

GCC BOARD DIRECTORS INSTITUTE

HUMAN CAPITAL COMMITTEE CHARTER

1. PURPOSE

To assist the board of governors in fulfilling its oversight responsibilities for (1) The organisation's human capital policies, (2) the organisation's compensation principles and practices, (3) the oversight of the Executive Director's compensation, targets and annual evaluation and (4) the oversight of the organisation's senior executives compensation, targets and annual evaluation.

2. AUTHORITY

- 2.1 The Human Capital Committee has the authority to conduct or authorize benchmarking, research and investigations into any matters within its scope of responsibility. It has the authority to seek external 3rd party advice as the Committee deems necessary or advisable to assist it in carrying out its duties and responsibilities, including with respect to the evaluation of executive compensation. As far as possible the 3rd party advice will be provided pro-bono, but should a budget be required, the committee will make such recommendations as it feels fit to the Board for any expenditure.
- 2.2 Seek any information it requires from employees - all of whom are directed to cooperate with the committee's requests - or external parties.
- 2.3 Meet with company officers, external auditors, or outside counsel, or other advisers, as necessary

3. COMPOSITION

The Human Capital Committee will consist of at least three board governors. The board will appoint the committee members who shall from their number appoint a chair. Each committee member will be independent. At least one committee member should have human capital and compensation expertise.

4. MEETINGS

- 4.1 The committee will meet at least two times a year, with authority to convene additional meetings, as circumstances require. All committee members are expected to attend each meeting, in person or via tele - or video-conference.
- 4.2 The committee will invite members of management and advisers to attend meetings and provide pertinent information, as necessary.
- 4.3 Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.
- 4.4 Minutes will be prepared by the board secretary who shall serve as the secretary of this committee
- 4.5 The quorum of the Human Capital Committee shall be a majority of members.

5. RESPONSIBILITIES

The committee will carry out the following responsibilities:

5.1 Human Capital Policies

- 5.1.1 Review the relevant laws and regulations
- 5.1.2 Review the relevant GCC BDI Human Capital Policies and Practices and ensure they are up to date and appropriate for the type and size of the organisation and in line with best practice.
- 5.1.3 Ensure the list of policies is comprehensive and covers all aspects of Human Capital

5.2 Compensation Principles and Practices

- 5.2.1 Review the relevant laws and regulations
- 5.2.2 Review the relevant GCC BDI Compensation Policies and Practices and ensure they are up to date and appropriate for the type and size of the organisation and in line with best practice.
- 5.2.3 Ensure the list of policies is comprehensive and covers all aspects of Compensation Principles and Practices

5.3 Executive Director's compensation, targets and annual evaluation

- 5.3.1 Annually review the Executive Director's compensation
- 5.3.2 Set the annual performance targets for the Executive Director
- 5.3.3 Annually evaluate the Executive Director's performance against the performance targets set and determine the Executive Director's annual performance bonus based on this evaluation

5.4 Senior Executive compensation, targets and annual evaluation

- 5.4.1 Annually review the Senior Executive compensation
- 5.4.2 Set the annual performance targets for the Senior Executives
- 5.4.3 Evaluate the Senior Executive's performance against the performance targets set and determine the Senior Executive's annual performance bonus based on this evaluation

6. Reporting Responsibilities

- 6.1 The Committee Chair will regularly report to the board of governors about the committee activities and issues
- 6.2 Review any other reports the company issues that relate to the committee's responsibilities.

7. Other Responsibilities

- 7.1 Perform other activities as requested by the board of governors.
- 7.2 Review and assess the adequacy of the committee's terms of reference annually, requesting board approval for proposed changes
- 7.3 Confirm annually that all responsibilities outlined in this charter have been carried out.
- 7.4 Evaluate the committee's and individual members' performance at least annually.

This Charter was considered and adopted by the board of governors at their meeting held on 7 April 2022

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