Directors or stockholders of the Company in accordance with the Company’s certificate of incorporation and by-laws and with Delaware law.

Second, the Committee shall be responsible for evaluating the Company’s corporate governance policies, developing for adoption by the Board of Directors a set of formal, written guidelines for corporate governance and periodically re-evaluating such policies and guidelines for the purpose of suggesting improvements to them if appropriate.

Third, the Committee shall review and make recommendations to the Board of Directors with respect to the Company’s policies, programs and practices and their impact on the environment, marketplace, workplace and communities in which the Company operates.

**Composition of the Committee**

The members of the Committee shall be independent directors meeting the requirements of the New York Stock Exchange and appointed by the Board of Directors on the recommendation of the Nominating and Corporate Governance Committee. The Chairman of the Committee shall be designated by the Board of Directors. In the absence of the Chairman, the members of the Committee may designate a chairman by majority vote. The Board of Directors may, at any time, remove one or more directors as members of the Committee. The Committee may delegate any of its authority and responsibilities set forth below to a sub-committee of members of the Committee designated by the Chairman of the Committee.

**Authority and Responsibilities**

The Committee is responsible for identifying and evaluating individuals qualified to serve on the Board of Directors and recommending director nominees for selection by the full Board of Directors. At least annually, the Committee shall review with the Board of Directors the appropriate skills, experience and characteristics desired of Board members. The full Board shall remain responsible for selecting nominees and recommending them for election by the stockholders. The Committee is responsible for

developing and implementing the screening process necessary to identify qualified candidates. As a part of its screening process, the Committee shall:

- (i) evaluate a candidate's independence from the Company's management and other principal service providers, and the effect of any relationships that might impair independence, e.g., business, financial or family relationships with the Company's management or other service providers;
- (ii) evaluate the skills, experiences and characteristics of a candidate;  
and
- (iii) consider candidates proposed by the Chief Executive Officer, by any director or by any shareholder, in accordance with procedures established by the Committee from time to time.

The Committee may determine, from time to time, the advisability of retaining any search firm or consultant to assist in the identification and evaluation of candidates for membership on the Board of Directors. The Committee has the sole authority to retain, at Company expense, and terminate any such search firm or consultant, including sole authority to approve the fees to be paid to such firm or consultant and all other retention terms.

On an annual basis, the Committee shall evaluate the membership of the committees of the Board. The Committee shall provide to the full Board of Directors the results of its evaluation, together with the Committee's recommendation as to committee membership during the upcoming year, for consideration by the Board in connection with the annual committee appointment process. In the event of a vacancy on any of the committees of the Board, the Committee shall provide its recommendation regarding a replacement committee member to the full Board of Directors.

The Committee is also responsible for evaluating, formulating and recommending to the full Board of Directors corporate governance policies designed to improve the Board's performance in its oversight function. Therefore, promptly following the initial adoption of this charter, the Committee shall evaluate the Company's existing corporate governance procedures with the specific goal of improving such procedures where possible. Following the evaluation, the Committee shall develop a set of formal, written guidelines for corporate governance, which shall be presented to the full Board for consideration and adoption.

The Committee shall, from time to time, review the governance structures and procedures of the Company and suggest improvements thereto to the full Board of Directors. Such improvements, if adopted by the full Board of Directors, shall be incorporated into the written guidelines.

In addition, the Committee shall review the effectiveness of the Company's policies, programs and practices at optimizing its efforts to maintain sustainable ecosystems, safe and healthy employees, and vital communities as integral elements of its commitment to

create long-term stockholder value. The Committee shall assist the Board of Directors with respect to formulating strategies to respond to public policy, legislative, regulatory, political and social issues and trends related to environmental, health and safety, and sustainability performance that may significantly affect the business operations, financial performance or public image of the Company or its businesses.

The Committee shall conduct an annual evaluation of its performance. Additionally, the Committee shall provide an annual evaluation of the Board's performance and shall oversee the evaluation of senior management.

