



Welcome to America's Diner

**DENNY'S CORPORATION  
BOARD OF DIRECTORS  
COMPENSATION AND INCENTIVES COMMITTEE  
CHARTER\***

**Authority**

The Board of Directors (the "Board") of Denny's Corporation ("Denny's" or the "Company") has established the "Compensation and Incentives Committee" (the "Committee"), and has delegated and assigned to the Committee the authority, responsibility, and specific duties as described herein.

**Philosophy**

Under the oversight and direction of the Committee, the Company will strive to develop and implement a compensation program for its executive officers designed to attract and retain top quality leadership talent while ensuring that senior leaders' interests are sufficiently aligned with the interests of shareholders. The Committee will promote a compensation approach that takes into consideration shareholder interests while utilizing base salary and short-term and long-term incentives in such a manner that drives management to make those business decisions that will have a long-term positive impact on the Company.

**Purpose**

The Committee's purpose shall be to discharge the Board's responsibilities relating to: (1) overseeing the Company's overall compensation programs and philosophy, (2) reviewing and approving compensation of the Chief Executive Officer and senior management of the Company, (3) administering the Company's short- and long-term incentive plans and other stock or stock-based plans, (4) overseeing the Company's executive compensation disclosure and issuing the Committee's report as required by the applicable rules and regulations governing the Company's annual proxy statement, (5) overseeing the Company's stock ownership guidelines, and (6) overseeing the Company's various employee benefit plans. While discharging the above responsibilities, the Committee shall be mindful of the Company's overall compensation structure, in order to determine that appropriate incentives have been established for management and employees at all levels in a manner deemed necessary to further the Company's long-term strategic plan while enhancing shareholder value.

**Committee Composition and Member Qualification**

The Committee shall be comprised of not less than three members of the Board. Each member of the Committee must have been determined by the Board to be an Independent Director as defined in the rules of The Nasdaq Stock Market ("Nasdaq") and eligible to serve on the Committee under the applicable Nasdaq listing standards after consideration of the factors set forth in such listing standards. In addition, all Committee members must qualify as "non-employee directors" within the meaning of SEC Rule 16b-3, and as "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986.

### **Member Appointment and Removal**

Members of the Committee, as well as the Committee's Chairman, will be appointed by the Board. The Board may fill vacancies on the Committee and may remove a Committee member from membership of the Committee at any time with or without cause.

### **Committee Duties and Responsibilities**

The primary duties and responsibilities of the Committee shall be as follows:

- to evaluate annually the performance of the Company's Chief Executive Officer ("CEO") in light of predetermined goals and objectives, and determine and approve the CEO's compensation based on this evaluation;
- to determine and approve the compensation of the Company's executive officers after considering the recommendations of the CEO regarding the compensation of the Company's executive officers and to review and approve all agreements with executive officers relating to executive compensation;
- to review and make recommendations to the Board concerning compensation practices, policies, procedures and retirement benefit plans and programs for the employees of the Company;
- to oversee the activities of plan administrators and trustees and other fiduciaries under the Company's various employee benefits plans and, in connection therewith, receive periodic reports from plan administrators concerning such activities;
- to review, approve, set performance targets and to make recommendations to the Board with respect to the Company's incentive-compensation plans and equity-based plans;
- to administer the Company's stock option plans and such other similar plans as may from time to time be adopted by the Company;
- to review and make recommendations to the Board regarding compensation practices, policies and procedures for members of the Board;
- to oversee the Company's executive compensation disclosure (including reviewing the Compensation Discussion and Analysis section of the Company's annual proxy statement and annual report on Form 10-K with management) and to prepare and issue the Committee's report as required by the applicable rules and regulations governing such disclosure;
- to conduct an annual performance evaluation of the Committee's work;
- to oversee the Company's stock ownership guidelines and to conduct an annual review of the guidelines for compliance and potential adjustment;
- to monitor and receive periodic updates and reports from the Company's human resources department;

- to review and assess the adequacy of the Committee's formal written charter on an annual basis; and
- to perform from time to time any other functions or activities as the Committee deems appropriate, or as requested by the Board, consistent with this Charter, the Company's Corporate Governance Policy, Company by-laws and applicable law;

### **Committee Structure, Operations and Reporting**

The Committee will meet at least four (4) times per year and at other times as may be requested by its Chairman. Before each scheduled meeting, the Committee Secretary (who will be the Corporate Secretary or designee) will prepare an agenda in consultation with the Committee Chairman, and the Secretary will keep minutes of all Committee meetings. A majority of the Committee members will be a quorum for the transaction of business and any action of a majority of those present at a meeting at which a quorum is present will be the act of the Committee. Where necessary to comply with the provisions of §162(m) of the Internal Revenue Code, Rule 16b-3 under the Securities Exchange Act of 1934, or other government rules or regulations, the Committee, in its sole discretion, shall have the power to delegate its authority to a subcommittee of the Committee. An action will be deemed to be the action of the Committee if all Committee members execute, either before or after the action is taken, a written consent and the consent is filed with the Corporate Secretary. The Chairman will report after each meeting to the Board on all Committee actions and on the fulfillment of the Committee's duties under its Charter. The CEO may not be present during any of the Committee's voting or deliberations on the CEO's compensation.

### **Compensation Committee Advisers**

The Committee shall have authority to retain or obtain the advice of a compensation consultant, legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other adviser retained by the Committee.

The Company will provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Committee.

The Committee may select a compensation consultant, legal counsel or other adviser to the committee (other than in-house legal counsel) only after taking into consideration, all factors relevant to that person's independence from management, including the following:

- (a) The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- (b) 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;
- (c) 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;

- (d) Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- (e) Any stock of the company owned by the compensation consultant, legal counsel or other adviser; and
- (f) 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.

**Charter Adoption and Amendment**

This Compensation and Incentives Committee Charter was approved and adopted by the Committee on October 23, 2002, by the Board on November 20, 2002, and later amended on December 20, 2002, November 1, 2006, May 22, 2013, May 21, 2014, and November 9, 2017.