



ELECTRIC POWER RESEARCH INSTITUTE, INC.

BOARD OF DIRECTORS
COMMITTEE CHARTERS

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COMMITTEE CHARTERS

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Preamble

(Incorporated into each Standing Committee Charter)
(Last Amended November 29, 2023)

A. The EPRI Bylaws, at Article X, establish four standing Committees of the Board:

- Executive Committee
- Audit Committee
- Compensation and Leadership Development Committee
- Governance and Nominating Committee

In addition, the Board may create other special committees as it deems necessary.

B. The Board annually appoints the members of, and a chair for, each Committee, although each Committee may appoint an acting chair as necessary without further Board action, in addition to the Board Chair, who serves as chair of the Executive Committee, and one or more Vice Chairs. Vice Chairs may serve as Committee chairs. As a guideline only, the expectation is that a Committee chair would be able to serve in that position for two years; however, there will be circumstances in which a longer or shorter period is more appropriate.

C. Article X also establishes the class membership requirements for each Committee; the quorum requirement to transact business of one-third (1/3) of the number of Committee members elected annually ; the requirement for written Committee Charters; and the requirement to record minutes of Committee meetings.

A Committee may have requirements that directors drawn from membership classes or have external directors serve on the Committee. The departure of a director from the Board and a Committee does not invalidate the Committee or invalidate any of its actions or decisions after that departure date merely because the Committee does not have representation by that membership class or by an external director. In the event of such a vacancy, the Committee Chair (or in the absence of the Committee Chair, the Board Chair) should mitigate by inviting another director representing that class or an external director to meetings as an observer. The Board should as soon as practicable fill the vacancy through a temporary or dual committee assignment taking into account the applicable membership class and external director requirements.

Preamble

D. Additionally, each Board Committee:

1. Is expected to meet at least three times a year, or otherwise as deemed appropriate by the Chair of the Committee;
2. Meets occasionally throughout the year in executive session, with or without EPRI Management or others in attendance, as requested by the Committee Chair or any Committee member;
3. Reports on its activities to the Board in either general or executive session;
4. Reviews and reassesses the adequacy of its own charter at least annually, and may make recommendations for changes to the Governance and Nominating Committee to consider and then submit for adoption by the Board;
5. Works with the G&N Committee to perform an annual performance evaluation through the Board Assessment Questionnaire and allow the G&N Committee to report to the Board on the results of such evaluations;
6. In any instance where a Committee has the authority to hire an independent outside consultant, the Committee Chair has the authority in exigent circumstances to hire the consultant on behalf of that Committee in between meetings, provided that the Chair should discuss the engagement with the Committee at its next meeting and obtain approval to continue the engagement; and
7. Performs other duties as directed by the Board.

Executive Committee Charter

(Last Amended August 13, 2024)

Function and Special Committee Requirements

1. The Executive Committee may exercise all powers of the Board of Directors between meetings, except that the Committee may not:
 - a. Submit to members any action requiring member approval;
 - b. Fill vacancies in the Board of Directors or in any Committee;
 - c. Amend or repeal the Bylaws or adopt new Bylaws;
 - d. Amend or repeal any Board resolution which by its terms shall not be amendable or repealable;
 - e. Authorize distributions; and
 - f. Take any action prohibited by law or by resolution of the Board of Directors.
2. The Executive Committee acts as the Finance Committee of the Board and works with the CEO to plan and implement strategic goals for the Institute.
3. The Executive Committee may have up to eleven members and must include at least one member each from Classes I and II, one external director, and, if feasible, one member of Class III. The Committee is composed of the following members:
 - Board Chair
 - One or more Vice Chairs
 - Chairs of the Audit, Compensation and Leadership Development, and Governance and Nominating Committees
 - Additional at-large directors, up to a total of eleven Executive Committee members

If the term of the Board Chair expires prior to the expiration of his/her term as a director, then he/she shall serve an additional year as an at-large member of the Executive Committee.

4. The Committee may hire (at EPRI's expense) and meet in executive session with an independent outside consultant with or without the presence of EPRI Management.

