2022 NACD PUBLIC COMPANY

BOARD PRACTICES AND OVERSIGHT SURVEY

Contents

About the Survey

The *2022 NACD Public Company Board Practices and Oversight Survey* report presents results from our annual questionnaire. This report details responses from 372 public company directors on their boardroom activities to oversee several critical areas, including cybersecurity, ESG, human capital, and DE&I.

ABOUT NACD

For over 40 years, NACD has been helping boards elevate their performance and create long-term value. Our thought leadership continues to raise standards of excellence and advance board effectiveness at thousands of member organizations.

Through our insights, education, and credentialing—supported by our peer network of over 23,000 members—boards are able to make high-quality decisions on the most pressing and strategic issues facing their business today. To learn more about NACD, visit nacdonline.org.

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Key Findings

Despite many pressing economic and political challenges, the competition for talent remains at the top of many directors' lists of key trends for the next 12 months. The increase in competition for talent continues to top the issues of concern for responding public company directors for the second year in a row, even amid growing concerns about the economy. The next two highest ranking issues, "growing inflation" and the "uncertain pace of the economic recovery" (tied with the "increasing pace of digital transformation") highlight these growing economic concerns.

Faced with increasing cybersecurity risk, directors warm to the idea of adding a cybersecurity-savvy director. Eighty-three percent of respondents indicate that their board's understanding of cyber risk has significantly improved compared with two years ago. Yet, amid the growing speed and sophistication of cyber threats, as well as the increased scrutiny of regulators, directors increasingly see a benefit in adding a cybersecurity-savvy director. Forty-two percent of respondents indicate that recruiting a cybersecurity-savvy director would benefit their board, compared to 36 percent of public company respondents last year.

ESG oversight is forming and norming at most boards, yet challenges remain. Boards continue to formalize procedures to address ESG oversight imperatives. This includes efforts to improve board reporting (70%) and delegating ESG oversight tasks to specific committees (64%). Yet developing clear ESG priorities presents a major barrier for boards and management teams. Forty-four percent of directors indicate that the lack of uniform disclosure standards presents the greatest challenge to the oversight of ESG issues. Feeling the pain of their management teams, boards find themselves immersed in an alphabet soup, starting with defining what the *E*, the *S*, and the *G* mean for their company. Many respondents indicate that defining scope (23%) and materiality (9%) are among the most challenging aspects of ESG oversight.

Boards get organized and formalize their oversight of human capital. Human capital is a growing point of focus on the boardroom agenda, and many boards have begun to formalize their governance structure, processes, and practices to oversee this critical asset. A majority of boards now discuss an enterprise-wide talent development strategy (68%) and a majority of respondents indicate that their board discusses human capital strategy on a more regular basis, as a recurring agenda item (57%). These discussions are perhaps a precursor to more targeted practices adopted by leading boards, such as delegating specific elements of human capital oversight to relevant committees (43%) or communicating reporting expectations to management (45%). Human capital oversight often is most likely to find its home in compensation committees (57%), which is increasingly transformed into a human capital committee with oversight over a much broader array of talent-related concerns.

A majority of directors indicate improvement in their board's understanding of DE&I issues. Nearly 3 in 4 boards (74%) now receive key DE&I metrics from management and nearly as many hold discussions on the organization's DE&I priorities (69%). These practices enhance the understanding many boards have of DE&I within their organization, but much work remains. A slight majority (58%) of respondents indicate that their board's understanding of DE&I issues has significantly improved compared to two years ago when the social justice movement sparked by the murder of George Floyd intensified rising societal and investor expectations. Similarly, 59 percent of respondents agree that their board understands how DE&I is connected to other board issues such as strategy, human capital, and technology. This may be due to the fact that only 29 percent of respondents have moved beyond traditional human capital issues, to discuss issues such as vendor selection, supply chains, and corporate purpose in relation to DE&I.

Discussion of climate change has increased at the majority of public company boards. Fifty-four percent of public company respondents indicate that the frequency of climate change discussions increased on the board agenda in the last two years. For 37 percent of those indicating discussions have increased, the main factor prompting increased discussion was the perceived relevance of climate change to the long-term growth prospects of the business, while 25 percent stated that its disclosure requirements were the primary driver. As director awareness of issues related to climate change increases, and as it is featured in more board discussions, it will become more of a key consideration in strategy, risk management, executive pay, accounting, and reporting of performance.

