

Horizon Global Corp  
Form DEF 14A  
April 04, 2017

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549  
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant ☒ x

Filed by a Party other than the Registrant ☐ o

Check the appropriate box:

- ☐ o Preliminary Proxy Statement
- ☐ o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- ☒ x Definitive Proxy Statement
- ☐ o Definitive Additional Materials
- ☐ o Soliciting Material under §240.14a-12

Horizon Global Corporation

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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(3) Filing Party:

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NOTICE OF 2017 ANNUAL MEETING OF STOCKHOLDERS

To be held May 9, 2017

To the Stockholders of Horizon Global Corporation:

The 2017 Annual Meeting of Stockholders (the “Annual Meeting”) of Horizon Global Corporation (the “Company,” “Horizon,” “Horizon Global,” “us,” “our” or “we”) will be held on Tuesday, May 9, 2017 at the Company’s headquarters, 2600 West Big Beaver Road, in Conference Room B, Troy, Michigan, 48084, at 8:00 a.m., Eastern Time, for the following purposes:

1. To elect two directors to serve until the Annual Meeting of Stockholders in 2020;
2. To ratify the appointment of Deloitte & Touche LLP (“Deloitte”) as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2017; and
3. To transact such other business as may properly come before the meeting.

The Board of Directors has fixed the close of business on March 20, 2017 as the record date (“Record Date”) for determining the stockholders that are entitled to notice of, and to vote at, the Annual Meeting or any adjournment or postponement of the Annual Meeting.

By Order of the Board of Directors

/s/ Jay Goldbaum

Jay Goldbaum

Legal Director, Chief Compliance Officer  
and Corporate Secretary

Troy, Michigan

This notice of Annual Meeting, proxy statement and form of proxy are being distributed and made available on or about April 4, 2017.

Even if you intend to be present at the Annual Meeting in person, please sign and date the enclosed proxy card or voting instruction card and return it in the accompanying envelope, or vote via telephone or Internet (as indicated on your proxy card or voting instruction card), to ensure the presence of a quorum. Any proxy may be revoked in the manner described in the accompanying proxy statement at any time before it has been voted at the Annual Meeting.

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IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE  
ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 9, 2017

The Proxy Statement and 2016 Annual Report of Horizon Global Corporation are available at:

<http://investors.horizonglobal.com/2017proxystatement> and

<http://investors.horizonglobal.com/2016annualreviewand10-K>

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## PROXY STATEMENT FOR 2017 ANNUAL MEETING OF STOCKHOLDERS

This proxy statement contains information regarding the Annual Meeting of the Company to be held on Tuesday, May 9, 2017 at the Company's headquarters, 2600 West Big Beaver Road, in Conference Room B, Troy, Michigan 48084. The Company's Board of Directors (the "Board") is soliciting proxies for use at such meeting and at any adjournment or postponement of such meeting. The Company first mailed this proxy statement to its stockholders on or about April 4, 2017. The Company will bear the cost of soliciting proxies.

### Proxy Summary

This summary highlights information contained elsewhere in this Proxy Statement, Annual Report, SEC filings or in our corporate governance documents

on our website at [www.horizonglobal.com](http://www.horizonglobal.com). We encourage you to read this Proxy Statement in its entirety before voting.

### 2016 BUSINESS HIGHLIGHTS

|   |   |   |  |   |
|---|---|---|--|---|
| Completed acquisition of Westfalia-Automotive Holdings GmbH, addressing a geographical gap in our footprint | Net sales increased from \$576 million to \$649 million, up 12.8% | Operating cash flow increased from \$26.9 million to \$35.4 million, up 31.6% | E-commerce business grew approximately 26% | Original Equipment business won more than 50 new programs |
| p   | é   | é   | é  | p   |

### STOCKHOLDER ACTION

#### Proposal for Your Vote

Proposal 1: Re-Election of Class II Directors - Ms. Ilitch and Mr. DeVore.

Proposal 2: Ratification of the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2017.

