



## **Ohio Mutual Insurance Group, Inc. Charter for Budget & Compensation Committee**

### **Purpose:**

Oversee the budgeting process & Business Plan, review the Human Resource practices, culture and coordinate the evaluation of the CEO's performance and compensation.

Address risk oversight responsibilities as described in the Powers/Responsibilities below.

### **Committee Membership**

Members of the Committee and its chair shall be elected by the Board of Directors based on the recommendation of the Nominating and Governance Committee. Members of the Committee shall have a basic understanding of Compensation issues and benefits. The CEO is a non-voting member on the CEO's compensation issues and benefits

### **Meetings**

The Committee will meet at least three times per year either in person, video conferencing or conference call. The Committee Chair reserves the right to call additional meetings as needed. The Committee shall make regular reports to the Board of Directors.

### **Powers/Responsibilities:**

The Committee may perform such other duties and responsibilities as are consistent with its purpose and as the Board or the Committee deems appropriate. (See Risk Oversight framework).

- Direct oversight of the annual plan, catastrophe risk and budget process
- Review & recommend to the Board an annual plan and budget
- Monitor the Company's variances to the budget and Business Plan including major project execution
- As needed, review Human Resource practices to ensure the appropriateness of such practices including work place safety
- Review and recommend to the Board any appropriate changes in Human Resources, compensation, Benefits and/or practices.

- Establish annual goals and objectives relevant to the evaluation of the CEO.
- Recommend to the Board the compensation of the CEO.
- Perform the annual evaluation of the CEO with full Board input.
- Review and approve the evaluation process and compensation of other executive officers of the Company.
- Develop and maintain a management succession plan.
- Periodically review available compensation market data with a goal to ensure Company associates receive competitive compensation.
- Annually review and recommend to the Board, compensation of the Directors for their service on the Board or its committees.
- Prepare and annually review a Committee Charter and recommend any changes to the Board.
- The Committee Chair shall report the committee's actions and recommendations to the Board following each Committee meeting.
- The Committee shall have the responsibility to oversee the Employee Benefit Plans for the employee benefit plans (ERISA). (The Audit Committee accepts the report for the ERISA Plans)
- The Committee shall have the authority to retain such outside counsel, experts, and other advisors as it deems appropriate to assist the Committee in the performance of its functions. The Committee shall be provided with appropriate funding, as determined by the Committee, for payment of compensation to such outside counsel, experts, and other advisors.
- As needed review the authority of the CEO for unbudgeted expenses.
- At least once per year, conduct an executive session without the CEO for all non-Director members of management who routinely attend committee meetings.
- Reviews UOIC's pre-retirement Death Benefit Plan
- Regularly reviews the Company's Enterprise Risk Management including Cyber Risk. Include ERM in all Committee Charters.