



It is good governance to establish in advance a Compensation Committee Calendar for the full year. Topics and timing should be pre-determined and agreed-upon. Following is a sample calendar. Executive sessions are presumed to take place at each meeting.

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| <p>First Quarter</p> <ul style="list-style-type: none"> ■ Approve merit budgets, salary increases and other changes to pay opportunities ■ Evaluate CEO and executive performance ■ Determine appropriate payout incentives based on performance ■ Approve grants, goals and other terms of new short- and long-term incentive awards ■ Review CD&A and other executive pay-related proxy disclosures | <p>Second Quarter</p> <ul style="list-style-type: none"> ■ Pay-for-performance analyses vs. peer companies ■ Tally sheet reviews ■ Annual compensation risk review ■ Dilution and equity incentive run rate study ■ Change-in-control severance eligibility and design review ■ Legislative, regulatory and ISS update |
| <p>Third Quarter</p> <ul style="list-style-type: none"> ■ Peer group review ■ Market data refresh (data on CEO position to be reviewed in executive session) ■ Market trends presentation ■ Short-term/long-term incentive design changes ■ Committee charter review ■ Legislative, regulatory and ISS update | <p>Fourth Quarter</p> <ul style="list-style-type: none"> ■ Finalize short-term/long-term incentive design ■ Evaluate Committee performance ■ Evaluate consultant performance ■ Review executive progress toward stock ownership guidelines |
| <p>Other Annual or More Frequent Items</p> <ul style="list-style-type: none"> ■ Approve promotions, new employment agreements, hire grants ■ Succession planning and leadership development ■ Review incentive payout projections ■ Approve changes to benefit plans | <p>Periodic but Less Frequent Items</p> <ul style="list-style-type: none"> ■ Comprehensive reevaluation of incentive designs ■ Benefits and perquisites review ■ Review of employment agreement or severance template, clawback policy, anti-hedging policy ■ Change-in-control provision review and costing |