Board Voting  
Recommendation  
FOR each  
nominee  
FOR

## PROPOSAL 1 — ELECTION OF DIRECTORS

The Board is divided into three classes, each class consisting of approximately one-third of the Company's directors. Class II directors' terms will expire at the Annual Meeting. Ms. Denise Ilitch and Richard L. DeVore have consented to stand for re-election to serve until the 2020 Annual Meeting of Stockholders. If either of them should become unavailable, the Board may designate a substitute nominee. In that case, the proxy holders named as proxies in the accompanying proxy card will vote for the Board's substitute nominee.

THE COMPANY'S BOARD RECOMMENDS A VOTE "FOR" EACH OF THE TWO DIRECTORS LISTED BELOW WHO STANDS FOR RE-ELECTION, TO SERVE UNTIL THE 2020 ANNUAL MEETING.

### Vote Required

The two individuals who receive the most votes cast at the Annual Meeting will be elected as directors, provided a quorum of at least a majority of the issued and outstanding shares of the Company's common stock (the "Common Stock") that are entitled to vote is represented either in person or by proxy at the meeting. If you abstain from voting on this matter, your abstention will have no effect on the vote. If you hold your shares through a broker and you do not instruct the broker on how to vote on this "non-routine" proposal, your broker does not have authority to vote your shares (referred to as a "broker non-vote"). Abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum but will not have any other effect on the outcome of the election of directors.

Additional information regarding the directors and director nominees of the Company is set forth below.

### Directors and Director Nominees

The Board currently consists of seven members divided into three classes serving staggered terms.

| Name                              | Age | Title  | Term Ending |
|-----------------------------------|-----|--|-------------|
| Denise Ilitch <sup>(1)(2)</sup>   | 61  | Co-Chair of the Board  | 2017        |
| Richard L. DeVore <sup>(1)</sup>  | 61  | Director   | 2017        |
| David C. Dauch                    | 52  | Director   | 2018        |
| Scott G. Kunselman <sup>(3)</sup> | 53  | Director   | 2018        |
| Samuel Valenti III <sup>(4)</sup> | 71  | Director   | 2018        |
| Richard D. Siebert                | 64  | Director   | 2019        |
| A. Mark Zeffiro                   | 51  | President, Chief Executive Officer and Co-Chair of the Board | 2019        |

(1) Standing for re-election at the Annual Meeting.

(2) Co-Chair of the Board since July 1, 2016.

(3) Appointed March 8, 2016 with initial term expiring 2018.

(4) Co-Chair of the Board until June 30, 2016.

### Director Background and Qualifications

The following sets forth the business experience during at least the past five years of each director nominee and each of the directors whose term of office will continue after the Annual Meeting.

In addition, the following includes a brief discussion of the specific experience, qualifications, attributes and skills that led to the conclusion that the directors and nominees should serve on the Board at this time. The Corporate Governance and Nominating Committee of the Board (the "Governance Committee") considers the experience, mix of skills and other qualities of the existing Board to ensure appropriate Board composition. The Governance Committee believes that directors must have demonstrated excellence in their chosen field, high ethical standards and integrity, and sound business judgment. In addition, it seeks to ensure the Board includes members with diverse backgrounds, skills and experience, including appropriate financial and other expertise relevant to the Company's business.

The Board believes that the directors and nominees have an appropriate balance of knowledge, experience, attributes, skills and expertise as a whole to ensure the Board appropriately fulfills its oversight responsibilities and acts in the best interests of stockholders. The Board believes that each director satisfies its criteria for demonstrating excellence

in his or her chosen field, high ethical standards and integrity, and sound business judgment. In addition, the Board has six independent directors in accordance with the

applicable rules of the New York Stock Exchange (“NYSE”), and such directors are also independent of the influence of any particular stockholder or stockholder groups whose interests may diverge from the interests of the stockholders as a whole. Further, each director or nominee brings a strong background and set of skills to the Board, giving the Board, as a whole, competence and experience in a wide variety of areas.

