

Agenda

Corporate Governance and Human Resources Committee

November 7, 2022 | 10:00-10:45 a.m. Eastern
Virtual Meeting

Attendee WebEx Link: [Join Meeting](#)

Introductions and Chair's Remarks

NERC Antitrust Compliance Guidelines and Public Announcement*

Agenda Items

1. **Minutes* — Approve**
 - a. May 11, 2022 Meeting
2. **Building a More Effective and Efficient Governance Process — Review**
3. **Annual Review of Trustee Compensation* — Update**
4. **Status of Washington, D.C. Office* — Update**
5. **Other Matters and Adjournment**

*Background materials included.

NERC Antitrust Compliance Guidelines

I. General

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC's antitrust compliance policy is implicated in any situation should consult NERC's General Counsel immediately.

II. Prohibited Activities

Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
- Discussions of a participant's marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.
- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.
- Any other matters that do not clearly fall within these guidelines should be reviewed with NERC's General Counsel before being discussed.

III. Activities That Are Permitted

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and adequacy of the bulk power system. If you do not have a

legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC's Certificate of Incorporation, Bylaws, and Rules of Procedure are followed in conducting NERC business.

In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of the mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC Reliability Standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

- Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising Reliability Standards, special operating procedures, operating transfer capabilities, and plans for new facilities.
- Matters relating to the impact of Reliability Standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.
- Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.
- Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.

Draft Minutes Corporate Governance and Human Resources Committee Meeting

May 11, 2022 | 11:15 a.m. - 12:00 p.m. Eastern

Webex

Chair Suzanne Keenan called to order a duly noticed meeting of the Corporate Governance and Human Resources Committee (the “Committee”) of the Board of Trustees (“Board”) of the North American Electric Reliability Corporation (“NERC” or the “Company”) on May 11, 2022, at 11:15 a.m. Eastern, and a quorum was declared present.

Present at the meeting were:

Committee Members

Suzanne Keenan, Chair

Robert G. Clarke

George S. Hawkins

Larry Irving

Robin E. Manning

Roy Thilly

Kenneth W. DeFontes. Jr., *ex officio*

Board Members

Jane Allen

Susan Kelly

Jim Piro

Colleen Sidford

James B. Robb, NERC President and Chief Executive Officer

NERC Staff

Tina Buzzard, Assistant Corporate Secretary

Manny Cancel, Senior Vice President and Chief Executive Officer of the E-ISAC

Howard Gugel, Vice President, Engineering and Standards

Kelly Hanson, Senior Vice President and Chief Administrative Officer

Stan Hoptroff, Vice President, Business Technology

Mark G. Lauby, Senior Vice President and Chief Engineer

Sônia Mendonça, Senior Vice President, General Counsel, and Corporate Secretary

Kimberly Mielcarek, Vice President, Communications

Lauren Perotti, Senior Counsel

Bryan Preston, Vice President, People and Culture

Janet Sena, Senior Vice President, External Affairs

Andy Sharp, Vice President and Chief Financial Officer

Mechelle Thomas, Vice President, Compliance

NERC Antitrust Compliance Guidelines

Ms. Buzzard directed the participants' attention to the NERC Antitrust Compliance Guidelines included in the advance agenda package.

Chair's Remarks

Ms. Keenan welcomed participants to the meeting. She reported on the recent closed meetings of the Committee on April 14, 2022 and May 9, 2022. At the April 14, 2022 meeting, the Committee reviewed the proposed workforce investments necessary to advance NERC's priorities of energy, security, agility, and sustainability. She reported that the Committee, with all Trustees present, performed a deep dive analysis of the relevant factors and data and were satisfied that the proposed investments are necessary. At the May 9, 2022 meeting, the Committee reviewed the corporate governance aspects of the IRS Form 990 and the Committee's self-assessment results.

Minutes

Upon motion duly made and seconded, the Committee approved the minutes of the February 9, 2022, meeting as presented at the meeting.

Proposed Amendment to Nominating Committee Mandate

Ms. Perotti presented the proposed amendment to the Nominating Committee mandate, noting that the amendment would formalize the inclusion of Trustees not eligible for re-election on the Committee. Upon motion duly made and seconded, the Committee approved the revised Nominating Committee mandate and recommended it to the Board for approval.