Strategic Planning Responsibilities

The strategic planning responsibilities of the Executive Committee are to:

1. Work with the CEO to develop, approve and support implementation of strategic goals for the Institute;
2. Develop and monitor CEO succession plans and hire consultants at EPRI's expense to assist with CEO candidate search;
3. Evaluate the CEO's performance on an annual basis and approve the CEO's goals for the coming year;
4. Subject to the review of the Board of Directors, resolve any challenge to the validity of a corporate action brought by a member, delegate, director, member of a designated body, or officer of the Institute which is or may be affected by the corporate action and such affected person(s) shall have no right to petition the Superior Court regarding the same (Bylaws, Article X, Section 1), for avoidance of doubt, this includes questions over membership eligibility for funding and advisory participation, following review and recommendation by the Governance and Nominating Committee;
5. Provide oversight of major legal and other disputes and hire its own counsel at EPRI's expense when the Chair deems appropriate;
6. Discuss and provide impartial advice on potential conflicts of interest as they may arise on the Board or during the Committee's deliberations. The external director or other disinterested member of the Executive Committee will be designated to lead these discussions;
7. Approve any compensation actions associated with the President and CEO, based on his/her annual performance review and recommendations from the Compensation and Leadership Development Committee; and
8. In between Board meetings, elect new officers and approve any compensation actions associated with election of a new officer, consistent with the salary policies and objectives set by the Compensation and Leadership Development Committee.
9. In the event of an emergency, the Board of Directors directly or through the Executive Committee may: (a) modify lines of succession to accommodate the incapacity of any director, officer, employee, or agent; and (b) relocate the principal office, designate alternative principal offices or regional offices, or authorize the officers to do so. An emergency exists for purposes of this Section if a quorum of directors cannot readily be assembled because of some catastrophic event (Bylaws, Article VII, Section 1).

Finance Responsibilities and Duties

The finance responsibilities and duties of the Executive Committee are to:

1. Approve EPRI's annual Financial Plan and Capital Plan;
2. Approve, establish and revise from time to time appropriate controls over the expenditure of funds and appropriate plans, policies and guidelines for investment, cash management, bank accounts, and financing of future operations;
3. Review the EPRI financial statements, including detail on related entities that are consolidated for financial reporting purposes;
4. Provide oversight of EPRI pricing policy, including guidelines for minimum funding for membership; and
5. Provide oversight over real estate matters.

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Audit Committee Charter

(Last Amended August 14, 2019)

Function and Special Committee Requirements

1. The Audit Committee of the Board of Directors oversees the quality and integrity of the accounting, auditing, compliance, risk management, and financial reporting practices of the Institute and other such duties as directed by the Board.
2. Each member of the Audit Committee should be financially literate with a basic understanding of financial statements. At least one member of the Audit Committee shall have accounting or related financial management expertise, including an understanding of: generally accepted accounting principles (GAAP); audit committee functions; the preparation or auditing of financial statements and internal controls; and procedures for financial reporting.
3. At least two members of the Audit Committee shall be external directors (Bylaws Article X Section 2), and shall include at least one Director from each of Class I and Class II if feasible.
4. At least one Audit Committee meeting shall be attended by the independent outside accountant retained to audit EPRI's financial statements. This meeting shall also provide for an executive session for the Committee members to meet privately with the auditor without the presence of EPRI Management.
5. The Committee may hire (at EPRI's expense) an outside consultant for special investigations, and may meet with the consultant in executive session, with or without the presence of EPRI Management.

Committee Responsibilities and Duties

The responsibilities and duties of the Audit Committee are to:

1. Oversee EPRI's (a) accounting and reporting practices and policies; (b) internal audit activities; (c) corporate compliance program; (d) disclosure and conflict of interest policy; (e) risk management program; (f) environmental health and safety program; (g) tax reporting; (h) Foreign Corrupt Practices Act policies and compliance; (i) Federal government compliance and (j) information technology and information security;
2. Review and accept EPRI's audited financial statements, including financial information for all EPRI-controlled, consolidated entities;

3. Select the independent accountants (“the outside auditors”) engaged to perform an independent audit of EPRI’s financial statements (at EPRI’s expense) and determination of the appropriate timing for replacement of the outside auditor or audit partner; and
4. Recommend any appropriate action based on the findings of the independent audit of EPRI’s annual financial statements, including the conduct of any inquiry concerning audit disclosures, to the Board and/or Management.