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Denise Ilitch

Co-Chair of the Board, Director since 2015

Age 61

Ms. Ilitch was named as a member of our Board on June 29, 2015. Ms. Ilitch became Co-Chair of the Board effective July 1, 2016. Ms. Ilitch served as chair of the Board's Compensation Committee until August 16, 2016, and is currently a member of the Board's Compensation Committee, Audit Committee and the Governance Committee. Ms. Ilitch is currently president of Ilitch Enterprises, LLC, a business operations management company, a position she has held since 2005. From 2000 to 2004, Ms. Ilitch served as president of Ilitch Holdings, Inc., an entertainment industries, food, fundraising and real estate development services company. From 1996 to 2004, Ms. Ilitch served as president of Olympia Development, LLC, a real estate development company. Ms. Ilitch currently serves as trustee for the Skillman Foundation and as regent on the University of Michigan Board of Regents, where she is a member of the health affairs committee. Ms. Ilitch has previously served as a board member of numerous community organizations, including the Detroit Branch of the NAACP, the Detroit Branch of the Federal Reserve Bank of Chicago, Detroit Renaissance, and the Karmanos Cancer Institute. She also co-chaired the 2009 Detroit Crisis Turnaround Team and served as a Detroit Red Wings Alternate Governor for the National Hockey League and as a board member of Major League Baseball. Ms. Ilitch brings to the Board more than 30 years of experience as a business executive and community leader. As a businesswomen and attorney, Ms. Ilitch has extensive knowledge and subject matter expertise in business development, corporate law and government policy.

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Richard L. DeVore

Director since 2015

Age 61

Mr. DeVore was appointed to our Board on June 29, 2015. Mr. DeVore serves as chair of the Board's Audit Committee, and as a member of the Governance Committee and the Compensation Committee. Mr. DeVore is currently executive vice president of PNC Bank, N.A., a member of the PNC Financial Services Group (“PNC”), one of the United States’ largest diversified financial services organizations. Mr. DeVore was appointed executive vice president of PNC in November 2001 and, in his current role, he serves as president for the Detroit and Southeast Michigan regions and chairs the local PNC Foundation. From January 2009 through July 2010 (after its acquisition by PNC), he also served as the chief credit officer and as member of the board of directors of National City Bank, a financial services organization. Mr. DeVore previously held various chief credit officer and managerial positions with PNC from 1991 through 2001. Mr. DeVore currently serves on the boards of Business Leaders for Michigan, Oakland University, the Detroit Economic Club, the Detroit Symphony Orchestra, the Detroit Regional Chamber and Ann Arbor SPARK. Mr. DeVore has also taught banking and finance courses at Wayne State University. Mr. DeVore brings to the Board more than 37 years of financial institutions experience and unique insights into credit market conditions and corporate capital structure. Mr. DeVore has extensive knowledge and subject matter expertise in finance, mergers and acquisitions and risk management.

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David C. Dauch  
Director since 2015  
Age 52

Mr. Dauch was appointed to our Board on June 29, 2015. Mr. Dauch serves as chair of the Board's Governance Committee, and as a member of the Compensation Committee. Mr. Dauch is currently chairman and chief executive officer of American Axle & Manufacturing Holdings, Inc. ("AAM"), a leading global Tier-One automotive supplier of driveline and drivetrain systems and related components. Mr. Dauch was appointed chairman of the board of AAM in August 2013, and was previously appointed president and chief executive officer of AAM in September 2012. Beginning in June 2008, he served as AAM's president & chief operating officer and previously served as its executive vice president and chief operating officer. From 1987 to 1995, Mr. Dauch held several positions at Collins & Aikman Products Company, an automotive manufacturer engaged primarily in the design, engineering and manufacture of automotive interior components, systems and modules. Mr. Dauch also served on the Collins & Aikman board of directors from 2002 to 2007. Presently, he serves on the boards of Business Leaders for Michigan, the Detroit Regional Chamber, the Great Lakes Council Boy Scouts of America, the Boys & Girls Club of Southeast Michigan and the Original Equipment Suppliers Association. In December 2014, Mr. Dauch was elected to the board of directors of Amerisure Mutual Holdings, Inc. and the Amerisure Companies. Mr. Dauch also serves on the Miami University Business Advisory Council. Mr. Dauch brings extensive knowledge and expertise in executive leadership and operational management issues relevant to manufacturing environments. His experience as chairman, chief executive officer and president of AAM also provide him with subject matter expertise in corporate governance, risk management and strategic planning.