Review of Committee Self-Assessment Results

Ms. Perotti reviewed the results of the NERC Board Committee assessments for the 2021 assessment year, referencing the materials included in the advance agenda package. She noted the role of the assessments as a tool of good governance, for keeping the pulse on the Committees and identifying any trends in responses year over year. Ms. Perotti highlighted the generally positive feedback received for each of the Committees, and noted that suggestions have been reviewed with the Committees in their recent closed sessions.

Ms. Keenan reported that one commenter suggested an increased focus on governance issues for the Committee in 2022. She also reported that the Board will be conducting a broad review of governance practices in September 2022, in which the Board will have the opportunity to assess its practices and add clarity on how the Board works together and with management.

Human Resources and Staffing

Mr. Preston provided the human resources and staffing update, referencing the materials included in the advance agenda package. He reported that NERC continues to execute against its strategic people and culture plan, with recent efforts focused on implementing technology solutions in recruiting and compensation management systems, a periodic review of compensation against market based data, and workforce planning.

Adjournment

There being no further business and upon motion duly made and seconded, the meeting was adjourned.

Submitted by,



Sônia Mendonça
Corporate Secretary

Annual Review of Trustee Compensation

Action Update

Summary

The Committee is required to conduct an annual review of Trustee compensation and conducts periodic studies regarding the structure and amount of Trustee compensation.

In 2021, the Committee retained Meridian Compensation Partners, LLC, an independent consultant with extensive national expertise in analysis of board compensation to update its 2017 study of board compensation to aid the Committee in its review of the NERC Trustee compensation program (a responsibility of the Committee under its Mandate) and to assist the Committee in determining whether to recommend any changes to the program. In November, 2021, the Committee recommended to the Board, and the Board approved, a three year phase-in of new compensation levels that will be implemented through 2025. Given the multi-year compensation adjustment plan, management is not recommending any action this year.

Status of Washington, D.C. Office

Action

Update

Summary

NERC management will provide an update on the new reimagined Washington, D.C. office workspace to “Collaboration Hub” which is focused on a flexible workspace model.

