

The CHRO's Guide to

# The Expanded Role of the Compensation Committee

► *Useful to new and experienced CHROs alike, this Guide is a collection of insights and tips on expanding the charter of the Compensation Committee. Based on interviews of 24 Compensation Chairs, CHROs, and Compensation Consultants, the Guide represents the experiences, learnings, and advice on managing the charter, calendar, agenda, external resources, and education of the Committee.*

HRPA

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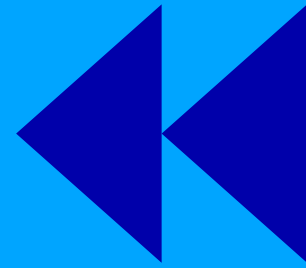
The scope of the Compensation Committee continues to expand, especially in the areas of human capital management, talent strategy, and diversity, equity & inclusion (DEI). A [recent Center On Executive Compensation survey](#) found that almost two-thirds of member companies have formally expanded the role of the Compensation Committee by either expanding the charter (35%) or both the charter and Committee name (32%). As an experienced Compensation Committee Chair put it, “I suspect that within one to two years, companies without an expanded Compensation Committee charter will be outliers.” As the remit of the Compensation Committee grows, Compensation Committee Chairs and CHROs are faced with the challenge of managing this growth with the full Board, Committee, independent compensation consultant and management.

This guide is based on interviews conducted by the Center On Executive Compensation of 24 Compensation Committee Chairs, CHROs, and Compensation Consultants of large companies

across multiple sectors regarding their experiences, learnings and advice on expanding the charter of the Compensation Committee. We hope the Guide will be useful to new and experienced CHROs alike as a collection of insights and tips for managing the charter, calendar, agenda, external resources, and education of the Committee.

The following pages contain a summary of chief learnings from our interviews regarding the factors driving the change, primary changes to the Committee’s makeup, agenda, and charter, new expectations for directors, and the benefits and challenges associated with an expanded Committee. As we learned during the interview process, each company is unique in how it approaches the evolving Compensation Committee remit. Throughout the document, we have provided the prevailing practices based on our interviews, plus a number of trend-forward or “best practices” that may not have hit the mainstream, but that work well for the companies using them.

*"...companies without an expanded Compensation Committee charter will be outliers."*



## Factors Driving the Change

Throughout our interviews, we heard the recurring theme of “the perfect storm” of factors driving a relatively rapid expansion of the Compensation Committee’s charter beyond the traditional charter. The primary factors mentioned include:

### Investors

Almost without exception, companies noted an increased focus by institutional investors on talent, ESG and diversity and inclusion as a primary factor. “I remember a time,” said one Committee Chair, “when Investor Day questions were 100% financial. Now they relate to whether you have the skills to execute on the strategy that the CEO just outlined. How are you remaining competitive? How are you keeping your workforce safe? What is your people strategy for executing not only your long-term strategy but how you will deliver product tomorrow?” Another Chair noted, “It took us a long time to realize the SEC mandate isn’t the limiting factor of what the Committee can do. We can examine compensation in the broader context of talent, the same way we do with retention.”

### Rise of Stakeholder Capitalism

Employee voice is increasingly heard in the boardroom, as employees encourage their employers to focus on human capital issues that matter to them. Meanwhile, companies are expected to solve societal problems previously considered solely within the purview of governments, meaning a broad focus on a range of stakeholders. As one Chair and former CEO put it, “In Europe today, your job is to maximize the company for stakeholders, not just shareholders. And that is moving across to America.”

### Regulatory Pressure

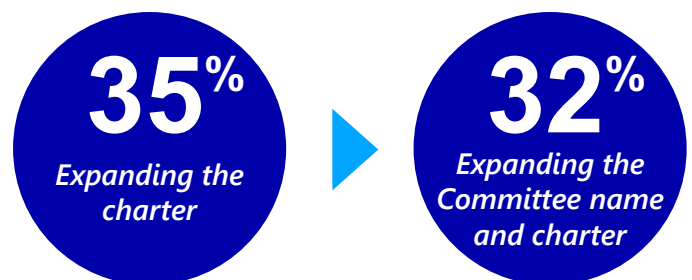
Boards understand that the SEC is considering mandated, prescriptive human capital disclosures for all public companies, and are proactively planning for a Committee to monitor the company’s performance on human capital metrics.

