

# Compensation Committee (Ad Hoc)

## Committee Charter

The purpose of the Compensation Committee (the "Committee") is to assist the Board of Directors (the "Board") with its oversight of the forms and amount of compensation the executive director, and to administer NANOG's incentive plans for employees and to oversee other matters related to the organization's compensation programs. The Committee is also responsible for preparing any compensation-related reports required by the Board or its members.

- The Committee consists of at least three NANOG members in good standing, one of which must be a NANOG Board member, all of whom will be required to sign an NDA. All members of the Committee should be financially literate. At least one member should have management experience, with material exposure to standard HR practices, especially compensation practices. No member of the Committee can be a direct report to or compensated by the executive director.
- The Board shall appoint the committee members no later than April, but not before the previous compensation committee has completed its final compensation review for that calendar year.
- The first meeting of the newly formed committee will take place no later than the end of January. The Executive Director is responsible for scheduling the first meeting.
- The Committee will elect its Chair from among its members at its first meeting.
- A quorum of the Committee must meet at least twice a year. Board members who are not members of the Committee can not attend meetings of the Committee, except when invited by the Committee.
- The Executive Director will be present at all Compensation Committee meetings unless excused by the Compensation Committee.
- A majority of the Committee constitutes a quorum at any given meeting. The action of that quorum, at a given session, will be the action of the Committee.

## Roles and Responsibilities

The Committee provides oversight of the forms and amount of compensation for NANOG's executive director and incentive plans for employees. To meet its responsibilities, the Committee will do the following:

- The Executive Director shall send their self-appraisal for the prior year to the board (and the committee members, if different) before the second week of January.
- Current and outgoing board members shall send their comments on the prior year's objectives before the second week of January..
- In the January meeting of the compensation committee, the committee will review the Executive Director self-appraisal as well as comments from the board, and will propose executive compensation recommendations to the Board based on the input received. The compensation recommendations will include any and all compensation methods, including but not limited to salary, market adjustments, and bonus recommendations.
- After receiving approval from the board, the committee will jointly conduct a performance review with the Executive Director, as scheduled by the committee chair. During this meeting, the boards approved compensation adjustments for the year will also be communicated.
- The Executive Director shall send annual performance reviews to the compensation committee in advance of the January committee meeting. The Executive Director will present their recommended compensation changes for the staff members, including merit increases, bonus payout, market adjustment or promotion.
- The Committee will review the Executive Director's recommendations for staff compensation changes and will either approve as a whole package, or if appropriate, seek assistance or advice from other individuals, such as human resource personnel, general counsel, or outside counsel, deferring approval to a follow-up meeting after the consultation is completed. The approvals are to be completed by the end of February.
- The Committee establishes performance objectives for the year that are consistent with the output of the annual Board of Directors off-site meeting.
- The Committee oversees annual performance evaluations and endeavors to ensure that those evaluations are accurate, fair, and well supported by objective data.
- The Committee determines whether executive compensation is following "rebuttable presumption of reasonableness" within the meaning of the rules and regulations established according to Section 4958 of the Internal Revenue Code (the "Code").