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

NERC Collaboration Hub

D.C. New Office Space

Kelly Hanson, Chief Administrative Officer

Kimberly Mielcarek, Vice President, Communications

CGHRC

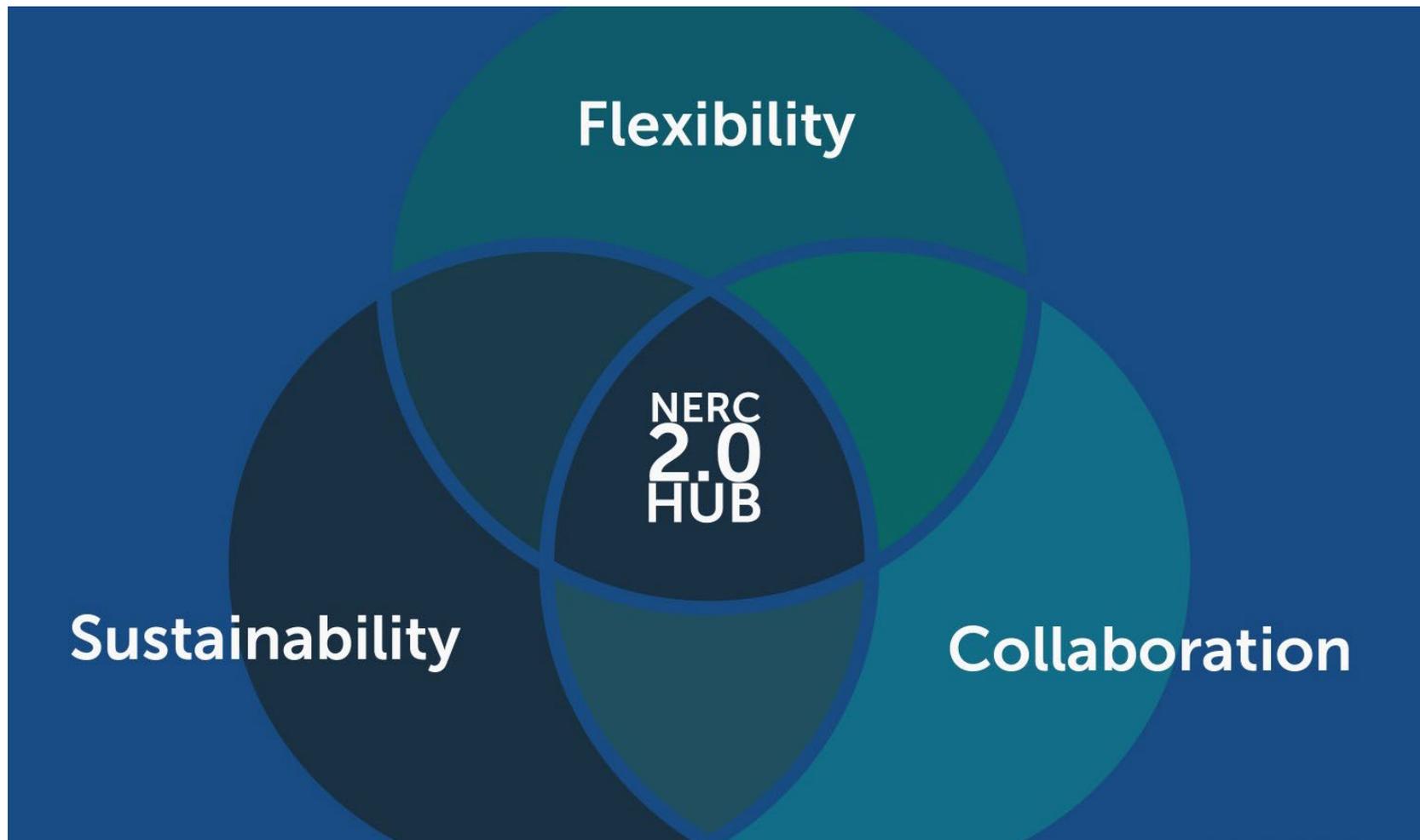
November 7, 2022

RELIABILITY | RESILIENCE | SECURITY



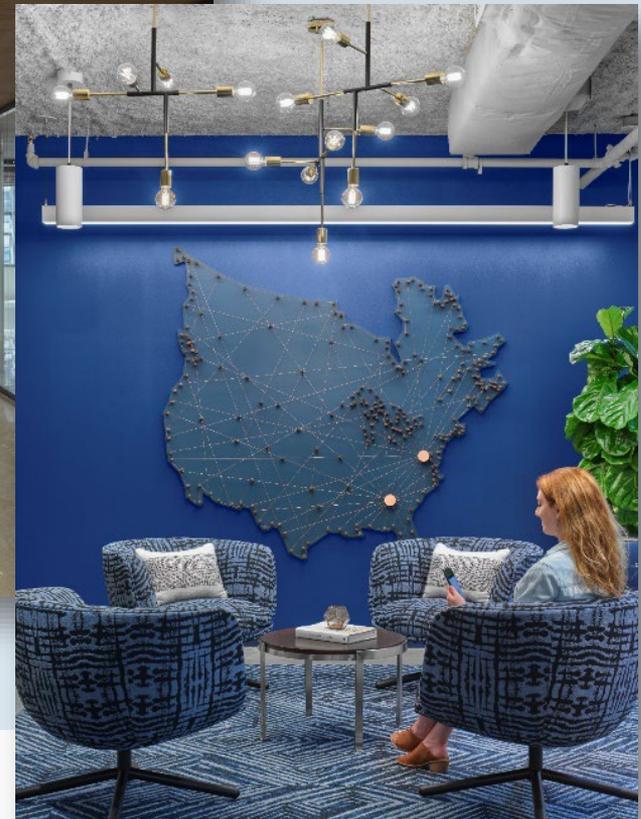
Attract, engage and retain top talent

- **Listened to our employees** – Engagement surveys and developing people leaders
- **Employee Resource Groups (ERGs)** – Black and African American, Women’s, Caregivers and Mental Health ERGs
- **Innovation and Engagement Committees** – Cadence to culture
- **Performance Management** – Alignment to strategy and goal development
- **NERC’s Connected Workforce** – flexible workforce model
 - Reimagined DC Office workspace to “Collaboration Hub”
 - Space reduction of 26%, initial annual savings of more than \$400k/year
 - NERC is an employer of choice for current and future talent
 - Team of experts brought this new space to life and all on budget