### External Events

The social justice movement pushed issues of diversity, equity and inclusion to the forefront of Board discussions, while the COVID crisis pointed out the importance of people and empathetic leadership, driving the need to ensure there is Board oversight of the company’s human capital risks, talent strategy and pipeline.



*Almost two-thirds of member companies have formally expanded the role of the Compensation Committee by:*



[Center Quick Survey on the Compensation Committee Charter](#), October 2021

## Primary Changes to the Committee

The companies we interviewed reported changes in almost every aspect of Committee work.

### New Topics

The most common changes reported were to the Committee agenda, with a slew of new topics being discussed throughout the year. One Committee Chair suggested that “Committee Chairs, the CEO and the Lead Director should meet annually as a group to identify key issues for the Board over the next year and determine if each one is best covered at the Committee or Board level, which Committee should be involved, and timing.”

We heard in interviews that while ESG topics generally may fall to the Nominating and Governance Committee, and climate specifically often lands within Audit, most companies place human capital issues within the Compensation Committee. Cross-committee planning is becoming more common, with companies reporting that “we’re experiencing coordination and alignment across committees that we didn’t have before.”

One compensation consultant pointed out that in his view, many of these topics are not in fact outside the realm of executive compensation, since the Compensation Committee’s duty has always been to evaluate CEO performance. “I don’t consider them to be outside executive compensation – they are deeply related. It’s all wrapped up in the Committee’s role to evaluate CEO performance, which has increasingly become important on ESG issues. So it’s not really expanding the scope, it’s just doing a deeper dive.”

The most common “new” topics we heard for the Compensation Committee included:

- **Talent management and succession planning for key leadership positions below the C-Suite**

▶ **Best Practice:** One company developed a two-page talent scorecard for the Committee. One page was devoted to the entire company’s workforce while the other focused on top talent; both showed statistics around hiring, retention, promotions and diversity.

▶ **Best Practice:** Consider the use of an “HR Dashboard” including items such as diversity and inclusion progress against goals, results of pulse surveys on engagement, success in hiring with key populations, wellness scores and employee hotline statistics.

▶ **Best Practice:** The Committee should consider the changing requirements of critical roles and how that changes their view of the talent pipeline. What will the workforce look like 5-7 years from now? Does the company have the development plans to meet the needs?

- **Diversity, equity and inclusion**
- **Culture and employee engagement**
- **Human capital metrics**
- **Pay equity**
- **Reskilling**
- **Safety and wellbeing**
- **Retention strategies**

## Primary Changes to the Committee *continued*

### New Faces

The expansion of the Compensation Committee remit has also changed the makeup of participants in meetings, according to the companies we interviewed. While the core members of management participating in meetings continue to be the CEO, CHRO, Head of Rewards or Executive Compensation, and Corporate Secretary, we have seen others participate as well. Invited guests now often include the Chief Diversity Officer and Head of Talent, and occasionally the Head of Corporate Social Responsibility.

### Meeting Duration and Agenda

Almost all companies we spoke to had increased to at least five Compensation Committee meetings per year, with a mix of in-person and virtual. The average duration of these meetings was approximately 90 minutes, reflecting the increased time necessary to cover the additional slate of topics. Several companies mentioned additional unscheduled meetings as well to cover topics such as COVID-related compensation changes. As one Chair put it, “Compensation Committee is the new Audit!”

We heard several companies reporting that they spend 20-30 minutes of every meeting on talent with one or more sessions totally dedicated to talent.

**Best Practice:** Committees are more interested in meeting top talent throughout the organization. We heard a number of interesting and useful suggestions for how to accomplish this.

