

DORIS DUKE CHARITABLE FOUNDATION

Mandate and Guidelines of the Compensation and Benefits Committee

*Amended February 10, 2004
First Adopted November 18, 1997*

Mandate of the Compensation and Benefits Committee

The Compensation and Benefits Committee of the Board of Trustees shall review and recommend for Board approval general guidelines for establishing salaries and benefits for the officers and employees of the Doris Duke Charitable Foundation. Upon Board approval of the guidelines the Committee shall oversee their implementation by the President.

The Committee shall recommend the salary and benefits of the President for Board approval and shall annually review the salary and benefits of senior staff, which are set by the President.

The Committee shall also oversee the administration of the pension and benefits plans.

Guidelines of the Compensation and Benefits Committee

These guidelines govern the policies and operations of the Compensation and Benefits Committee (the “Committee”) of the Doris Duke Charitable Foundation (“DDCF”) with respect to the officers and employees of the DDCF and the related foundations created by Doris Duke whose operations are supported by the DDCF pursuant to the Will of Doris Duke, as well as the officers and employees of any management company established by or with the cooperation of DDCF to provide or administer the personnel for DDCF and such related foundations. All of these foundations are referred to herein as the Foundations.

Policy Guidelines

A. Compensation

It is the policy of the Foundations that the salaries and benefits of the officers, senior staff and employees of the Foundations shall be commensurate with their skills, experience and responsibilities.

1.) Salary and Benefit Review Process

- i. Benchmarking: Competitive salary and benefits data will be gathered and analyzed by the staff of the Foundations. The comparative benchmark data regarding salaries for the staff of the Foundations will be presented to the Committee for its review.
 - Doris Duke Management Foundation (“DDMF”): The comparison data used to determine competitive salaries and benefits for staff of DDMF will be consistent with that of other private foundations based in large

metropolitan areas having endowments of similar magnitude. Compensation may also take into account the complex nature of the operations of the Foundations, including the multiple entities involved and the fact that many of the officers and employees are required to serve both operating entities and grant making entities, discharging multiple responsibilities for one or several of the Foundations.

- Duke Farms Foundation (“DFF”) and Doris Duke Foundation for Islamic Art (“DDFIA”): The comparison data used to determine competitive salaries and benefits for DFF and DDFIA will be consistent with that of other organizations, public or private, that have similar positions performing similar functions within comparable organizations located in comparable geographic regions.
- ii. Salary Increase Pools: Staff will recommend annual salary increase pools for the employees of DDMF, DFF and DDFIA for the Committee’s consideration. The Committee will then recommend salary increase pools for each of these entities to the Board of Trustees for its approval. These approved salary increase pools will then be incorporated in each entity’s budget.
 - iii. Benefits: The Committee shall provide general oversight of the implementation of the health, benefit and retirement plans. The staff shall develop health, benefits and retirement programs for the Foundations’ officers and employees and shall keep the Committee informed of such programs. Any proposed material changes shall be approved by the Committee, and any changes that legally require Board approval shall be reviewed by the Committee and recommended to the Board for its approval.
- 2.) President
- i. The Committee shall review annually the salary and benefits of the President and make recommendations to the Board with respect to appropriate adjustments.
 - ii. The President is authorized by the Board to hire and dismiss staff and to set and adjust each individual’s salary or other compensation.
- 3.) Senior Staff
- The Committee shall at least annually review the performance and compensation of senior staff with the President and shall report to the Board on its review of compensation arrangements. For these purposes, senior staff will be defined as staff members in each foundation entity in the position of Director or above.

B. Compliance with Laws

It is the policy of the Foundations to comply with all applicable Federal, state and local laws and regulations with respect to employment practices, health, benefit and retirement plans. The President and her/his designees will insure such compliance.

C. Meetings, Reports

The Committee shall meet not less frequently than twice per year. Except as may be otherwise provided by the By-Laws of the DDCF, the Committee may adopt such procedures regarding the conduct of its business as the Committee shall determine from time to time. The Committee shall report to the Board on all matters requiring Board approval and such other matters as it deems appropriate.

D. Other Matters

The Committee may consider such other matters relating to compensation and benefits as it deems pertinent to its functions, and the President may consult with the Committee, or its Chair, about such matters as she/he shall deem appropriate from time to time.