



CHARTER
FEDERAL RESERVE BANK OF RICHMOND
BOARD OF DIRECTORS
GOVERNANCE AND HUMAN RESOURCES COMMITTEE

Purpose

The Governance and Human Resources Committee (the Committee) is a committee of the Board of Directors (the Board) of the Federal Reserve Bank of Richmond (the Bank). The Committee shall consider director candidates and make recommendations for Board membership as well as Federal Advisory Council membership. Additionally, the Committee shall provide oversight for Bank governance and human resources matters.

Committee Membership

The Committee shall have a minimum of three members consisting of Class C directors and Class B directors who are not affiliated with a thrift holding company supervised by the Federal Reserve System. Members of the Committee shall be appointed annually by the Board Chair, to one-year terms commencing the first of January. A director may not serve as a member of the Committee during the year in which he/she is eligible for reelection. The Board Chair shall designate the Committee Chair and will fill Committee vacancies as necessary.

Meetings

The Committee shall meet at least two times per year. The Committee Chair may call additional meetings as necessary. A meeting may be held by any means of communication that allows each participant to hear and be heard by each other participant. The Committee Chair shall report the Committee's actions to the Board at its next meeting and will make recommendations to the Board as appropriate. The Committee may transact business through notational voting as needed.

Authority and Responsibilities

The specific responsibilities of the Committee, in consultation with senior Bank management, including Legal, are described below.

1. Governance
 - a. Oversee compliance with director-related policies concerning eligibility, rotation, investment restrictions, conduct and political activity.
 - b. At least every three years, review and assess the following:
 - i. The adequacy of the Board's committee structure and recommend proposed changes to the Board for approval.
 - ii. Changes to the Bank's Bylaws.
 - iii. Changes to governance practices.
2. Nominations
 - a. Establish the criteria, within the guidelines set by the Board of Governors, to be used when considering candidates for Board and Federal Advisory Council membership. Committee members shall consider diversity of gender, race, ethnicity, experience, geographic location and occupational representation when recommending candidates.
 - b. Consider and recommend candidates to fill open seats on the Board, and confer with the Bank President on these matters.
 - c. Consider and recommend directors for appointment by the Board to serve on the other Board committees in accordance with the respective charters of those committees and the Bank's Bylaws.
 - d. Conduct appropriate inquiries into the background and qualifications of candidates, including eligibility and availability to serve.
 - e. Consider and recommend an individual to serve as the Fifth District's Federal Advisory Council representative and recommend to the full Board that such individual be approved to serve in that role.
 - f. Review candidates for openings on the Baltimore and Charlotte Branch Boards of Directors in consultation with the Chair of the Baltimore and Charlotte Branch Boards of Directors and as appropriate. If the Baltimore or Charlotte Branch Chair is eligible for re-appointment that year, the respective Branch director with the longest seniority as a director may be consulted with regard to the Chair's director position. Recommend candidates for Board positions appointed by the Board of Governors.
3. Human Resources
 - a. Review a summary of Bank Human Resources primary accomplishments for the previous year and planned objectives for the current year. This includes diversity and inclusion practices and monitoring progress on related goals; providing input on the Bank's succession planning activities; and reviewing the Bank's compensation program within the structure provided by the Board of Governors.

- b. Review, and recommend for approval by the Board, Executive Vice President and Senior Vice President appointments, promotions, terminations, compensation and other recommendations, other than those officers in Audit, made by the President.
- c. Conduct an annual performance evaluation of the President.
- d. Review the President's annual performance evaluation of the First Vice President, and in collaboration with the National Information Technology Committee and the Federal Reserve System Information Technology Oversight Committee (ITOC), the President's annual performance evaluation of the System Chief Information Officer.
- e. Review and recommend for approval by the directors as set forth in the Bylaws, the First Vice President's appointment, promotion, termination, compensation, and other recommendations made by the President.
- f. Review and recommend for approval by the directors, as set forth in the Bylaws, with the concurrence of the National Information Technology Committee and ITOC, the System Chief Information Officer's appointment, promotion, termination, compensation and other recommendations made by the President.

The Committee will also undertake additional activities within the scope of the purpose of the Committee as the Committee or the Board deems necessary.