- Invite a business or function head and his or her HR business partner to a Committee meeting to discuss talent in that business or function.
- Assign projects to top talent and have them come back and present results to the Committee.
- Invite diverse talents who have been through leadership training to present to the Committee about the development received.
- Have management dive deeply into the organization and pick one or two employees “they’d bet on” to engage with the Committee. That way, the company (overseen by the Committee) can “focus, measure, and stretch them” and ensure the bench gets stronger faster.
- Have members of the CHRO’s team run breakouts during Committee meetings on different aspects of human capital initiatives, such as the war for talent, “speak up” culture, total rewards, diversity and inclusion, and wellness.

**Best Practice:** Consider the meaty HCM topics for the summer months outside of the heavy executive compensation timing (for calendar-based fiscal years).

**Best Practice:** Make Committee meetings more efficient by using consent agenda for routine items, moving informational items to the Appendix and sending out thorough materials so directors can get right to the discussion. One Chair noted, “if you send really good material out ahead of time, there shouldn’t be a need to go through all of it – we should come prepared to ask questions. As a Chair I’m ruthless about cutting agenda items so we get to what’s important.”


## Primary Changes to the Committee *continued*

### Role of the Compensation Consultant


Those interviewed commented on where the Compensation Consultant can add value on human capital topics – in reporting on trends and how to consider linking rewards to ESG measures. A surprising finding for us was that so few companies are utilizing outside advisors on issues such as talent, diversity and culture. As one CHRO put it, “you bring advisors in to help make decisions, and the Board isn’t making many decisions on these topics. Talent strategy helps enable corporate strategy - there is no formal remit for the Board around talent strategy.” What we heard was that neither the Board’s independent compensation consultant nor a second outside consultant is advising the Board directly on human capital issues.

### New Expectations for Directors


The changes in remit, time commitment and agenda have caused Boards to think differently about education on new topics as well as the backgrounds of those who sit on the Compensation Committee. We heard about a sharpened focus on more diverse Boards as well as diversity of skills to include expertise in human capital, leading to an increase in sitting or former CHROs on Boards.



**Best Practice:** Have management present the results of an outside firm’s work on human capital issues and reference the findings in the Committee meeting.



**Best Practice:** Consider bringing in an outside expert on ESG such as [Clermont Partners](#) to advise the Board, especially after SEC rules on climate and human capital metrics are finalized.



**Best Practice:** Give directors an “education allowance” that encourages them to attend external training, such as that offered by the National Association of Corporate Directors, on their own.

## What Stays With the Full Board

Almost without exception, all those we interviewed stated that CEO succession must remain with the full Board. In general, companies with an expanded Compensation Committee charter follow an “and, not or” philosophy when it comes to the Board agenda. In other words, key topics can be discussed at both the Board and Committee level – the difference is the depth to which issues are discussed.

## Benefits and Challenges to the Expanded Role of the Compensation Committee

The companies interviewed stressed that there are both advantages and challenges to having an expanded Compensation Committee, whether in charter, name or simply what gets discussed. The more the Committee takes on, the more directors will be held accountable for results by investors, regulators and other stakeholders.

As one CHRO put it, “If our committee could, they would spend 75% of their time on talent – they know how important it is. Some are sitting CEOs and have lessons learned to share. It’s our task to indicate what is for their information versus where we need input and guidance, and ensure they feel they are meeting their governance responsibilities. We don’t want to put more potential risk on them than needed – having a clear remit will mitigate that.”

▶ **Best Practice:** Take the issue of where the topics are discussed off the table by using a clear Committee calendar and charter with report outs to the full Board. For example, the Board might receive an annual review of diversity, equity and inclusion and culture, while the Committee does a deeper dive at one or more meetings and delves into the numbers behind the summary.

▶ **Best Practice:** Another way to keep the Board informed is to make all Committee materials available to the entire Board. This way, any curiosity about issues being delved into at the Committee level can be satisfied without having to do a deep dive on each issue with the full Board every time.