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Scott G. Kunselman  
Director since 2016  
Age 53

Scott G. Kunselman was appointed to our Board on March 8, 2016. Mr. Kunselman was appointed as chair of the Board's Compensation Committee on August 17, 2016, and also currently serves as a member of the Board's Audit Committee and the Governance Committee. In December 2015, Mr. Kunselman joined Oakland University, a public university with its main campus located in Rochester, Michigan, as its chief operating officer. Prior to joining Oakland University, Mr. Kunselman was senior vice president - vehicle safety and regulatory compliance, FCA - North America for FCA US LLC ("Chrysler"), an automobile manufacturer headquartered in Auburn Hills, Michigan, from August 2014 through November 2015. Previously he was senior vice president - purchasing and supplier quality for Chrysler from April 2012 to August 2014. Mr. Kunselman held the position of senior vice president - engineering with Chrysler from June 2009 to April 2012. Mr. Kunselman served on the Oakland University Board of Trustees from August 2012 to November 2015, and served as the chair of the Michigan Minority Supplier Development Council from April 2012 to February 2014. Mr. Kunselman also served on the board of the FCA Foundation (former Chrysler Foundation) from 2009 to December 2015, and the board of the Michigan Science Center (former Detroit Science Center) from 2008 to December 2015. Mr. Kunselman brings to the Board extensive knowledge and expertise relating to the automotive industry and operations management. Mr. Kunselman has subject matter expertise in engineering, quality, purchasing and product innovation.



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Samuel Valenti III  
Director since 2015  
Age 71

Mr. Valenti was appointed to our Board on June 22, 2015 and subsequently named Co-Chair of our Board on June 29, 2015. Mr. Valenti stepped down as Co-Chair of the Board effective June 30, 2016. Mr. Valenti serves as a member of the Board's Audit Committee, Compensation Committee and the Governance Committee. Mr. Valenti is currently chair of Valenti Capital LLC, an investment firm located in Bloomfield Hills, Michigan. Mr. Valenti was employed by Masco Corporation ("Masco"), a home improvement and building products manufacturer, from 1968 through 2008. From 1988 through 2008, Mr. Valenti was president and a member of the board of Masco Capital Corporation, and was vice president-investments of Masco from 1974 to 1998. Mr. Valenti has served as Chairman and a director of TriMas Corporation ("TriMas"), beginning in 2002, and serves as a member of its audit committee, governance and nominating committee, and compensation committee. Mr. Valenti was named a director of AAM in October 2013. He also serves as a member of the audit committee and the strategy committee for AAM. Mr. Valenti is the former chair of the investment advisory committee of the State of Michigan retirement system and served on the Harvard Business School Advisory Council. He currently serves on the advisory council at the University of Notre Dame and the advisory board at the University of Michigan Business School Zell-Lurie Institute. Mr. Valenti is a member of Business Leaders for Michigan and serves as chair of the Renaissance Venture Capital Fund. As chair of TriMas beginning in 2002 and as an executive of Masco for 40 years, Mr. Valenti has extensive knowledge and experience in the management of manufacturing businesses and subject matter expertise in the areas of finance, economics, corporate governance and asset management.