### **Committee Meetings**

The Committee shall meet at least one time per year. Other meetings may be held at the discretion of the Chairman of the Committee. Minutes of each of these meetings shall be kept and the Chief Executive Officer will function as the management liaison officer to this Committee.

**Mohawk Industries, Inc.  
Audit Committee Charter**

**Purpose**

The Audit Committee (the “Committee”) is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities. The Committee shall monitor (a) the integrity of the Company’s publicly reported financial statements, (b) the Company’s compliance with legal and regulatory requirements, (c) the independent auditors’ qualifications and independence, and (d) the performance of the Company’s internal audit function and independent auditors. In furtherance of this purpose, the Committee shall maintain direct communication among the Company’s independent auditors and VP - Internal Audit and the Board of Directors. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company. The Committee has the authority to retain at Company expense outside legal, accounting or other advisors to advise the Committee and to determine and recommend funding for payment of ordinary administrative expenses necessary and appropriate in carrying out the Committee’s duties. The Committee shall produce an annual report for inclusion in the Company’s proxy statement for the annual meeting of stockholders, in accordance with applicable rules and regulations.

The Committee’s job is one of oversight and it recognizes that the Company’s management is responsible for preparing the Company’s financial statements and that the outside auditors are responsible for auditing those financial statements. Additionally, the Committee recognizes that financial management, as well as the independent auditors, have more time, knowledge and more detailed information about the Company than do Committee members; consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company’s financial statements or any professional certification as to the independent auditors’ work.

**Composition of the Committee**

The members of the Committee shall be independent directors meeting the requirements of the New York Stock Exchange and appointed by the Board of Directors on the recommendation of the Nominating and Corporate Governance Committee. The Committee will have at least three (3) members, and each member of the Committee will be financially literate at the time he or she is appointed by the Board of Directors or will become financially literate within a reasonable period of time after his or her appointment. The Chairman of the Committee shall be designated by the Board of Directors. In the absence of the Chairman, the members of the Committee may designate a chairman by majority vote. The Board of Directors may, at any time, remove one or more directors as members of the Committee.

In light of the extraordinary commitment of time and attention required of members of the Committee in fulfilling their responsibilities, no member of the Committee shall be a member of the audit committee, or a committee fulfilling similar functions, of more than two other public companies.

### **Authority and Responsibilities**

The Committee shall:

- (a) At least annually, review and reassess the adequacy of this Charter and evaluate the performance of the Committee and report the results thereof to the Board of Directors.
- (b) Study and make recommendations to the Board of Directors with respect to audit policies and procedures and the scope and extent of audits. In consultation with corporate management, the independent auditors, and the internal auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial and other risk exposures and the steps corporate management has taken to monitor, control, and report such exposures.
- (c) Review the qualifications, independence and performance of the independent auditors including the lead partner of the independent auditor, and present its conclusions to the Board of Directors annually in advance of the annual meeting of stockholders. As part of such annual review, obtain and review a report by the independent auditors describing: all relationships between the independent auditors and the Company, the independent auditors' internal quality-control procedures, any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditors, and any steps taken to deal with any such issues. Discuss with the independent auditors all significant relationships they have with the Company that could impair the auditors' independence. Discuss with corporate management and personnel responsible for Mohawk's internal audit function the qualifications, independence and performance of the independent auditors. The independent auditors shall report directly to the Committee and are ultimately accountable to the Committee and the Board of Directors.