### Words of wisdom from those who have managed the changes successfully:

- “Keep the Board up to date and engaged – when you do report out, capture their hearts and minds to bring them along with you on this topic.”
- “Be realistic about priorities and time. There is an opportunity cost to adding any new topic. Make the tradeoffs intentionally through the charter and docket and avoid becoming ‘a mile wide’ at the Committee.”
- “Prioritize things you have to cover from year to year. Don’t open the floodgates. Ask the Committee: Given the business strategy and priorities for the year, what are the talent topics that are most important for us to spend our time on this year?”
- “Don’t underutilize the expertise on the Board by keeping too narrow of an approach. We spend significant resources on outside advice – but you’ve got a group of directors with all that wisdom plus a proven track record!”
- “Crawl before you walk before you run. But don’t get left behind!”

## Individuals interviewed:

### COMPENSATION COMMITTEE CHAIRS

**Katy Barclay**, Kontoor Brands, Five Below

**Bob Eckert**, Amgen, Levi Strauss & Co.,  
McDonald's, Uber

**Mirian Graddick-Weir**, Booking Holdings,  
Yum! Brands

**Nancy McKinstry**, Abbott, Accenture,  
Russell Reynolds

**Nancy Reardon**, Big Lots!, Signet Jewelers

**Pat Russo**, General Motors, Hewlett Packard  
Enterprise, KKR Management, Merck

**Maria Sharpe**, Lamb Weston, LGI Homes

**Laurie Siegel**, CA Resources, FactSet Research  
Systems, Lumen

**Kim Underhill**, Foot Locker

### CHROs

**Marcia Avedon**, Trane Technologies (retired)

**Kevin Cox**, GE

**Steve Fry**, Eli Lilly

**Anita Graham**, VF Corporation

**Tracey Grabowski**, Procter & Gamble

**Tim Hourigan**, Home Depot

**Tracy Keogh**, Great Hill Partners

**Nickle LaMoreaux**, IBM

**David Rodriguez**, Marriott International (retired)

**Ellyn Shook**, Accenture

### COMPENSATION CONSULTANTS

**Blair Jones**, Semler Brossy

**Ira Kay**, Pay Governance

**George Paulin**, Meridian

**Michael Powers**, Meridian

**Cimi Silverberg**, F.W. Cook

## FURTHER READING

- National Association of Corporate Directors, [“How Compensation Committees are Battling Uncertainty, Talent Woes,”](#) April 2022.

## METHODOLOGY

This guide is based on interviews conducted by the Center On Executive Compensation of 24 Compensation Committee Chairs, CHROs, and Compensation Consultants of large companies across multiple sectors regarding their experiences, learnings and advice on expanding the charter of the Compensation Committee. We hope the Guide will be useful to new and experienced CHROs alike as a collection of insights and tips for managing the charter, calendar, agenda, external resources, and education of the Committee.

## APPENDIX

- Collection of sample expanded charters/ calendars
- List of CC names for the companies we interviewed



# APPENDIX

## SAMPLE EXPANDED COMPENSATION COMMITTEE CALENDAR A

Assumes four in-person meetings, two teleconferences and additional meetings as needed.

	February	April	July	October	December	As Needed
<b>1. CEO/Chairman Compensation</b>						
Approve the material terms of any employment agreements, severance arrangements, change-in-control arrangements or similar agreements or arrangements with the CEO and the non-independent chairman, if any, and any material amendments thereto						*
Review and approve corporate goals relative to compensation; evaluate, together with the Nominating, Governance & Sustainability Committee and the lead director, the performance of the CEO and the non-independent chairman, if any, in light of these goals and objectives		* (Mid-year objectives review)	Preliminary	Final		
Establish annual compensation for the CEO and the non-independent chairman, if any				*		*
<b>2. Executive Officer and Board Compensation</b>						
Review market study on executive officer compensation				*		
Establish annual compensation of executive officers				*		*
Approve the material terms of any employment agreements, severance arrangements, change-in-control arrangements or similar agreements or arrangements with executive officers and any material amendments thereto						*
Review market study on board and committee compensation	*					
Review and make recommendations to the board with respect to non-employee director board and committee compensation	*					
Approve 16b-3 exemption for Section 16 Equity program participants (following closing of latest applicable enrollment period)	*					