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Richard D. Siebert  
Director since 2015  
Age 64

Mr. Siebert was appointed to our Board on August 4, 2015. Mr. Siebert serves as a member of the Board's Audit Committee, the Compensation Committee and the Governance Committee. Mr. Siebert retired from KPMG LLP ("KPMG"), a global audit, tax and finance advisory firm in September 2012. From 2003 to September 2012, Mr. Siebert served as the managing partner of the MidAmerica business unit of KPMG, and, from 2007 to January 2012, Mr. Siebert also served as the managing partner of KPMG's Detroit office. Previously, Mr. Siebert served as the managing partner of the Cincinnati office of KPMG, and as the audit practice lead in the St. Louis office of Arthur Andersen, a global public accounting firm. In 1976, Mr. Siebert joined Arthur Andersen, was admitted to partnership in 1987, and was instrumental in the transition of Arthur Andersen's St. Louis office to KPMG in 2003. During his career in public accounting, Mr. Siebert served as the lead engagement partner or client service partner for a broad range of public companies. Mr. Siebert currently serves as a member of the finance council of the Archdiocese of St. Louis, and is a member of its audit committee. Mr. Siebert brings to the Board extensive knowledge and expertise in financial reporting, accounting and Sarbanes-Oxley compliance for public companies. Mr. Siebert's 36 year career in public accounting also provides him with subject matter expertise in a broad range of governance, regulatory and securities matters.

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A. Mark Zeffiro

President, CEO and Co-Chair of the Board since 2015

Age 51

Mr. Zeffiro was appointed as Co-Chair of our Board on June 29, 2015, and was named our president and chief executive officer on June 30, 2015. Mr. Zeffiro has served as president and a director of Horizon since our incorporation on January 14, 2015. Mr. Zeffiro previously served as group president of Cequent, which was comprised of TriMas' Cequent Americas and Cequent APEA reporting segments specializing in towing, trailering and cargo management products ("Cequent"), beginning in January 2015. Mr. Zeffiro served as chief financial officer of TriMas from June 2008 to January 2015 and executive vice president of TriMas from May 2013 until January 2015. Prior to joining TriMas, Mr. Zeffiro held various financial management and business positions with General Electric Company ("GE"), a diversified technology and financial services company, and Black and Decker Corporation ("Black & Decker"), a global manufacturer of quality power tools and accessories, hardware, home improvement products and fastening systems. From 2004 through 2008, during Mr. Zeffiro's four-year tenure with Black & Decker, he was vice president of finance for the global consumer product group and Latin America. In addition, Mr. Zeffiro was directly responsible for and functioned as general manager of Black & Decker's factory store business unit. From 2003 to 2004, Mr. Zeffiro was chief financial officer of First Quality Enterprises, a private company producing consumer products for the health care market. From 1988 through 2002, he held a series of operational and financial leadership positions with GE, the most recent of which was chief financial officer of its medical imaging manufacturing division. In April 2015, Mr. Zeffiro was appointed to the board of directors of Atkore International Group, Inc., a manufacturer of electrical raceway solutions. Mr. Zeffiro also serves on the board of directors of the Detroit Institute of Arts, where he chairs the finance committee, and the board of trustees of Walsh College, where he sits on the academic committee. Mr. Zeffiro's position as president and chief executive officer of Horizon provides him the ability to offer the Board firsthand insight into the operations and strategic vision of the Company. Mr. Zeffiro has extensive knowledge and subject matter expertise in strategic planning, business management, mergers and acquisitions and financial accounting.

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#### Board Leadership Structure and Management

The Board is led by Co-Chairs A. Mark Zeffiro and Denise Ilitch, who was appointed Co-Chair effective on July 1, 2016 to replace Samuel Valenti III, who was scheduled to step down as Co-Chair after we had operated as a public company for approximately one year. The Co-Chairs oversee the planning of the annual Board calendar and, in consultation with the other directors, will schedule and set the agenda for meetings of the Board and lead the discussions at such meetings. In addition, the Co-Chairs provide guidance and oversight to other members of management, help with the formulation and implementation of our strategic plans and act as the Board's liaison to the rest of management. In this capacity, the Co-Chairs are actively engaged on significant matters affecting us. The Co-Chairs also lead our annual meetings of stockholders and perform such other functions and responsibilities as requested by the Board from time to time.

