

## **VEECO INSTRUMENTS INC.**

### **CHARTER OF THE GOVERNANCE COMMITTEE**

#### **PURPOSE**

The Governance Committee of Veeco Instruments Inc. (the "Company") shall provide to the Company's Board of Directors its recommendations regarding individuals to be considered for election as directors of the Company at meetings of the stockholders of the Company, shall address Board organizational issues and develop and review corporate governance principles applicable to the Company and shall have such other powers and duties as may be determined by the Board from time to time.

#### **COMPOSITION**

The Committee members and its Chair shall be appointed annually by the Board. The Committee shall consist of two or more Directors who have each been determined by the Board to be independent.

#### **MEETINGS**

The Committee shall hold meetings no less frequently than required under Nasdaq rules and more frequently as may be deemed necessary by the Chairman of the Committee or the Chairman of the Board. The Committee shall report regularly to the Board and shall make such recommendations to the Board as it deems appropriate.

#### **AUTHORITY**

The Committee shall have the authority to:

- lead the search for individuals qualified to become members of the Board. In obtaining the names of possible new nominees, the Committee will solicit ideas from other Directors and may make its own inquiries and solicit suggestions from management, stockholders and other sources;
- invite to its meetings any director, officer or employee of the Company, or such other person as it deems appropriate to assist it in performing its responsibilities;
- retain independent search or other consultants to assist it in identifying and/or evaluating potential Director nominees, and to terminate any such search, in its sole discretion;
- compensate the foregoing consultants and arrange for its administrative expenses without obtaining the further approval of the Board or approval of the management of the Company; and
- create and delegate to subcommittees.

## RESPONSIBILITIES

This Charter sets forth the following responsibilities of the Committee as a guide and should remain adaptable to changing conditions and circumstances.

1. Establish and maintain procedures for the submission of unsolicited recommendations for nominees, including appropriate deadlines and the type of information that must be provided with recommendations.
2. Evaluate the suitability of potential nominees for membership on the Board, taking into consideration the Board's current composition, including expertise, diversity, and balance of inside, outside and independent directors, and considering the general qualifications of the potential nominees, including those characteristics described in the Corporate Governance Guidelines as in effect from time to time, and see that all necessary and appropriate inquiries are made into the backgrounds of such candidates.
3. To review Board size and leadership structure and to recommend to the Board, from time to time, any changes which the Committee believes to be desirable with regard to the appropriate size, leadership structure and other organizational matters relating to the Board.
4. To recommend to the Board the number and names of proposed nominees for election as Director at the Annual Meeting of Stockholders and, in the case of a vacancy on the Board, the name of an individual to fill the vacancy.
5. To recommend to the Board whether or not to accept the resignation of a director upon a change in principal occupation or qualification as a director, or upon a failure to receive the required number of votes for re-election. In the latter case, the Committee will also inform the Board of any other action it recommends be taken.
6. To ensure, in collaboration with the Lead Director, that the activities of the independent directors are appropriately coordinated, that the information and advice required by the independent directors are available, and that the independent directors are appropriately represented when required, so as to permit them as a group to fulfill their responsibilities.
7. To review the direct and indirect relationships of members of the Board with the Company or its management and assist the Board with its determination of the independence of its members.
8. To monitor trends and best practices in corporate governance, periodically review the Corporate Governance Guidelines, and recommend changes as it deems appropriate in those guidelines, in the corporate governance provisions of the Company's Bylaws, and in the policies and practices of the Board.
9. To establish the evaluation criteria and oversee the implementation of the process for the annual self-evaluation of the Board, Board Committees and individual Board members and for the utilization of an external governance advisor to facilitate the assessment at least every three years.
10. To consider and recommend to the Board the individual to be appointed Lead Director, as well as Committee membership and chairs.

11. To oversee the Company's director education policy and to review the director education activities of each director.
12. To oversee and review the processes and procedures used by the Company to provide information to the Board and its committees, for example, an electronic board portal.
13. To review the governance-related disclosure in the Company's proxy statement, including disclosure related to the experience, qualifications, skills and attributes that led to the conclusion that the nominees/directors should serve/continue serving as directors of the Company and the board leadership structure, including why such structure is appropriate.
14. To consider shareholder proposals and voting results from the most-recent annual meeting of shareholders, including any issues which receive substantial support, and anticipate any shareholder engagement needed on governance matters and to recommend to the Board appropriate policies regarding shareholder communication with directors.
15. To review D&O insurance coverage, indemnification provisions and policies relating to the advancement of expenses, review developments in law regarding D&O insurance, exculpatory charter provisions and indemnification/advancement of expenses and make recommendations to the full Board.

In addition to the above responsibilities, the Committee shall undertake such other duties as the Board delegates to it or as are assigned to the Committee under the Corporate Governance Guidelines as in effect from time to time.

This Charter shall govern the operations of the Governance Committee. It shall be deemed to be updated to reflect at all times any legislative, regulatory and listing requirements applicable to the Committee. The Committee shall formally review this Charter periodically and recommend any proposed changes to the Board for approval.

\* \* \*

As adopted the Board of Directors on February 5, 2016.