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## SAMPLE EXPANDED COMPENSATION COMMITTEE CALENDAR A

	February	April	July	October	December	As Needed
<b>3. Incentive-based Compensation, Equity-based Compensation and Retirement Programs</b>						
Review significant changes to Company Leadership compensation model						*
Review and make recommendations to the Board with respect to incentive-compensation and equity-based plans						*
Approve funding target for Global Annual Bonus Plan for current fiscal year				*		
Approve achievement of funding target and funding of Global Annual Bonus Plan for completed fiscal year				* [Via email]		
Review fiscal year to date equity usage	*	*	*	* (Includes final FY results)		
Approve pool of proposed equity for upcoming fiscal year		Preliminary	Final			
Review and approve terms of equity programs			*	* (Key Executive Awards)		
Approve peer group of companies for executive compensation benchmarking and under relevant share programs			*			
Approve annual OI targets for relevant share programs				*		
Approve satisfaction of vesting conditions/achievement of performance criteria for relevant share programs				*		
Review funding of relevant Equity Award program				*		
Approve the annual delegation of authority to the CHRO for (i) equity share pool reallocation and (ii) approval of nonstandard new hire equity terms for M&A transactions				*		

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## SAMPLE EXPANDED COMPENSATION COMMITTEE CALENDAR A

	February	April	July	October	December	As Needed
Review and approve non-standard equity programs (Company leadership and non-leadership) and any plans not subject to shareholder approval						*
Review proposed waivers or amendments to individual or group equity grants						*
Review and monitor key performance metrics or plans						*
Review and make recommendations to the board regarding the company's pension plans						*
<b>4. Annual Shareholders Meeting</b>						
Review updates regarding regulatory changes to disclosure requirements					*	
Review disclosure and make recommendation to the board regarding the inclusion of CD&A in the proxy					*	
Prepare a committee report and authorize its inclusion in the proxy					*	
Discuss the results of the annual shareholder say on pay vote		*				
Review and make recommendations to the board regarding compensation and equity proposals proposed for submission to shareholder vote						*
<b>5. Culture &amp; People</b>						
Review talent development, including leadership succession		*				
Review updates regarding our people (including I&D update)						[*]
Review updates regarding culture at Company						[*]

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## SAMPLE EXPANDED COMPENSATION COMMITTEE CALENDAR A

	February	April	July	October	December	As Needed
Review pay equity <sup>1</sup>	*					
Review additional topical culture & people updates, as needed						*
<b>6. Compensation Committee Structure and Function</b>						
Review and recommend to the board updates to the charter				*		
Review and discuss with management management's assessment of whether risks arising from compensation policies and practices for employees are reasonably likely to have a material adverse effect on the Company, and have the chair review the risk assessment process and conclusion with the Audit Committee			*			
Chair of Committee reviews with the Audit Committee the risk assessment process relating to people & culture risks			*			
Conflict of interest and independence of advisors				*		
Review performance of committee			*			
Meeting minutes	*	*	*	*		*
Reports to full Board	*	*	*	*		
Executive session of the committee members	*	*	*	*		*
Select independent compensation consultant and approve any agreements (or amendments) with respect thereto						*