We have determined that it is in our best interests to be led by Mr. Zeffiro and Ms. Ilitch as Co-Chairs of the Board. As Co-Chairs, Mr. Zeffiro and Ms. Ilitch promote unified leadership and direction of the Board and management, and provide the critical leadership necessary for carrying out our strategic initiatives, while maintaining our stability as a newly independent public company.

As part of its oversight function, the Board monitors how management operates the Company, in part via its committee structure. When granting authority to management, approving strategies and receiving management reports, the Board considers, among other things, the risks and vulnerabilities the Company faces. The Audit Committee of the Board (the "Audit Committee") considers risk issues associated with the Company's overall financial reporting, disclosure process and legal compliance, as well as reviews policies on risk control assessment and accounting risk exposure. In addition to its regularly scheduled meetings, the Audit Committee meets with the corporate audit team, and the independent registered public accounting firm in executive sessions at least quarterly,

and with the Legal Director and Chief Compliance Officer as determined from time to time by the Audit Committee. Each of the Compensation Committee of the Board (the “Compensation Committee” or the “Horizon Compensation Committee”) and the Governance Committee considers risk issues associated with the substantive matters addressed by each such committee.

The Board held four meetings during 2016. The following table sets forth the meeting information for the three standing committees of the Board for 2016:

| THE BOARD AND COMMITTEES - MEMBERSHIPS & MEETINGS |          |       |       |              |
|---|----------|-------|-------|--------------|
|   | BOARD    | CLASS | AUDIT | COMPENSATION |
|   |          |       |       | GOVERNANCE   |
| Denise Ilitch <sup>(1)</sup>                      | Co-Chair | II    | ü     | ü            |
| Richard L. DeVore                                 | Director | II    | Chair | ü            |
| David C. Dauch                                    | Director | III   | ü     | Chair        |
| Scott G. Kunselman <sup>(2)</sup>                 | Director | III   | ü     | Chair        |
| Samuel Valenti III <sup>(3)</sup>                 | Director | III   | ü     | ü            |
| Richard D. Siebert                                | Director | I     | ü     | ü            |
| A. Mark Zeffiro                                   | Co-Chair | I     |       |              |
| 2016 Meetings                                     | 4        |       | 5     | 6            |

(1) Co-Chair of the Board since July 1, 2016, and stepped down as chair of the Compensation Committee on August 16, 2016.

(2) Appointed to the Board on March 8, 2016 with initial term expiring 2018, and appointed chair of the Compensation Committee on August 17, 2016.

(3) Co-Chair of the Board until June 30, 2016, and appointed to the Compensation Committee on March 10, 2017.

CLASS II - Term expires at 2017 annual stockholder meeting

CLASS III - Term expires at 2018 annual stockholder meeting

CLASS I - Term expires at 2019 annual stockholder meeting

As noted above, the Board currently consists of seven directors, divided into three classes as equal in number as possible. The members of each class serve for staggered, three year terms, except for the initial terms described above. Upon the expiration of the term of a class of directors, directors in that class may be asked to stand for re-election for a three-year term at the Annual Meeting in the year in which their term expires.

Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the Company's directors.

The Company's Board has determined, after considering all of the relevant facts and circumstances, that Ms. Ilitch and Messrs. Dauch, DeVore, Kunselman, Siebert, and Valenti are "independent" from management in accordance with the NYSE listing standards and the Company's Corporate Governance Guidelines (the "Governance Guidelines"). To be considered independent, the Board must determine that a director does not have any direct or indirect material relationships with the Company and must meet the criteria for independence set forth in the Company's Governance Guidelines.

During 2016, all of the then-current directors attended at least 75%, in the aggregate, of the meetings of the Board and all committees of the Board on which they served. All directors are expected to attend all meetings, as well as the Annual Meeting. In addition to attending Board and committee meetings, directors fulfill their responsibilities by consulting with the President and Chief Executive Officer and other members of management on matters that affect the Company.