- (d) Retain and terminate the Company's independent auditors, with sole authority to pre-approve, to the extent required by applicable law, all audit and non-audit engagements and the related fees and terms with the independent auditors. In accordance with applicable law, the Committee may delegate this authority to one or more designated members of the Committee; provided that any such decision made pursuant to the foregoing delegation of authority shall be presented to the Committee at its next regularly-scheduled meeting.
- (e) Satisfy itself as to the professional competency of the VP - Internal Audit and the adequacy of his/her staff in discharging responsibility of the office. Review with management the appointment and replacement of the VP - Internal Audit.
- (f) Review with the independent auditors and with the VP - Internal Audit, at a time when the annual audit plan is being developed, the plan's timing, scope, staffing, locations, foreseeable issues, priorities and procedures, the coordination between the independent auditors and the VP - Internal Audit in executing the plan and the engagement team.
- (g) Meet separately, periodically, with corporate management, the VP - Internal Audit and the independent auditors.
- (h) Review annually the Company's internal auditing program and significant reports with the VP - Internal Audit and corporate management's response and follow-up to those reports.
- (i) Meet quarterly with corporate management and with the independent auditors, to discuss the annual audited financial statements, including footnotes, the unaudited quarterly financial results prior to the release of earnings and/or the quarterly financial statements prior to filing or distribution, including, in each case, a review of the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations". In discharging this obligation, receive and review, if necessary, a report from the controller as to any unusual deviations from prior practice that were included in the preparation of the annual or quarterly financial results. Review and discuss (1) draft press releases of unaudited interim and annual financial results before public release and (2) financial information and earnings guidance provided to analysts and ratings agencies. Press releases and interim financial statements also will be reviewed by the independent auditors prior to public release.

- (j) Review the report to the Committee from the Company's independent auditors in accordance with Section 204 of the Sarbanes-Oxley Act of 2002. Review the contents of such report and all major accounting policy matters involved in the preparation of interim and annual financial reports with corporate management and any deviations from prior practice with the independent auditors.
- (k) Review with the independent auditors, on completion of the annual audit, their experience, any difficulties encountered, any restrictions on their work, cooperation received, significant disagreements with corporate management, their findings and their recommendations. Discuss certain matters required to be communicated to audit committees in accordance with AICPA SAS 61.
- (l) Review the application of significant regulatory, accounting and auditing policies, including new pronouncements, to the Company's financial reports.
- (m) Analyze financial reports to understand performance fluctuations between reporting periods and between reports and plan.
- (n) Review and assess the adequacy of internal accounting procedures and controls, including a review with the independent auditors of their evaluation of the Company's internal controls. Review quarterly the programs that the Company has instituted to correct any control deficiencies noted by the VP - Internal Audit in the periodic review or the independent auditors in their annual review. Discuss with management the results of the foregoing reviews, including significant items and potential ways to improve the accounting procedures and controls.
- (o) Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- (p) Establish clear hiring policies for current or former employees of the independent auditors.
- (q) Report annually to the Board of Directors, after the close of each fiscal year but prior to the Company's annual meeting of

stockholders, as well as on any other occasion, any issues that arise with respect to the quality or integrity of the Company's publicly reported financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the independent auditors, the performance of the internal audit function, or whatever it deems appropriate concerning the activities of the Committee.

- (r) Perform any other activities consistent with this Charter, the Company's bylaws, and governing law as the Committee or the Board deems necessary or appropriate.

### **Committee Meetings**

The Committee shall meet at least four times per year. Minutes of each of these meetings shall be kept and the Chief Financial Officer will function as the management liaison officer to this Committee.

## **Mohawk Industries, Inc. Compensation Committee Charter**

### **Purpose**

The Compensation Committee (the “Committee”) shall be responsible for reviewing and making decisions under a delegation of authority from the Board of Directors with respect to compensation, including salaries, bonuses, equity-based awards, and other benefits for executive officers of Mohawk Industries, Inc. (the “Company”). In performing this function, it shall be the objective of the Committee to: (i) encourage the achievement of the Company’s long-range objectives by providing compensation which directly relates to the performance of the individual and the achievement of internal strategic objectives; (ii) establish compensation policies and guidelines that will attract, motivate and retain qualified personnel through an overall level of compensation opportunity that is competitive within the Company’s industry; and (iii) promote a direct relationship between compensation and the Company’s performance by facilitating executive officer stock ownership through restricted stock and stock option awards.