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## SAMPLE EXPANDED COMPENSATION COMMITTEE CALENDAR B

MONTH	GENERAL AGENDA	2021/2022 AGENDA
<b>January</b> <i>(Comp Board Chair Alignment)</i>	<ul style="list-style-type: none"> <li>Preliminary settlement of bonus and equity programs</li> </ul>	<ul style="list-style-type: none"> <li>Preliminary 2020 final adjustments for compensation purposes</li> <li>Preliminary 2020 settlement of comp program payouts</li> </ul>
<b>February 8</b> <i>(teleconference)</i>	<ul style="list-style-type: none"> <li>Approve comp program payouts</li> <li>Set metrics for annual bonus and LTI</li> <li>Review proxy (recommend approval to Board if early filing)</li> </ul>	<ul style="list-style-type: none"> <li>Approve 2020 final adjustments for compensation purposes</li> <li>Approve 2020 settlement of comp program payouts</li> <li>Approve 2021 bonus and LTI metrics</li> <li>Chief Accounting Officer compensation decisions</li> <li>Approve strategic compensation arrangements</li> <li>Review 2021 proxy disclosure</li> </ul>
<b>February 15</b>	<ul style="list-style-type: none"> <li>Succession Planning</li> <li>Final proxy review and approval to Board</li> <li>Retirement Benefit Plans Update (CFO/finance person attend mtg)</li> </ul>	<ul style="list-style-type: none"> <li>Approval of 2021 proxy disclosures</li> <li>Review management and CEO succession plans</li> <li>Review shareholder proposals</li> <li>Review retirement benefit plans</li> </ul>
<b>May 3</b>	<ul style="list-style-type: none"> <li>Executive comp - various items</li> <li>Peer group for EO pay</li> <li>Human Capital and Diversity, Equity, and inclusion review</li> </ul>	<ul style="list-style-type: none"> <li>Approve first quarter adjustments for compensation purposes</li> <li>Approve independent consultant arrangements</li> <li>Approve peer group for executive officer pay</li> <li>Human Capital and Diversity, Equity, and Inclusion review</li> <li>Quarterly - 2021 special equity grants (write-in)</li> </ul>
<b>August 10</b>	<ul style="list-style-type: none"> <li>Compensation program design</li> <li>Share Retention and Ownership Guidelines (every 5 yrs/revised October 2018)</li> </ul> <div style="border: 1px solid blue; padding: 2px; margin-top: 10px; color: red; text-align: center;"> <i>BOD peer review every 3 yrs</i> </div>	<ul style="list-style-type: none"> <li>Approve second quarter adjustments for compensation purposes</li> <li>Review and/or approve 2022 bonus and LTI program designs</li> <li>Approve strategic compensation arrangements</li> <li>Approve EO share ownership requirements</li> <li>Review clawback provisions</li> <li>Review enterprise risk management and compensation</li> <li>Quarterly - 2021 special equity grants (write-in)</li> <li>Approve Global Benefit Plans Contributions</li> </ul>
<b>October 18</b>	<ul style="list-style-type: none"> <li>Approve LTI program details</li> <li>Executive comp – various items</li> </ul> <div style="border: 1px solid blue; padding: 2px; margin-top: 10px; color: red; text-align: center;"> <i>BOD pay - annual review</i> </div>	<ul style="list-style-type: none"> <li>Approve 2021 third quarter adjustments for compensation purposes</li> <li>Approve 2022 “company” equity program grant values and elements</li> <li>Pay equity update</li> <li>Review executive comp trends and regulatory development (Comp Consultant)</li> <li>Review CEO “look back/look ahead” pay analysis (Comp Consultant)</li> <li>Quarterly - 2021 special equity grants (write-in)</li> </ul>
<b>December 13</b>	<ul style="list-style-type: none"> <li>Executive Officer pay</li> <li>Discuss proxy and shareholder proposals (if required)</li> <li>Approve normalization guidelines</li> </ul>	<ul style="list-style-type: none"> <li>Approve 2021 fourth quarter adjustments for compensation purposes</li> <li>Approve projected 2021 compensation program payouts for non-EOs <i>(include minimum corp bonus payable amount)</i></li> <li>Approve 2022 performance award and bonus adjustment guidelines</li> <li>Approve committee charter</li> <li>Recommend board approval of shareholder proposals</li> <li>Approve Global Benefit Plans Contributions</li> <li>Approve 2022 Executive Officer base, bonus target and equity grants</li> <li>Quarterly - 2021 special equity grants (write-in)</li> <li><i>Executive Session:</i> Approve CEO comp and review committee performance</li> </ul>

