

The Trustees of Purdue University
Charter of the Compensation, Human Resources, and Governance Committee
of the Board of Trustees

I. Purpose

Ia. In accordance with the Bylaws of The Trustees of Purdue University, the primary purpose of the Compensation, Human Resources, and Governance Committee (the "Committee") is to assure, through appropriate oversight, and subject to the ultimate control of the full Board of Trustees, the successful recruitment, compensation, and retention of (i) a high-performing University President, and (ii) other senior administrators, officers, and coaches of the University.

Ib. In furtherance of the foregoing, the Committee will review the performance and compensation of the President, and, in consultation with the President, the performance and compensation of individuals reporting to the President so as to provide counsel and assistance to him or her on these matters.

Ic. The Committee's role with respect to human resources and board governance matters more generally is to: (i) provide oversight of the University's processes for maintaining effective personnel and benefits policies and (ii) ensure the Board of Trustees functions effectively and efficiently.

II. Duties and Responsibilities

IIa. Compensation

- IIa1: Design the compensation package for (i) an incoming President and (ii) a current President at the expiration of his/her current employment contract.
- IIa2: Determine any changes annually to the President's compensation based on performance, including the administration of an at-risk pay program based on measurable goals and metrics.
- IIa3: Present to the Board all recommended compensation packages and changes, including the amount of any at-risk pay to be awarded.
- IIa4: Provide overviews and endorsements to the President of compensation packages of Presidential staff and executives in the Purdue

ecosystem reporting to him/her, including any at-risk criteria and at-risk pay.

- IIa5: Design the compensation package, when needed, for spousal service to the University.
- IIa6: Evaluate the performance of the President annually and ensure that an appropriate performance review process is in place.
- IIa7: Provide insight and counsel in rewards and recognition programs designed to maintain strong employee relations and retention.
- IIa8: Review contracts, including amendments, and compensation for the Executive Vice President and Director of Intercollegiate Athletics, Head Coaches for Football, Men's and Women's Basketball, Volleyball, and other administrators or coaches whose cash compensation exceeds \$1 million annually.
- IIa9: Ensure the board chair annually reviews the performance of, and with the Committee reviews the compensation of, the Secretary to the Board of Trustees.

IIb: Human Resources

- IIb1: Review management structure and succession plans for the President and executives referenced in paragraph IIa4.
- IIb2: Review/recommend philosophy and guidelines for management compensation.
- IIb3: Review and approve (when necessary based on applicable law or policy) management recommendations for compensation, benefits plans, incentive programs, and relevant terms of employment (including any mandatory retirement conditions).
- IIb4: Review with the President any proposed external commitments in which the President is interested before they are made and make recommendations to the Board, consistent with the President's employment agreement.

IIc: Board Governance

- IIc1: Ensure appropriate structures and procedures are in place to allow the Board to function effectively.

- IIc2: Annually review the composition of the Board as a whole and recommend, if necessary, changes to the Board Competency Matrix.
- IIc3: Codify the role, culture, and service expectations for trustees, including but not limited to setting standards for ongoing evaluations and establishing a process for onboarding new trustees.
- IIc4: Ensure trustee awareness of the Trustee Code of Conduct (Appendix A to the Bylaws) and monitor compliance therewith.

III. Meetings

- IIIa. Subject to the Bylaws and the Board's policy on electronic meetings, the Committee shall meet at least three times annually in person, using virtual meeting platforms, or by telephone and more frequently if needed.
- IIIb. Subject to the requirements of the Indiana Open Door Law, the Committee Chair shall have the authority to call a special meeting whenever such meeting is desirable, provided that it shall report any actions taken by the Committee to the Board.
- IIIc. Review this Charter at least annually and update the Charter as conditions dictate.

IV. Process (Annual Performance Reviews)

- IVa. President will provide goals/objectives for coming year to Committee.
- IVb. Board reviews and approves goals/objectives.
- IVc. No less frequently than every three years, the Committee will conduct a market survey among peers for comparables for key leadership positions.
- IVd. At year's conclusion, the President will provide his/her assessment of his/her performance as well as the performance of executives identified in paragraph IIa4 to the Committee. The Committee will then complete their performance reviews.
- IVe. Committee will prepare recommended compensation package. Board Chair and Committee Chair will review with President. Committee will present to the Board for approval.
- IVf. Committee Chair will document process and results in confidential memo for record.

- IVg. President will review performance and compensation of people reporting to him/her with Committee.
- IVh. Committee will review compensation for athletics staff identified in paragraph IIa8 as necessary.
- IVi. Board Chair will prepare the performance review for Secretary of the Board of Trustees and present compensation recommendations to the Committee for review.

V. Committee Liaisons

- Va: The Vice President for Human Resources, the Executive Vice President, Chief Financial Officer and Treasurer, and the Senior Vice President and General Counsel, or their designees, as appropriate, shall act as liaisons to the Committee.
- Vb. The Committee Chair shall have the authority to bring in additional advisors and experts, as necessary, to inform Committee deliberations and discussions.