

**ROSWELL PARK CANCER INSTITUTE CORPORATION
COMPENSATION COMMITTEE
OF THE
BOARD OF DIRECTORS**

A meeting of the Compensation Committee of the Board of Directors of Roswell Park Cancer Institute Corporation was held on Wednesday, September 13, 2023 at 10:30 a.m. in the Scott Bieler Clinical Science Center, 9th Floor, Patrick P. Lee Board Room.

Present: R. Buford Sears, Committee Chair
Anne Gioia
Donna Gioia
Candace S. Johnson, Ph.D., President & CEO
Gail Mitchell, Esq. (*via Teams*)

**Present by
Invitation:** Meghan L. Dobson, Esq., Associate General Counsel
Betsy Doty-Lampson, Board Administrator
Errol A. Douglas, Ph.D., Senior Vice President & Chief Human Resources
Officer
John R. Dudkowski, Manager, Classification & Compensation
Michelle Moore, Vice President, Human Resources Management
Michael B. Sexton, Esq., Senior President & Chief Legal Officer
Melanie A. White, Senior Compensation Analyst, Classification &
Compensation
Anthony M. Woods, Assistant Vice President, Classification &
Compensation

I. Opening Remarks/Calendar/Minutes

Mr. Sears opened the meeting at 10:31 a.m. and welcomed all attendees. He then thanked Mr. Szeffel for his service on this Committee, as Mr. Szeffel has left the Board. He also highlighted Mr. Szeffel's excellent work on the Board and service on several committees, including serving as chair on two committees.

Mr. Sears then noted that during the last Committee meeting, management was tasked with reviewing the FY'24 individual goals and performance metrics to ensure that each were sufficiently rigorous. He noted that management, under Dr. Johnson's leadership, had made some key changes to the FY'24 individual goals and performance metrics.

Mr. Sears then called for a review of the draft Minutes of the Compensation Committee meeting held on June 14, 2023. With no commentary or questions offered, *a motion for approval of those Minutes was made by Ms. Anne Gioia, seconded by Ms. Donna Gioia, and unanimously carried.*

A motion was made to move to Executive Session by Ms. Mitchell for discussion of individual goal amendments for the FY'24 Variable Compensation

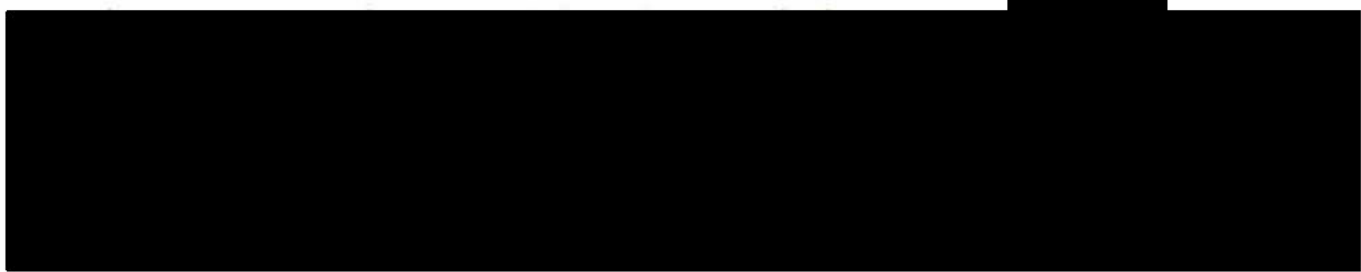
Plan. The motion was seconded by Ms. Donna Gioia and Ms. Anne Gioia, and unanimously carried.

II. FY'24 Individual Goal Amendments

Mr. Sears began by acknowledging the time and effort spent by management to amend the FY'24 individual goals in response to the Committee's feedback. Dr. Johnson also praised the Classification and Compensation team, particularly Mr. Dudkowski. She then identified to the Committee the three (3) new plan members.

