



Performance, Compensation & Talent Management Committee Meeting Summary

February 17, 2021

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Performance, Compensation & Talent Management Committee met on February 17, 2021.

The Committee held an election of the Performance, Compensation & Talent Management Committee Chair and Vice Chair. Rob Feckner was elected Chair and Eraina Ortega was elected Vice Chair.

THE COMMITTEE RECOMMENDS AND I MOVE, the Board approve the following:

- AGENDA ITEM 8a – Semiannual Status Report on Incentive Plan of the Chief Executive Officer

Approve the fiscal year 2020-21 semiannual status report of the Chief Executive Officer.

The Chair directed staff to...

- Provide additional information regarding the authority under which the current Chief Investment Officer Interview Subcommittee is working.
- Request the Board's Executive and Investment Compensation Consultant, Global Governance Advisors, to review and provide recommendations regarding the mix of base salary and incentive opportunity for the Chief Executive Officer position, including de-emphasizing incentive compensation and recommendations for improvements to the process.

The committee also reviewed the PCTM delegation. The committee's proposed changes to the delegation will be presented for board approval, along with other committee delegations, at a subsequent meeting.

At this time, I would like to share some highlights of what to expect at the next Performance, Compensation & Talent Management Committee meeting:

- The Committee will receive a report on the annual review of incentive metrics for fiscal year 2021-22, and information on adding long-term incentive to the Chief Investment Officer compensation package.

The next meeting of the Performance, Compensation & Talent Management Committee will be scheduled for April 19, 2021, in Sacramento, California.