

**WINDSTREAM HOLDINGS, INC.  
BOARD OF DIRECTORS**

**COMPENSATION COMMITTEE CHARTER  
(effective May 5, 2015)  
(revised May 3, 2016)**

*Organization*

The Compensation Committee (the “Committee”) of the Board of Directors of Windstream Holdings, Inc. (“Windstream”) shall be appointed by the Board of Directors and shall consist of at least three directors, each of whom must be “independent,” as defined in paragraph 14 of Windstream’s Corporate Governance Board Guidelines, as amended, and satisfy any other criteria for membership that are specified in the NASDAQ National Market System Rules (“NASDAQ”) and any other statute or regulation applicable to Windstream from time to time. The Committee shall be subject to the provisions of Windstream’s Bylaws relating to committees of the Board of Directors, including those provisions relating to removing committee members and filling vacancies. The Committee may invite such members of management to its meetings as it deems appropriate. However, the Committee shall meet regularly in executive session without such members present, and the Chief Executive Officer and any other officers shall not be present during the portion of such meetings at which their compensation or performance is determined.

*Statement of Policy*

The Committee shall provide assistance to the Board of Directors in fulfilling its oversight responsibility related to the compensation programs, plans and awards for directors and principal officers.

*Subcommittees*

The Committee shall have the authority, as the Committee may deem appropriate, to delegate any of its powers and responsibilities to one or more subcommittees (each a “Subcommittee”), each of which shall consist of at least two directors who are members of the Committee. While acting within the scope of the powers and responsibilities delegated to it, a Subcommittee shall have and may exercise all the powers and authority of the Committee, and in such instances, references in this Charter to actions of the Committee shall mean actions taken by the applicable Subcommittee. Notwithstanding any other provision of this Charter, if any member of the Committee shall not satisfy the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (“Section 162(m)”), the Committee shall delegate to a Subcommittee, each member of which satisfies the requirements of an “outside director” for purposes of Section 162(m), any and all approvals, certifications and administrative and other determinations and actions with respect to compensation intended to satisfy the requirements of the “performance-based compensation” exception to Section 162(m).

*Powers and Responsibilities*

In discharging its appointment from the Board of Directors, the Committee will:

- Annually review and approve goals and objectives relevant to Chief Executive Officer compensation that are consistent with Windstream’s corporate governance principles.



- Annually evaluate the Chief Executive Officer's performance in light of those goals and objectives, and determine and approve the Chief Executive Officer's compensation level based on this evaluation.
- Annually review and approve goals and objectives relevant to the compensation of Windstream's executive officers that are consistent with Windstream's corporate governance principles, evaluate their performance in light of those goals and objectives, and make recommendations regarding their compensation level to the Board of Directors based on this evaluation.
- Annually review and make recommendations to the Board of Directors with respect to the compensation of all non-employee directors.
- Review and make recommendations to the Board of Directors regarding: (i) employment agreements, severance arrangements or plans, and change in control arrangements or plans, for the Chief Executive Officer and executive officers; (ii) any short-term or long-term incentive compensation plan in which the Chief Executive Officer or any executive officer is a participant, and when required, the Committee shall recommend such plans for approval by Windstream's stockholders; (iii) appropriate alignment between the performance goals for long-term incentive compensation plans applicable to any employee or executive officer and Windstream's corporate strategic goals and objectives; (iv) any deferred compensation plan or retirement plan in which the Chief Executive Officer or any executive officer is a participant; (v) any employee benefit plan or welfare benefit plan in which the Chief Executive Officer or any executive officer is a participant, other than any such plan that is available to employees generally and which in operation provides for the same allocation of benefits between executive officers and all other employee participants; (vi) any perquisite arrangements for the Chief Executive Officer and executive officers; and (vii) the Policy Regarding Repayment or Forfeiture of Certain Compensation By Executive Officers ("Clawback Policy").
- Review the results of any stockholder advisory votes regarding the compensation of Windstream's named executive officers and make recommendations to the Board of Directors how to respond to those votes. In evaluating and determining Chief Executive Officer compensation, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation.
- Make recommendations to the Board of Directors whether the stockholder advisory votes regarding the compensation of Windstream's named executive officers should occur every 1, 2 or 3 years.
- Review and approve any equity-based compensation plans that are not required by the NASDAQ Rules or any other statute or regulation applicable to Windstream from time to time to be approved by Windstream's stockholders.
- Oversee the annual review of Windstream's compensation policies and practices for all employees, including non-executive officers, to determine whether they create risks that are reasonably likely to have a material adverse effect on Windstream, and discuss at least annually the relationship between risk management policies and compensation practices.
- Have the sole authority (i) for the retention, oversight, termination and replacement of any compensation consultant, legal counsel or other advisers to be used to assist in the evaluation of director, Chief Executive Officer, or executive officer compensation as the



Committee may deem appropriate, and (ii) to approve the fees and other retention terms of any compensation consultant, legal counsel or other advisers and to obligate Windstream for the payment of the fees and expenses of such advisers. In selecting consultants, legal counsel and other advisers, the Committee shall take into consideration those factors determined by the Committee that affect the independence thereof, including the factors identified by the Securities and Exchange Commission and the NASDAQ Rules.

- Oversee the Windstream Benefits Committee, and exercise all rights and authority of the Board of Directors with respect to the Benefits Committee, including the removal of members and the filling of vacancies.
- Review and discuss with management the annual “Compensation Discussion and Analysis”, and issue an annual report on executive compensation, in each case for inclusion in Windstream’s proxy statement in accordance with applicable rules and regulations.
- Oversee and determine compliance with Windstream’s minimum stock ownership guidelines for executive officers and directors and periodically review and make recommendations to the Board regarding updates to the minimum stock ownership guidelines.
- Review and assess annually this Charter and the performance of the Committee and obtain the approval of the Board of Directors of any recommended changes to the Charter or the Committee.
- Have the authority to investigate matters with full access to all books, records, facilities, and personnel of Windstream and the power to retain outside professionals for this purpose.
- Undertake all further actions and discharge all further responsibilities imposed upon the Committee from time to time by applicable rules of the Securities and Exchange Commission, the NASDAQ and any other statute or regulation applicable to Windstream from time to time.

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