### **Composition of the Committee**

The members of the Committee shall be independent directors meeting the requirements of the New York Stock Exchange and appointed by the Board of Directors on the recommendation of the Nominating and Corporate Governance Committee. At least two of the directors appointed to serve on the Committee shall be “non-employee directors” (within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended) and “outside directors” (within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder). The Chairman of the Committee shall be designated by the Board of Directors. In the absence of the Chairman, the members of the Committee may designate a chairman by majority vote. The Board of Directors may at any time remove one or more directors as members of the Committee. The Committee may delegate any of its authority and responsibilities set forth below to a subcommittee of members of the Committee designated by the Chairman of the Committee

### **Authority and Responsibilities**

The Committee is authorized to fix the compensation of executive officers of the Company, to establish and administer the annual incentive plan or plans applicable to executive officers of the Company and to administer the equity incentive plans of the Company as may from time to time be acquired or adopted (all such plans collectively “Incentive Plans”). To that end, the Committee shall have and may exercise all the powers and authority of the Board of Directors to the extent permitted under Section 141 of the Delaware General Corporation Law.

To the extent permitted by Delaware law, the Committee may delegate to one or more officers of the Company the power (i) to designate the officers and employees of the

Company or any of its subsidiaries who will receive grants of restricted shares, restricted share units or options to purchase from the Company shares of the Company's capital stock, and (ii) to determine the number of restricted shares, restricted share units or options to be received by them. Such delegation must be made by a resolution that specifies the total number of restricted shares, restricted share units or options that may be granted under the delegated authority, and no officer may be delegated the power to designate himself or herself as a recipient of restricted shares, restricted share units or options.

The Committee has the sole authority to retain and terminate (or obtain the advice of) any adviser to assist it in the performance of its duties, but only after taking into consideration all factors relevant to the adviser's independence from management, including the factors specified in Section 303A.05(c) of the NYSE Listed Company Manual.

The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any adviser retained by the Committee, and shall have sole authority to approve the adviser's fees and other retention terms. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any adviser retained by the Committee.

The Committee is responsible for making decisions with respect to the Company's executive compensation policies. In addition, pursuant to authority granted by the Board of Directors, the Committee shall review and approve on an annual basis the corporate goals and objectives relevant to the compensation to be paid to the Chief Executive Officer and each of the other executive officers of the Company.

The Committee shall:

1. Annually evaluate the performance of the Chief Executive Officer in light of the corporate goals and objectives approved and determine and approve the CEO's compensation level based on this evaluation. In determining the incentive components of CEO compensation, the Committee may consider a number 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 CEO in past years;
2. Annually review and approve base salary and incentive bonus levels of the other executive officers of the Company, as such are recommended to the Committee by the Company's Chief Executive Officer;
3. Review and approve, periodically and as and when appropriate, the following as they affect the executive officers: (i) all other incentive awards and opportunities, (ii) any employment agreements and severance arrangements, (iii) any change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits; and (iv) any special or supplemental compensation and benefits for the executive officers;

4. Review Company compensation policies and practices, and consider potential impact on risk to the Company;
5. Administer the Company's Incentive Plans, as well as any other stock option, stock purchase, incentive or other benefit plans of the Company, fulfilling such duties and responsibilities as are set forth in such plans;
6. Review and approve awards pursuant to delegated authority under the Company's Incentive Plans, as such are recommended to the Committee;
7. Review and discuss the Compensation Discussion and Analysis (CD&A) required to be included in the Company's proxy statement and annual report on Form 10-K with management, and, based on such review and discussion, determine whether or not to recommend to the Board that the CD&A be so included;
8. Produce an annual report on executive compensation for inclusion in the Company's proxy statement for the annual meeting of stockholders, in accordance with applicable rules and regulations;
9. Periodically review the Company's director compensation program and provide suggestions for changes, if any, to the full Board for approval;
10. Make regular reports to the Board of Directors concerning the activities of the Committee; and
11. Perform an annual performance evaluation of the Committee.

### **Committee Meetings**

The Committee shall meet at least two times per year. One such meeting shall be held at a time when the Committee can review and recommend annual base salary and incentive awards as described above. The other meetings shall be held at the discretion of the Chairman of the Committee, or as recommended by the Chief Executive Officer. Minutes of each of these meetings shall be kept. The Chief Executive Officer will function as the management liaison officer to the Committee.