Quality of board discussions is seen as the most important driver of board performance. More than half of public company directors rate the quality of board discussion (57%) as the most observable indication of board performance. While in principle it is straightforward to understand the connection between board performance and the quality of board discussions, in practice many factors influence discussion quality. Quality input from management was the most widely selected key driver of exceptional board performance, identified by 59 percent of respondents.

Key Trends

Despite inflation, supply chain difficulties, and geopolitical unrest, the competition for talent remains at the top of many directors' lists of key trends for the year.

KEY INSIGHT: As the Great Resignation persists, the increased competition for talent continues to top the issues of concern for responding public company directors for the second year in a row, even amid growing concerns about the economy. The next two most broadly selected issues of concern, "growing inflation" and the "uncertain pace of the economic recovery" (tied with the "increasing pace of digital transformation"), highlight these growing economic concerns. Only two short years, however, after "Ensuring a safe working environment for employees" was the second most widely selected issue, selected by 47 percent of directors as a top five issue, it has dropped all the way to the 17th most selected issue, with only 8 percent of public company respondents highlighting the issue as among their top five for the coming year.

WHY IT MATTERS: The pace of employee attrition/turnover has increased significantly as workers look for higher pay, more purposeful jobs, and more flexibility. Any organization that employees feel inadequately addresses issues related to workplace safety will surely be at a competitive disadvantage when it comes to attracting and retaining talent. The loss of these employees, or even their transfer to the workforce of competitors, can ultimately limit strategic options and hinder successful strategic execution.

WHAT BOARDS SHOULD DO: While many organizations may feel that they have a better handle on the myriad issues related to the pandemic, if the aim is to attract and retain talent, boards should not become too complacent regarding workplace safety issues. The specific safety issues an organization must contend with will vary by industry. However, as it becomes clear that the COVID-19 virus is here to stay, the availability of flexible remote work options may be considered in light of workplace safety as opposed to a frivolous benefit. Boards will have to weigh the strategic pluses and minuses of such policies when testing the assumptions of management's talent acquisition and development strategy.

KEY TRENDS BY YEAR

2020		2021		2022	
Increasing pace of digital transformation	51%	Increased competition for talent	67%	Increased competition for talent	69%
Ensuring a safe working environment for employees	47%	Slowing global supply chain	42%	Growing inflation	51%
Slowing global supply chain	41%	Increasing pace of digital transformation	38%	Uncertain pace of the economic recovery	38%
Increased regulatory burden	38%	Changing cybersecurity threats	38%	Increasing pace of digital transformation	38%
Growing business-model disruptions	37%	Increased regulatory burden	35%	Changing cybersecurity threats	38%
n=206		n=180		n=312	

Board Practices and Oversight

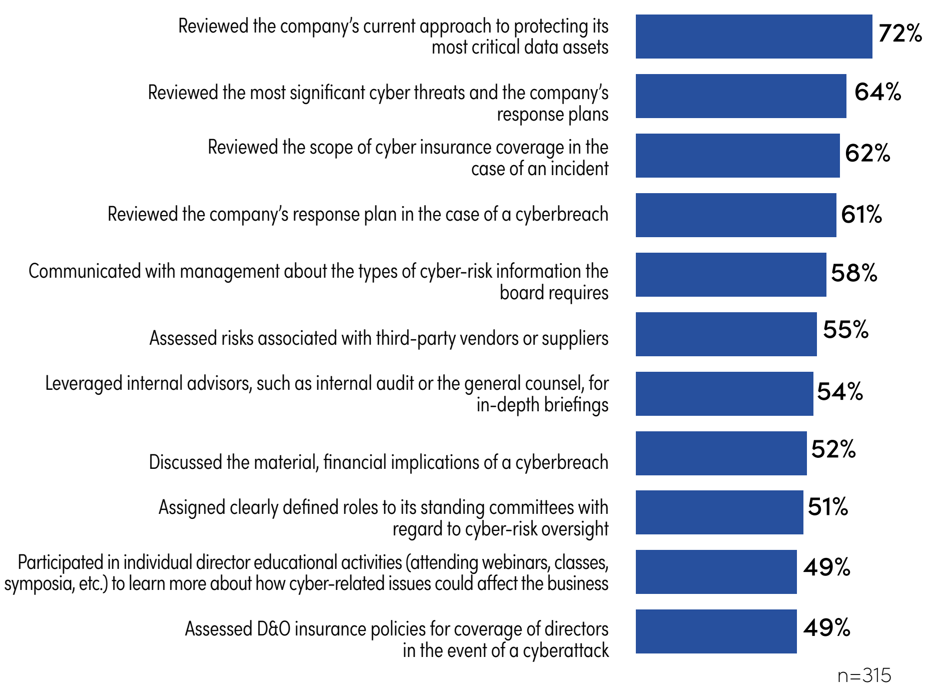
Boards and directors must prepare for increased demands related to cybersecurity disclosures.

