

## **HEIDRICK & STRUGGLES INTERNATIONAL, INC.**

### Charter of the Human Resources and Compensation Committee

#### **A. Name**

There shall be a committee of the Board of Directors (the "Board") of Heidrick & Struggles International, Inc. (the "Company"), which shall be called the Human Resources and Compensation Committee (the "Committee").

#### **B. Purpose**

As described in detail below, the Committee shall (1) review and provide guidance on the Company's human resources, compensation, employment practices and management succession strategies (2) discharge the Board's responsibilities relating to compensation of the Company's executives and (3) review and approve an annual report on executive compensation required by the Securities and Exchange Commission to be included in the Company's annual meeting proxy statement.

#### **C. Organization and Procedure**

The Committee shall consist of no fewer than three members. Each member of the Committee shall satisfy the independence requirements set forth in SEC rules, the Company's Independence Standards and The NASDAQ Stock Market, Inc. ("NASDAQ") rules, as amended from time to time and as interpreted by the Board in its business judgment. In addition, each Member shall meet the definition of "non-employee director" under Rule 16b-3 under the Securities Exchange Act of 1934, and "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986.

The Board shall appoint the members of the Committee, on the recommendation of the Nominating and Board Governance Committee. The members of the Committee shall serve until their successors are duly appointed and qualified. Unless a Chairperson is elected by the full Board, the members of the Committee may designate a Chairperson by majority vote of the full Committee membership.

The Board shall have the power at any time to change the membership of the Committee and to fill vacancies in it. Except as expressly provided in this Charter, the Amended and Restated By-laws of the Company or the Corporate Governance Guidelines of the Company, the Committee shall fix its own rules of procedure.

The Committee may invite such members of management and other persons to its meetings as it may deem desirable or appropriate. The Committee shall report regularly to the Board summarizing the Committee's actions and any significant issues considered by the Committee.

#### **D. Committee Responsibilities**

1. *Human Resources Strategies.* Review and provide guidance to senior management on the Company's Human Resources strategies and their guiding

principles including overall employee compensation philosophy and talent management programs.

2. *CEO Compensation.* Review at least annually and approve the goals and objectives relevant to CEO compensation; evaluate the CEO's performance in light of those goals and objectives (and against an appropriate peer group, if applicable); and recommend to the Independent Directors the total compensation of the Company's CEO based on this evaluation. The Company's CEO shall not be present during voting or deliberations of the Committee with respect to CEO compensation and the Committee will periodically meet without management.
3. *Executive Officer<sup>1</sup> Compensation.* Review and evaluate annually, in consultation with the CEO, the performance and compensation of the Company's other executive officers in light of the goals and objectives of the Company's executive compensation plans and determine and approve such compensation. In determining the long-term incentive component of the compensation of the Company's CEO and other executive officers, the Committee may consider:
  - the Company's performance and relative shareholder return;
  - the individual performance of the executive;
  - retention considerations; and
  - the value of similar awards to CEO's and executive offices at peer companies.
4. *Non-Executive Compensation.* Review and provide guidance to senior management on the Company's broad-based employee compensation programs.
5. *Employment Agreements.* Review and approve the terms of employment agreements, severance agreements and other similar agreements to be entered into, or amended, with the CEO or any other executive officer. In addition, the CEO shall consult with the Chair of the Committee from time-to-time regarding other material employment and/or severance arrangements that the Company is proposing to enter into, and where appropriate, bring those employment/severance arrangements before the Committee for review.
6. *Approve Awards.* Adopt, administer, approve and ratify awards under the Company's incentive compensation and stock-based plans, including amendments to the awards made under any such plans.
7. *Performance-based Compensation Plans.* Evaluate and recommend to the Board, or to shareholders as appropriate, the approval and establishment of the Company's cash and equity-based incentive compensation and other performance-based plans, including any material changes thereto. The Committee shall also consider the tax deductibility of compensation paid to "covered employees" (as defined by Section 162(m)), and, as and when required, to administer plans, establish performance goals and certify that performance goals have been attained for purposes of Section 162(m).

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<sup>1</sup> For the purposes of this Charter, "Officer" and "Executive Officer" shall have the same definition as "officer" in Rule 16a-1 under the Securities Exchange Act of 1934.

8. *Talent Management, Succession Planning and Diversity.* Review annually, in consultation with senior management:
  - the Company's succession plans for senior executive positions, including the CEO, and other key management and non-management employees;
  - the Company's top talent; and
  - the Company's diversity program.

The Committee, following completion of its own annual review process, shall also review and consult with the full Board on matters of succession planning and diversity.

9. *Public Reporting.* Review and approve the Compensation Committee's report that is made in periodic filings as required by the governing rules and regulations of the SEC and NASDAQ as applicable, and take the appropriate steps to ensure that such report complies with applicable requirements.
10. *Annual Review of Charter.* Review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
11. *Retention of Advisers.* The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities. As deemed appropriate by the Committee in its sole discretion, the Committee shall (a) select, retain, terminate and obtain advice and assistance from, compensation consultants, legal counsel or other advisers (collectively, "Advisers"), (b) appoint and oversee the work of any Adviser, and (c) compensate and approve the fees and other retention terms of. To the extent required by SEC and NASDAQ rules, the Committee may select an Adviser to the Committee only after taking into consideration all factors relevant to the Adviser's independence from management. The Committee shall periodically in its discretion review the performance of its Advisers.
12. *Delegation.* Form and delegate authority to subcommittees when appropriate.
13. *Board Reports.* Report periodically to the Board on its meetings and other activities.
14. *Retirement and Deferred Compensation Plan Oversight.* In conjunction with the Audit & Finance Committee, discharge the Board's fiduciary obligations with respect to oversight of the Company's global retirement and other deferred compensation plans. Receive from the Company's Global Retirement Plans Committee, no less than two times per year, a report on the Global Retirement Plans Committee's activities.
15. *Risk Review.* Periodically review the Company's enterprise risk management policies and practices as specifically delegated to the Committee by the Board.
16. *Annual Evaluation.* The Committee shall conduct an annual performance evaluation of the Committee, which evaluation, among other things, shall compare the performance of the Committee with the requirements of this charter. The performance evaluation shall be conducted in such manner as the Committee deems appropriate. The Committee shall report to the Board on this evaluation.

Adopted: 02 October 2003  
Last Reviewed: 16 September 2015