Independent directors hold regularly scheduled executive sessions in which independent directors meet without the presence of management. These executive sessions, as chaired by the independent Co-Chair, generally occur around regularly scheduled meetings of the Board. For more information regarding the Board and other corporate governance procedures, see "Corporate Governance." For information on how you can communicate with the Company's non-management directors, see "Communicating with the Board."

**Audit Committee.** The Audit Committee is responsible for providing independent, objective oversight and review of our auditing, accounting and financial reporting processes, including reviewing the audit results and monitoring the effectiveness of our internal audit function. In addition, the Audit Committee is responsible for (1) selecting our independent registered public accounting firm, (2) approving the overall scope of the audit, (3) assisting the Board in monitoring the integrity of our financial statements, our independent registered public accounting firm's qualifications and independence, the performance of our independent registered public accounting firm, and our internal audit

function and compliance with relevant legal and regulatory requirements, (4) annually reviewing our independent registered public accounting firm's report describing the auditing firm's internal quality control

procedures and any material issues raised by the most recent internal quality control review, or peer review, of the auditing firm, (5) discussing the annual audited financial and quarterly statements with management and the independent registered public accounting firm, (6) discussing earnings press releases and any financial information or earnings guidance provided to analysts and rating agencies, (7) discussing policies with respect to risk assessment and risk management, (8) meeting separately and periodically, with management, internal auditors and the independent registered public accounting firm, (9) reviewing with the independent auditor any audit problems or difficulties and management's response, (10) setting clear hiring policies for employees or former employees of the independent registered public accounting firm, (11) handling such other matters that are specifically delegated to the Audit Committee by applicable law or regulation or by the Board from time to time, and (12) reporting regularly to the full Board. The Audit Committee's charter reflects such responsibilities and is available on the Company's website, [www.horizonglobal.com](http://www.horizonglobal.com), in the Corporate Governance subsection of the Investor Relations section.

Each of the directors on the Audit Committee is financially literate. The Board has determined that each of Messrs. DeVore and Siebert qualifies as an "audit committee financial expert" within the meaning of Securities and Exchange Commission ("SEC") regulations and that each member on the Audit Committee has the accounting and related financial management expertise required by the NYSE listing standards and that each is "independent" from management in accordance with NYSE listing standards and the Company's Governance Guidelines.

**Compensation Committee.** The Compensation Committee is responsible for monitoring and administering our compensation and employee benefit plans and reviewing, among other things, base salary levels, incentive awards and bonus incentive awards for the Chief Executive Officer and other executive officers, and such other matters that are specifically delegated to the Compensation Committee by applicable law or regulation, or by the Board from time to time. All of the members of our Compensation Committee are expected to be independent under the rules of NYSE and Rule 10C-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Compensation Committee's duties include, among other things, (1) reviewing and approving our overall executive and director compensation philosophy and the executive and director compensation programs to support our overall business strategy and objectives, (2) overseeing the management continuity and succession planning process (except as otherwise within the scope of the Governance Committee) with respect to our officers, and (3) preparing any report on executive compensation required by the applicable rules and regulations of the SEC and other regulatory bodies. For more information, see "Executive Compensation."

The Compensation Committee's charter reflects such responsibilities and is available on the Company's website, [www.horizonglobal.com](http://www.horizonglobal.com), in the Corporate Governance subsection of the Investor Relations section. The Board has determined that each of the members of the Compensation Committee is "independent" from management in accordance with NYSE listing standards (including those standards particular to Compensation Committee membership) and the Company's Governance Guidelines.

**Corporate Governance and Nominating Committee.** The Governance Committee is responsible for identifying and nominating individuals qualified to serve as board members and recommending directors for each board committee. The Board has determined that all of the members of the Governance Committee are independent under the rules of NYSE. Generally, the Governance Committee will re-nominate incumbent directors who continue to satisfy its criteria for membership on the Board, who it believes will continue to make imp