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## SAMPLE EXPANDED COMPENSATION COMMITTEE CALENDAR C

Topic	February	April	June	August	October	December
<b>CEO Pay and Performance</b>			<ul style="list-style-type: none"> <li>Review and approve Total Compensation Market Data (Salary, AIP, LTI Targets)</li> </ul>	<ul style="list-style-type: none"> <li>Performance Evaluation</li> <li>Approve Salary, new LTI Grant, AIP, and PSP payouts</li> <li>Review and approve CEO LTI Preferences</li> </ul>		
<b>Executive Pay and Performance</b>			<ul style="list-style-type: none"> <li>Review and approve Total Compensation Market Data (Salary, AIP, LTI Targets)</li> </ul>	<ul style="list-style-type: none"> <li>Approve Salary, new LTI Grants, AIP, and PSP payouts</li> </ul>		
<b>Annual Incentive Program</b>	<ul style="list-style-type: none"> <li>Forecast AIP payouts</li> </ul>		<ul style="list-style-type: none"> <li>Forecast AIP payouts</li> </ul>	<ul style="list-style-type: none"> <li>Approve AIP awards</li> <li>Approve new FY AIP program &amp; goals</li> </ul>		
<b>Long-Term Incentive Programs (LTIP + PSP)</b>	<ul style="list-style-type: none"> <li>Forecast PSP payouts</li> </ul>		<ul style="list-style-type: none"> <li>Forecast PSP payouts</li> </ul>	<ul style="list-style-type: none"> <li>Approve PSP payouts</li> <li>Approve new FY PSP program &amp; goals</li> <li>Approve LTIP program</li> <li>Approve new LTI grants</li> </ul>		
<b>Proxy / Say on Pay</b>			<ul style="list-style-type: none"> <li>Review proxy components</li> </ul>	<ul style="list-style-type: none"> <li>Approve proxy CD&amp;A</li> <li>Review ISS projections</li> </ul>	<ul style="list-style-type: none"> <li>Review Say on Pay vote</li> </ul>	
<b>Governance</b>	<ul style="list-style-type: none"> <li>Approve peer group</li> <li>Report on retention grants</li> <li>Review C&amp;LD Committee Self-Assessment Results</li> <li>Review Executive Payroll</li> </ul>		<ul style="list-style-type: none"> <li>Review committee charter</li> <li>Assessment of compensation-related risk</li> <li>Regulatory activity and Exec Comp Trends update</li> <li>Recommend BOD comp package</li> <li>Approve retirement plan grants</li> <li>Report on share ownership</li> </ul>	<ul style="list-style-type: none"> <li>NEO Tally Sheets</li> </ul>	<ul style="list-style-type: none"> <li>Annual election of Corporate Officers</li> <li>Approve BOD annual RSU grants</li> <li>Review board consultant contract</li> </ul>	
<b>Leadership Development</b>	Discussion as needed	Talent Review	Discussion as needed	Discussion as needed	Discussion as needed	TBD