Mr. Sears then inquired about shared goals. Mr. Dudkowski explained that each individual's shared goals were amended to align with strategic pillars, and individuals were removed from or added to these shared goals, as appropriate. It was noted the requirements to achieve maximum variable compensation had been updated as well.

Ms. Mitchell expressed her hope that these revisions to the FY'24 individual goals adequately addressed the Committee's concern that the goals and goal achievement assessments were not sufficiently rigorous. She then inquired about the status of shared goals when an individual leaves mid-fiscal year. Dr. Johnson explained that the individual is removed from all shared goals, and whether the individual receives any variable compensation for such fiscal year varies is typically based on the separation date and the negotiated terms of the separation agreement.



Mr. Sears then noted that the variable compensation plan is necessary to recruit key employees and retain vital employees. He observed that the plan constitutes a far smaller percentage of Roswell Park's budget than the percentage seen in outside industries. He also noted that Sullivan & Cotter ("S&C") considers Roswell Park "ahead of the game" with its variable compensation plan, although it is not quite a "best practice." Dr. Johnson added that key personnel cannot be recruited without a variable compensation plan given the prevalence of these plans at other major cancer centers.

Ms. Mitchell then inquired if the current plan limits the payment of variable compensation for any fiscal year in which the budget is not met. Mr. Sears explained that S&C has been asked to recommend whether Roswell Park should adopt a more sophisticated model in which the pool of available funds varies based upon financial performance. He also advised that the plan currently provides that no variable compensation is paid out for any fiscal year in which the budget is not met. Mr. Sears concluded the discussion by cautioning that Roswell Park must thoughtfully consider any mid-year changes to the plan, noting that Roswell Park's current financial performance represents a new challenge.

There being no further discussion, *a motion was made by Ms. Donna Gioia to approve the FY'24 Individual Goal Amendments, which was seconded by Ms. Anne Gioia and unanimously carried.*

Ms. Mitchell then made a motion to return to Open Session, which was seconded by Mr. Sears and unanimously carried.

III. Review of Compensation Committee Charter

At Mr. Sears' invitation, Mr. Sexton proposed the following changes to the Committee's Charter:

- (1) Update permitting two community members to serve on the Committee, provided that a majority of all directors on the Committee meet the criteria for director independence in the Corporation's Bylaws - Composition section (page 1);
- (2) Revision clarifying that Human Resources Senior Leadership supports the Committee - Composition section (page 1);
- (3) Revision clarifying that the Committee reviews and oversees the guidelines for setting award levels only - Charge section, subsection 3 (page 2)
- (4) Revision clarifying that the Committee reviews the CEO determinations as to compensation and adjustments for the executive team - Charge section, subsection 5 (page 2)

Mr. Sears reiterated that the CEO recommends executive management's award levels for variable compensation, which are then approved by the Committee. The Committee determines the CEO's variable compensation. There being no further discussion, *a motion to approve the proposed changes to the Compensation Committee Charter was made by Ms. Anne Gioia, seconded by Ms. Donna Gioia, and unanimously approved.*

IV. Review of Executive Compensation Philosophy

Mr. Sears then turned to the annual review of the Executive Compensation Philosophy, noting no changes. *A motion was for the annual approval of the Executive Compensation Philosophy was made by Ms. Donna Gioia, seconded by Ms. Anne Gioia and unanimously approved.*

V. Upcoming Executive Compensation Consulting Needs

Mr. Sears reviewed the upcoming executive compensation consulting needs, expressing his opinion that S&C continues to represent the best value. He explained that the current contract was previously extended July 31, 2024. A total executive compensation level review is scheduled for Spring 2024 with a total expenditure of \$76,300. After a brief discussion on this topic, *a motion was made by Ms. Donna Gioia for the expenditure of \$76,300 with S&C for a full executive compensation review, seconded by Ms. Anne Gioia, and unanimously approved.*

VI. Adjournment

There being no further business, *a motion to adjourn the meeting was made by Ms. Mitchell, seconded by Ms. Donna Gioia, and unanimously approved.*

Michael B. Sexton, Secretary