Compensation and Leadership Development Committee Charter

(Last Amended April 19, 2024)

Function and Special Committee Requirements

1. The Compensation and Leadership Development Committee (the Committee) oversees EPRI's total compensation programs for its employees. In particular, the Committee approves total compensation for officers as provided in this Charter.
2. The Committee acts in an advisory capacity to Management regarding the Institute's leadership development and succession plans for officers below the level of CEO.
3. To the extent practicable, members of the Committee should include representatives from Classes I, II and III and one or more external directors (Bylaws Article X Section 3).
4. The Committee may hire (at EPRI's expense) an independent outside compensation consultant, to advise the Committee on the reasonableness of EPRI's total compensation for staff and in particular its officers.
5. The Committee may also have other duties as assigned by the Board of Directors.

Committee Responsibilities and Duties pertaining to Compensation

The responsibilities and duties of the Compensation and Leadership Development Committee pertaining to Compensation are to:

1. Approve compensation and benefit program designs, modifications and amendments to those programs that have been previously established or approved by the Board, within budgets set by the Executive Committee (acting as the Finance Committee);
2. Recommend to the Board of Directors new compensation and benefits programs or the cessation of existing compensation and benefit programs;
3. Approve aggregate compensation budgets and guidelines as well as aggregate incentive award pools, both within overall budgets set by the Executive Committee (acting as the Finance Committee);
4. Approve structure and metrics of EPRI's Corporate Performance Indices (CPIs) and Long Term Incentive Plan (LTIP) as well as CPI and LTIP results, including scoring to determine award pools;

5. Approve salary and incentives for EPRI officers at the level of Vice President or above (other than the CEO), except in the case of salary actions associated with the election of a new officer which will be approved by the Executive Committee;
6. Recommend salary and incentives for EPRI's President and CEO to the Executive Committee for approval;
7. Oversee the employee benefits program, including approval of special benefits applicable to EPRI officers at the level of Vice President or above, unless such benefits are only applicable to the CEO, which shall then require a recommendation from the Committee to the Executive Committee for approval;
8. Provide oversight over employee diversity, equity and inclusion; including a periodic review of the pay equity process;
9. Review of the annual performance of EPRI's 401(k) Plan, appoint members to the EPRI 401(k) Committee, and make modifications to the EPRI 401(k) Plan, except for those delegated to the EPRI 401(k) Committee;
10. Engage, at least on a biennial basis and at EPRI's expense, a consultant with expertise on assessing compensation programs and individual compensation and benefits packages for compliance with tax rules and regulations governing compensation paid by nonprofit organizations; and
11. Review, with the assistance of the consultant described in 10 or other experts, EPRI total compensation and benefits for consistency with the tax laws, rules and regulations governing IRC 501(c) (3) organizations.

Committee Responsibilities and Duties pertaining to Leadership Development

The Committee reviews Management plans for leadership development and succession planning for EPRI officers at the level of Vice President or above (other than the CEO).

Annually review and discuss EPRI's leadership development strategies for EPRI officers at the level of Vice President or above (other than the CEO).

Governance and Nominating Committee Charter

(Last Amended August 8, 2023)

Function and Special Committee Requirements

1. The Governance and Nominating Committee identifies and recommends nominees who are qualified to serve on the Board as set forth in the Bylaws and this Charter.
2. The Committee recommends to the Board directors for Board leadership positions and committee assignments. Each director shall serve on at least one committee.
3. The Committee makes recommendations to the Board regarding Institute governance, including amendments to the Bylaws, Committee Charters, Board Conflict of Interest Policy, Board Membership Policy; Board Research Policy and Board composition.
4. The Committee shall include representatives from Class I, including a representative from American Public Power membership and National Rural Electric Cooperative membership; Class II, Class III and the External Directors.

Committee Responsibilities and Duties Pertaining to Governance

The governance responsibilities of the Committee are to:

1. Evaluate and recommend to the Board any desired changes in the size and composition of the Board. At least annually, evaluate the Charter of each Board Committee and recommend to the Board any changes considered appropriate. Recommend to the Board any required changes to the Bylaws.
2. Make recommendations to the Board on other matters of Board policies and practices relating to corporate governance.
3. Annually oversee the Board Assessment Questionnaire to determine the effectiveness of the Board and its Committees and report results to the Board.
4. The Board of Directors directly or through the Governance and Nominating Committee may establish and enforce such reasonable requirements governing conduct of directors, including but not limited to, conflict of interest policies. The Board of Directors or members may remove any director pursuant to D.C. Code Section 290406.08 (Bylaws, Article VII, Section 8).
5. Consider educational opportunities for the Board or individual directors regarding the duties of the directors and the Board, the industry, and the Institute, including its research activities, corporate governance structure, and nonprofit status. Require that

Management hold appropriate orientations for new Board members covering the same topics.

