

DYNEX CAPITAL, INC.

Nominating & Corporate Governance Committee Charter

Statement of Purpose

The Nominating & Corporate Governance Committee of the Company is a standing committee of the Board of Directors. The purpose of the Committee is to fulfill its responsibilities relating to:

- identifying individuals qualified to become Board members, consistent with the criteria established by the Board;
- recommending to the Board the director nominees for the next annual meeting of shareholders;
- overseeing the evaluation process for reviewing the performance of the Board, its committees and management, as appropriate;
- ensuring the Company has appropriately planned for management succession;
- shaping the corporate governance policies and practices including developing a set of corporate governance principles and guidelines applicable to the Company and recommending them to the Board.

Organization and Authority

The Nominating & Corporate Governance Committee shall be comprised of at least three members of the Board of Directors, and each member shall (i) be “independent” in accordance with the rules and regulations of the New York Stock Exchange, (ii) be a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended and (iii) have the experience and expertise to serve, as the Board shall determine. The Board shall designate a member of the Committee as Chairperson of the Committee.

The members of the Committee shall be appointed by the Board and shall serve at the pleasure of the Board. The Board retains the right to remove any member from the Committee at any time by an affirmative vote of a majority of the Board.

The Committee shall have the authority, without obtaining the prior authorization of the Board, to retain and terminate outside counsel, consultants and other experts as it deems necessary or appropriate in connection with the execution of its duties and to approve fees and other retention terms relating to such engagements. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm’s fees and other retention terms. The

Committee shall notify the Chairperson of the Board, or the Board of Directors, to the extent that it retains or terminates such experts or advisors.

The Committee shall also have the authority to delegate one or more of its responsibilities to a subcommittee that consists of at least two members of the Committee.

Meetings, Reports and Records

The Committee shall meet at least two times each year and at such other times as it deems necessary to fulfill its responsibilities. The Committee shall regularly report its activities to the Board and maintain adequate minutes and records thereof. The operation of the Committee, including with respect to actions without meetings, notice of meetings and waiver of notice, quorums and voting requirements, shall be as set forth in the Company's Bylaws.

Responsibilities

The Nominating & Corporate Governance Committee shall have the following duties, responsibilities and authority:

Communication and Assessment

- Meet as often as it determines, but not less frequently than twice a year.
- Regularly report to the Board on the Committee's activities.
- Annually review and evaluate its own performance.
- Review and assess the adequacy and regulatory compliance of this Charter periodically and recommend any proposed changes to the Board for approval.

Director Candidate Identification and Recommendation to the Board

- Develop and recommend to the Board criteria to identify and evaluate prospective candidates for the Board. The criteria should reflect at a minimum all applicable laws, rules, regulations and listing standards. In addition, the criteria will identify other appropriate skills and characteristics required for Board membership, including a potential candidate's integrity, character, education, business experience, accounting and financial expertise, age, diversity, reputation, civic and community relationships, knowledge and experience in matters impacting the industry of the Company.
- Identify, evaluate and recruit candidates to fill positions on the Board, including candidates that shareholders may recommend. Such evaluation shall include appropriate and necessary inquiries into backgrounds and qualifications of possible candidates.

- Review, as part of the candidate evaluation process, the other boards on which a potential candidate serves.
- Recommend to the Board the slate of nominees for election to the Board at the Company's annual meeting of shareholders or, if applicable, at a special meeting of shareholders, or to fill a vacancy on the Board.

Management Succession Planning

- Review annually with the chief executive officer management succession planning, including the identification and development of executive talent.
- With appropriate input from the chief executive officer, develop and maintain the policies for selection of key executives and for succession during emergencies and in the event of retirement.
- Report to the Board, at least annually, regarding management succession planning.

Oversight of Corporate Governance

- Develop and recommend to the Board a set of corporate governance policies, practices and guidelines (the "Corporate Governance Guidelines") as appropriate to the Company and review the Corporate Governance Guidelines at least annually and recommend changes as necessary.
- Serve as a resource for the Board in addressing any corporate governance issues or matters that may arise or that may otherwise be delegated to it.

Oversight of Board Matters

- Develop and recommend to the Board appropriate criteria for determining director independence.
- Evaluate each outside director against the established independence criteria and present the findings and recommendations to the Board.
- Recommend Board committee assignments and committee chairs on all active committees of the Board, and recommend committee members to fill vacancies on committees as necessary.
- Review the appropriateness of the size of the Board relative to its various responsibilities.
- Make recommendations to the Board from time to time as to the structure and operations of the various committees of the Board.

- In accordance with the Corporate Governance Guidelines, review, on a case-by-case basis, the number of other public company boards and committees thereof on which a director may serve, considering, among other things, the director’s ability to devote sufficient time to perform his or her duties as a Company director and whether serving on another board could cause a potential conflict of interest with serving as a Company director.
- In accordance with the Corporate Governance Guidelines, review, on a case-by-case basis, whether a director may accept a directorship or other position with a company that may be viewed as a competitor of the Company, considering, among other things, whether the company should be considered a competitor of the Company, whether the director is able to devote sufficient time to perform his or her duties as a Company director, and whether the directorship or other position could cause a potential conflict of interest with serving as a Company director.
- In accordance with the Corporate Governance Guidelines, review, on a case-by-case basis, any potential conflict of interest that develops because of a change in the business of a company which a director serves in any capacity or any change in the circumstances of such director to determine an appropriate resolution.
- In accordance with the Corporate Governance Guidelines, recommend to the Board an evaluation process of the Board, its committees and management, as appropriate, provide oversight for this process, and report to and discuss with the Board its findings and conclusions (including providing individual feedback, as appropriate).
- In accordance with the Corporate Governance Guidelines, assist the Board in determining whether a director satisfies the criteria necessary to be deemed an “audit committee financial expert” by evaluating the director against criteria established by the Securities and Exchange Commission. The Committee will present the findings from this evaluation to the Board. The Board will then make a formal determination on whether a director can be deemed an audit committee financial expert.

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This charter shall not be construed in a manner that imposes, upon the Nominating & Corporate Governance Committee or its members, additional duties and responsibilities or a higher standard of conduct or care than that imposed upon directors or committees of boards of directors generally, pursuant to applicable law.

Originally approved on June 2, 2004 and last amended and approved December 8, 2015, in each case by the Board of Directors of Dynex Capital, Inc.