KEY INSIGHT: Eighty-three percent of respondents indicate that their board's understanding of cyber risk today has significantly improved compared with two years ago. Yet, 42 percent of respondents indicate that recruiting a cybersecurity-savvy director would benefit their board, compared to 36 percent among public company respondents to last year's survey.

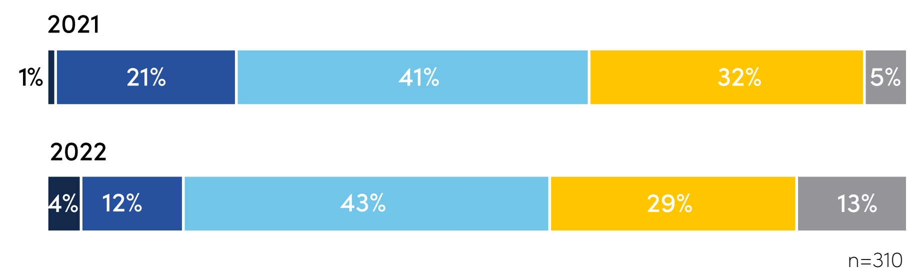
WHY IT MATTERS: Oversight of cybersecurity issues is maturing at public companies. Yet the increasing desire for cybersecurity-savvy directors indicates that boards may be struggling to keep pace with the growing speed and sophistication of cyber threats, as well as the increased scrutiny of regulators. For example, only slightly over half (52%) of public company respondents indicate that their board has recently discussed the potential "material, financial implications" of a hypothetical cyberbreach. Meanwhile, proposed SEC rules released earlier this year would require companies to report on material cybersecurity incidents. Additional proposed rules concern the disclosure of the board's cybersecurity expertise in annual reports or proxy disclosures.

WHAT BOARDS SHOULD DO: Cybersecurity is an area of constant change, and therefore the posture that boards must take is one of continuous improvement. Whether or not a board opts to add cyber expertise via the addition of a "cybersecurity-savvy" director, it is clear that introspection regarding the current capabilities of the board and management is warranted, as is discussion of the material implications of a cyberbreach.

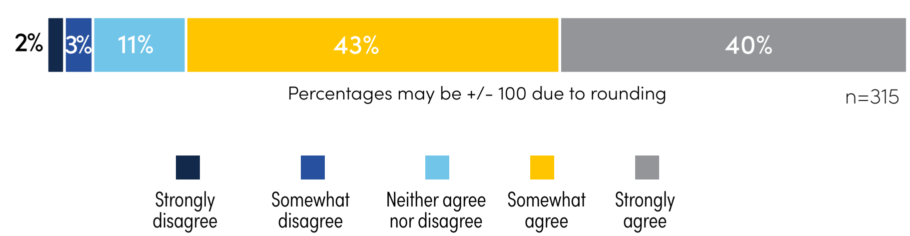
Cyber-Risk Oversight Practices by the Board



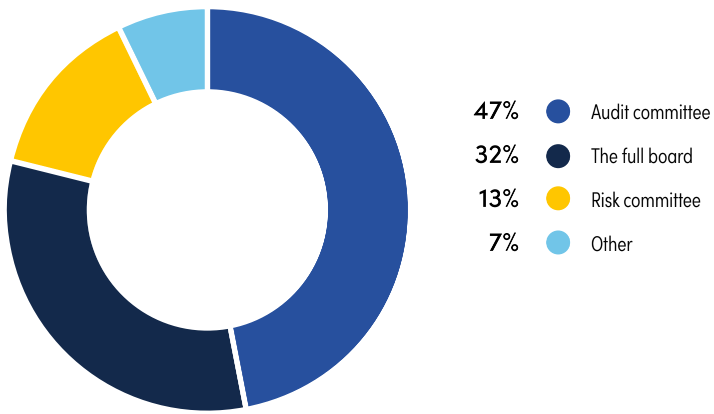
My board would benefit from recruiting a cybersecurity-savvy director.