# APPENDIX

## SAMPLE EXPANDED COMPENSATION COMMITTEE CALENDAR D

MAJOR TOPIC OVERVIEW				
NOVEMBER	FEBRUARY	MARCH (Conference Call)	MAY	AUGUST
<ul style="list-style-type: none"> <li>● External Compensation Trends Review</li> </ul>	<ul style="list-style-type: none"> <li>● Approve Incentive Compensation Payments (Certify performance results for prior fiscal year)</li> </ul>	<ul style="list-style-type: none"> <li>● Officer Compensation Summary</li> </ul>	<ul style="list-style-type: none"> <li>● Talent Review / Succession Planning</li> </ul>	<ul style="list-style-type: none"> <li>● Directors' Compensation Program Review</li> </ul>
<ul style="list-style-type: none"> <li>● Annual Total Rewards Strategy</li> </ul>	<ul style="list-style-type: none"> <li>● CEO Compensation Review &amp; Recommendations to Board for Approval</li> </ul>	<ul style="list-style-type: none"> <li>● Proxy Review &amp; Approval</li> </ul>	<ul style="list-style-type: none"> <li>● Annual Equity Grant Summary and Quarterly Equity Update</li> </ul>	<ul style="list-style-type: none"> <li>● Incentive Plan Update</li> </ul>
<ul style="list-style-type: none"> <li>● Risk Assessment</li> </ul>	<ul style="list-style-type: none"> <li>● Certify performance of Performance-Based Restricted Shares</li> </ul>	<ul style="list-style-type: none"> <li>● Annual Equity Grant Summary</li> </ul>	<ul style="list-style-type: none"> <li>● Directors' Annual Compensation Award</li> </ul>	<ul style="list-style-type: none"> <li>● Committee Charter and Calendar Review</li> </ul>
<ul style="list-style-type: none"> <li>● Quarterly Equity Update</li> </ul>	<ul style="list-style-type: none"> <li>● Executive and Senior Officer Compensation Review &amp; Approval</li> </ul>	<ul style="list-style-type: none"> <li>● Set performance goals for Management Incentive Program, Restricted Stock and Performance Shares</li> </ul>	<ul style="list-style-type: none"> <li>● Compliance Summary Report (Diligent only)</li> </ul>	<ul style="list-style-type: none"> <li>● Quarterly Equity Update</li> </ul>
<ul style="list-style-type: none"> <li>● Compensation Consultant Approval</li> </ul>	<ul style="list-style-type: none"> <li>● Committee Self Evaluation</li> </ul>		<ul style="list-style-type: none"> <li>● Quarterly DEI Program Review</li> </ul>	<ul style="list-style-type: none"> <li>● Annual Legal Update</li> </ul>
<ul style="list-style-type: none"> <li>● Compliance Summary Report (Diligent only)</li> <li>● Quarterly DEI Program Review</li> </ul>	<ul style="list-style-type: none"> <li>● Preliminary CD&amp;A review</li> </ul>		<ul style="list-style-type: none"> <li>● Quarterly DEI Program Review</li> </ul>	<ul style="list-style-type: none"> <li>● Quarterly DEI Program Review</li> </ul>
	<ul style="list-style-type: none"> <li>● Quarterly Equity Update</li> </ul>			<ul style="list-style-type: none"> <li>● Annual Benefits Review</li> </ul>
	<ul style="list-style-type: none"> <li>● Stock Ownership Review (Diligent only)</li> </ul>			<ul style="list-style-type: none"> <li>● Pay Equity Analysis</li> </ul>
	<ul style="list-style-type: none"> <li>● Compliance Summary Report (Diligent only)</li> <li>● Quarterly DEI Program Review</li> </ul>			<ul style="list-style-type: none"> <li>● EEO Compliance Summary Report (Diligent only)</li> </ul>

**Additional Notes:**

- Management will address additional topics as needed

# ▶ APPENDIX

Below is a sampling of expanded Compensation Committee names drawn from the companies interviewed in this Guide.

COMPANY NAME	EXPANDED COMMITTEE NAME
Accenture	Compensation, Culture and People Committee
Amgen	Compensation and Management Development Committee
FactSet Research Systems	Compensation and Talent Committee
Foot Locker	Human Capital and Compensation Committee
GE	Management Development and Compensation Committee
Hewlett Packard Enterprise	HR and Compensation Committee
Home Depot	Leadership Development and Compensation Committee
IBM	Executive Compensation and Management Resources Committee
Kontoor Brands	Talent and Compensation Committee
Lamb Weston	Compensation and Human Capital Committee
Levi Strauss & Co.	Compensation and Human Capital Committee
Lumen	Human Resources and Compensation Committee
Marriott International	Human Resources and Compensation Committee
Merck	Compensation and Management Development Committee
Procter & Gamble	Compensation and Leadership Development Committee
Signet Jewelers	Human Capital Management and Compensation Committee
Trane Technologies	Human Resources and Compensation Committee
VF Corporation	Talent and Compensation Committee