

# Human Resources and Compensation Committee Charter

## Establishment and Authority

The Human Resources and Compensation Committee (HRCC) was established by the WECC Board of Directors (Board).

## Purpose and Responsibilities

The purpose of the HRCC is to report to and assist the Board by overseeing the policies, plans, and programs of Human Resources, including employee compensation and benefit plans, officer compensation plans, personnel development, and succession plans for key positions, as well as other matters as directed by the Board or this charter.

To carry out its oversight responsibilities, the HRCC will:

1. Review and advise the Board on risks to WECC including:
  - a. Compliance with HR corporate policies;
  - b. Compensation and benefit programs;
  - c. Senior succession planning;
  - d. Workforce diversity, staffing, and retention;
  - e. Training and development;
  - f. Occupational health and safety; and
  - g. Respect in the workplace.
2. Oversee and monitor the management and administration of 401(k) and 457(b) plans. This includes oversight of actions and decisions of the CEO and General Counsel, who serve as the Investment Committee and the Plan Administration Committee for the 401(k) and 457(b) plans. The HRCC will report the results of its plan administration oversight and monitoring annually to the Board.
3. Recruit and recommend for Board approval, the selection and compensation of a new CEO, as needed.
4. Annually, at the request of the Board chair, the HRCC may provide input to the Board for consideration when the Board completes its performance assessment and salary adjustment for the CEO.
5. Review and recommend for Board approval, after recommendation by and consultation with the CEO, the selection, as needed, and compensation of new corporate officers and/or vice presidents.

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6. Review and recommend for Board approval:
    - a. Corporate officer/vice president compensation plans, including incentive and at-risk-pay plans;
    - b. Corporate and individual CEO goals;
    - c. Corporate officer/vice president employment agreements, special compensation awards, retention bonus agreements, or severance agreements after consultation with the CEO. (The CEO will inform the HRCC of retention bonus agreements that the CEO has approved for employees below the corporate officer level.); and
    - d. Removal of the CEO, any corporate officer, or any vice president if it serves the best interests of the company.
  7. The HRCC will have authority and responsibility to appoint, retain, compensate, evaluate and, when appropriate, terminate the business relationship with external legal, compensation, leadership development, or other consultants who—in the opinion of the HRCC—are necessary to assist the HRCC in conducting its business. The HRCC oversees the contract management, qualifications, independence, and performance of external consultants engaged on behalf of the HRCC.
  8. Perform other duties as requested by the Board.

## **Committee Composition and Governance**

### **1. Membership**

- a. The HRCC will be composed of at least three members of the Board, appointed by the chair of the Board, and in consultation with the Board.
- b. Each member of the HRCC will serve until a successor is appointed, unless the member resigns or is removed by the Board. If a vacancy occurs at any time, the Board chair may fill the position.
- c. No member of the HRCC may participate as an HRCC member at any time that the HRCC may consider any recommendation to the Board that would directly affect the continued service of that Director as a member of the Board of Directors. The Board chair may appoint a temporary alternate member to serve on the HRCC in place of any Director who is recused from participation under this paragraph.

### **2. Leadership**

- a. The chair of the Board, in consultation with the Board and with consideration of a Director's interest and expertise, will appoint one HRCC member to serve as the committee chair.
- b. The HRCC chair will manage the HRCC and its meetings.
- c. The HRCC chair may appoint a steering committee to address specific assignments as necessary.



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### 3. Meetings

- a. The HRCC must meet a minimum of twice per year or as often as required to carry out its responsibilities. Meetings will be held according to the WECC [Meeting Policy and may be in person or by telephone or web conference as determined by the chair](#).
- b. The HRCC will determine the procedures for its meetings, except:
  - i. A quorum for meetings is a majority of members of the committee.
  - ii. Actions or decisions taken by the HRCC require an affirmative vote of a majority of HRCC members.
- 4. HRCC members may not vote by proxy or absentee ballot, but HRCC members may participate in meetings including casting votes, by telephone conference or any other means of communication that enables all members participating in a meeting to simultaneously hear one another.
  - a. Email notice of the time and place of all meetings will be provided to each member of the HRCC and to the Board, no later than three days before the meeting, or upon as much notice as is reasonable under the circumstances as approved by a majority of HRCC members. An agenda, including identification of the items for which action may be taken, will be provided with the meeting notice. Notice of meetings and the agenda will also be posted on the WECC website. Approval item documents should also be posted in advance of the meeting, when possible, but documents approved by the GC may differ from those that are posted.
  - b. The HRCC chair may call for a closed session of the HRCC to address any of the items enumerated in subsection f below. The HRCC chair will permit any Director to monitor such closed sessions, except those Directors who are conflicted in accordance with sections 7.6.1.1 of the Bylaws or where the HRCC determines that a Director would have a perceived or actual conflict of interest.
  - c. The HRCC may meet in closed session to:
    - i. Consider the employment, evaluation of performance, or dismissal of an employee of WECC;
    - ii. Discuss pending or proposed litigation and to receive confidential attorney-client communications from legal counsel; and
    - iii. Receive and discuss any information that is privileged, trade secret, cybersecurity, critical energy infrastructure information (as defined by FERC), protected from public disclosure by law, or that the committee determines should be confidential to protect a legitimate public interest.

## Reporting

The HRCC will report at least annually to the Board on its activities and any recommendations.



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## Review and Changes to the Charter

The HRCC will review this charter biennially and recommend any changes to the Board. Modifications to this charter must be approved by the Board.

**Approved by the WECC Board of Directors: December 11, 2024**