My board's understanding of cyber risk today has significantly improved, compared to two years ago.

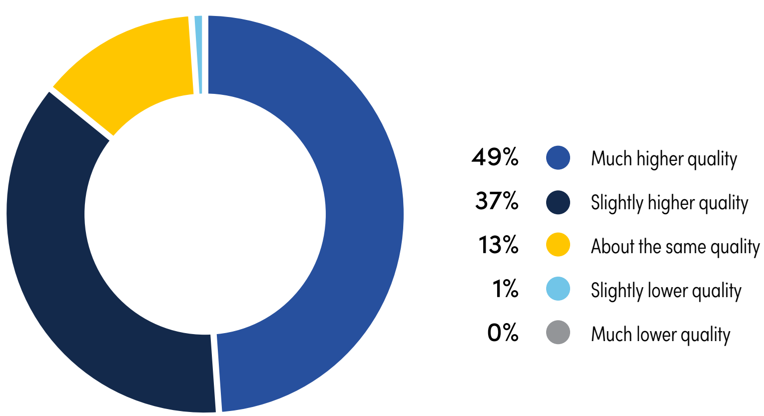


To which group has the board allocated the majority of tasks connected to the oversight of cybersecurity?



n=371

Change in Quality of Cybersecurity Information from Management



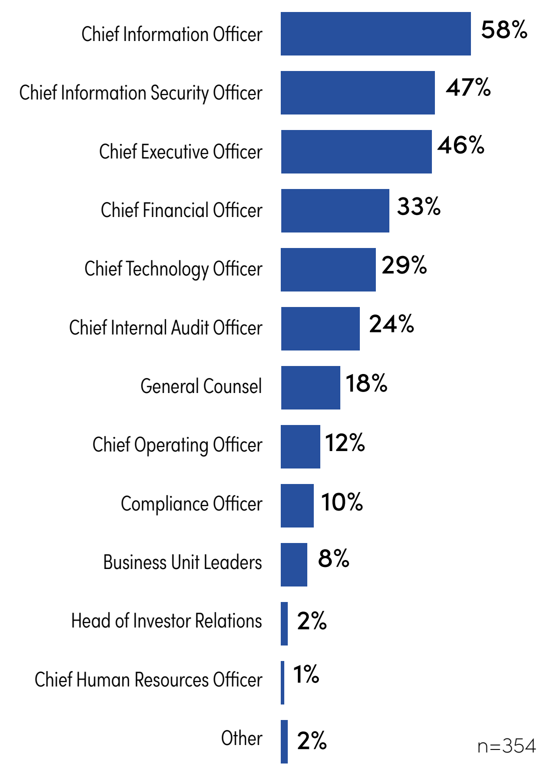
n=308

When is cybersecurity addressed at board meetings?

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Ad hoc	Never
60%	59%	61%	59%	24%	0%

n=344

Executives Reporting to the Board on cybersecurity



n=354

ESG Oversight is forming and norming at most boards, yet challenges remain.

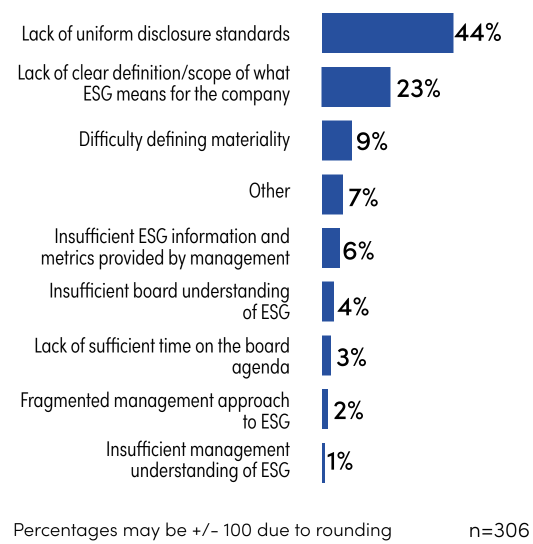
KEY INSIGHT: Boards continue to formalize procedures to address ESG oversight imperatives. This includes efforts to improve board reporting (70%) and delegating ESG oversight tasks to specific committees (64%). Yet developing clear ESG priorities presents a major barrier for boards and management teams. They are steeped in an alphabet soup, starting with defining what the *E*, the *S*, and the *G* mean for their company. Many respondents indicate that defining scope (23%) and materiality (9%) with respect to ESG are among the most challenging aspects of oversight. When it comes to disclosure standards the complexity only deepens—44 percent of respondents indicate that the lack of uniform standards presents the greatest challenge to the oversight of ESG issues.