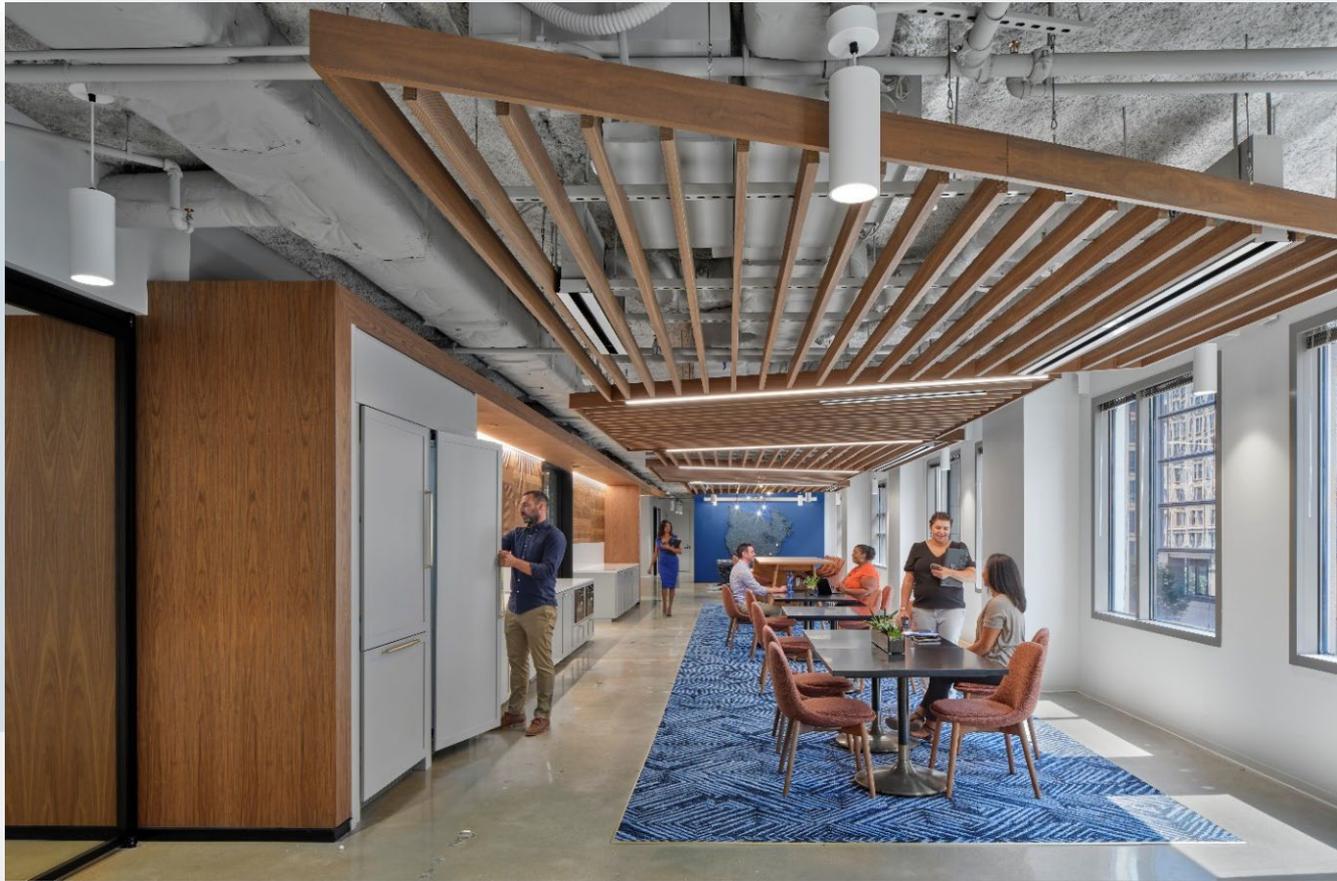
Reception and lobby







Capitol
Conference
Room with
view of
reception









Questions and Answers