6. Provide interpretive guidance to EPRI on membership qualifications, external stakeholder engagement, classifications and eligibility to fund and participate in the advisory process in EPRI programs and projects. Should questions arise as to the application of Bylaws and membership policies in a particular situation which cannot be resolved by Management, conduct a review and provide a recommendation to the Executive Committee for determination, as per Article X, Section 1 of the Bylaws, the Membership Policy and the Executive Committee Charter.
7. The Committee may hire (at EPRI's expense) an outside consultant for special investigations, and may meet with the consultant in executive session, with or without the presence of EPRI Management.

Committee Responsibilities and Duties Pertaining to Nominations

The nominating responsibilities of the Committee are to:

1. Develop criteria for Board membership, including diversity and other important factors.
2. Nominate or rank individuals for directorships to be filled by the Members or Board (such as directors to serve interim terms) and as provided by the Advisory Council, as set forth in the Bylaws and this Charter. Committee members are requested to assist the Institute CEO with recruiting potential directors.
 - (a) Certain Class I and all Class II positions on the EPRI Board of Directors are drawn from "directors, officers or other key employees" of members of other organizations (Bylaws, Article VIII) and the pertinent EPRI membership class. Four Class I directors are chosen from the membership of the American Public Power Association (APPA); three Class I directors are chosen from the membership of the National Rural Electric Cooperative Association (NRECA); sixteen Class II directors are chosen from the membership of the Edison Electric Institute (EEI) and one Class II director who may be but is not required to be a member of EEI. Consistent with EPRI's Bylaws, the Governance and Nominating Committee is responsible for adopting and modifying protocols for the nomination of directors from the membership of these organizations.
 - (b) External Directors: Provide criteria to the Executive Committee of the Advisory Council at the beginning of each nomination cycle for the selection of External Directors and also evaluate and rank the candidates proposed by the Advisory Council. The procedural steps are set forth below:
 - i. At the beginning of the nominating cycle to fill an External Director seat, the EPRI Governance and Nominating Committee (G&N) will consider whether there are particular types of expertise needed on the Board. For example, if no External Director had prior regulatory expertise, the G&N

might stipulate that potential nominees with that background be identified. The type of expertise needed on the Board along with general qualifications is referred to as the Criteria.

- ii. The G&N will provide the Criteria to the Executive Committee of the Advisory Council (AC) at the beginning of each nominating cycle.
 - iii. With the Criteria, nominations will be sought from the AC, the Board of Directors and EPRI Management. A list of all nominees will be assembled, along with biographical and other relevant information by EPRI Management and provided to the AC.
 - iv. The Executive Committee of the AC will form a “Search Committee,” which may be the Executive Committee or others as the Executive Committee determines. The Search Committee will vet the list of nominations, considering the Criteria. EPRI staff will be available to support this effort as requested. To aid in its efforts, the Search Committee shall solicit the views of the full AC using whatever methods it deems appropriate, such as through an advisory straw poll.
 - v. The Search Committee of the AC will select a “short list” from all of the nominees. The short list will contain at least three times as many names as there are Director openings in that cycle (e.g., if two External Director terms are expiring, the short list will have a minimum of six names).
 - vi. The Chair of the AC and/or a subset of the Search Committee will present a draft of the short list to the G&N, and will meet with the G&N to discuss the Search Committee’s process and respond to any questions. Under extraordinary circumstances, the G&N may, acting in the best interests of the Institute and the overall composition of the Board, ask the Search Committee of the AC to consider additional factors as it finalizes its short list. When the Search Committee of the AC adopts a final short list the G&N will rank the candidates in the G&N’s order of preference.
 - vii. EPRI’s CEO will invite the top ranked candidate(s) to join the Board. Should any decline, the next-ranked candidate on the list will be invited to the Board and so forth, until the vacancies are filled.
 - viii. In the unlikely event that there are not sufficient acceptances from the candidates on the ranked list set by the G&N to fill open positions, then the Search Committee will work to produce another short list {Step (v), above}.
3. Evaluate and recommend for Board consideration individuals to fill interim Board terms and recommend directors with expiring terms for term extensions.
 4. Submit to the Board annually (and at any additional times that any Committee members are to be selected) candidates for membership on each Board Committee and for the Chair of each Committee as well as Board Chair and one or more Vice Chairs.