WHY IT MATTERS: There is a good deal for boards to sort out when it comes to ESG oversight. First, there is the matter of determining what ESG means for a given company. Respondents were asked to select from a list those issues that they predicted would adversely impact their company in the next 5 to 10 years. Energy management ranks highly among board concerns, particularly for those operating in the materials sector, the industrials sector, and, of course, the energy sector. Beyond this these predictions varied by industry illustrating the lack of a uniformity across organizations. Then, when it comes to the environment or climate issues, no single disclosure framework appears to have become particularly dominant. Nearly a third of respondents (32%) do not report on climate targets at all. Collectively, these issues create the risk of ESG drift, where companies and their boards can be pulled in directions that may not contribute to effective risk management and the achievement of long-term performance goals.

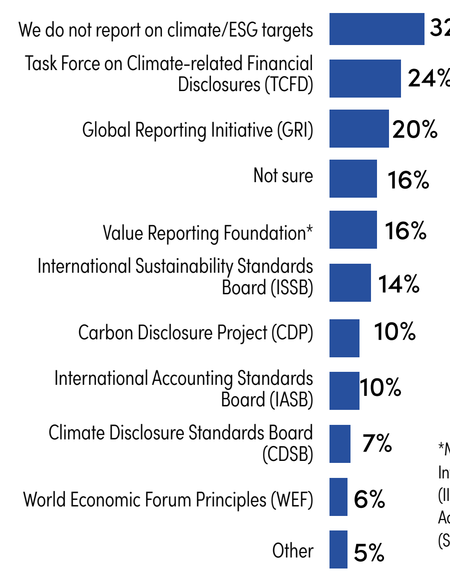
WHAT BOARDS SHOULD DO: Boards and management need to better define the ESG agenda for their companies, including the selection of a reporting framework that makes sense to them. Seventy-eight percent of public company respondents indicate that they have discussed the implications of SEC disclosure requirements pertaining to ESG. This is a sizable proportion, yet it implies that perhaps a quarter of boards have not explored these implications deeply. As regulator and investor expectations shift, directors should maintain awareness of these changes, and think deeply about what ESG means for their particular organization. Boards should ask their management teams to keep the board up to speed regarding any implications posed to the company by potential regulatory changes.

Which of the following ESG oversight practices has your board performed over the last 12 months?

What do you find most challenging in providing oversight of ESG matters?



Which climate principles and/or frameworks did your company adopt in the past two years?



*Merger of the International Integrated Reporting Council (IIRC) and the Sustainability Accounting Standards Board (SASB)

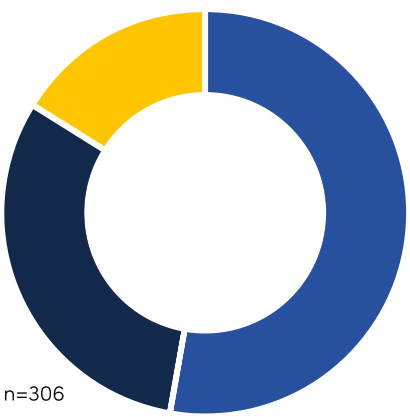
To which group has the board allocated the majority of tasks connected to the oversight of ESG?

- 42% Nominating and governance committee
- 39% The full board
- 11% Other
- 9% ESG/Corporate social responsibility (CSR) committee

Percentages may be +/- 100 due to rounding

n=369

Change in quality of ESG information from management



- 53% Much higher quality
- 31% Slightly higher quality
- 16% About the same quality
- 0% Slightly lower quality
- 0% Much lower quality

Percentages may be +/- 100 due to rounding

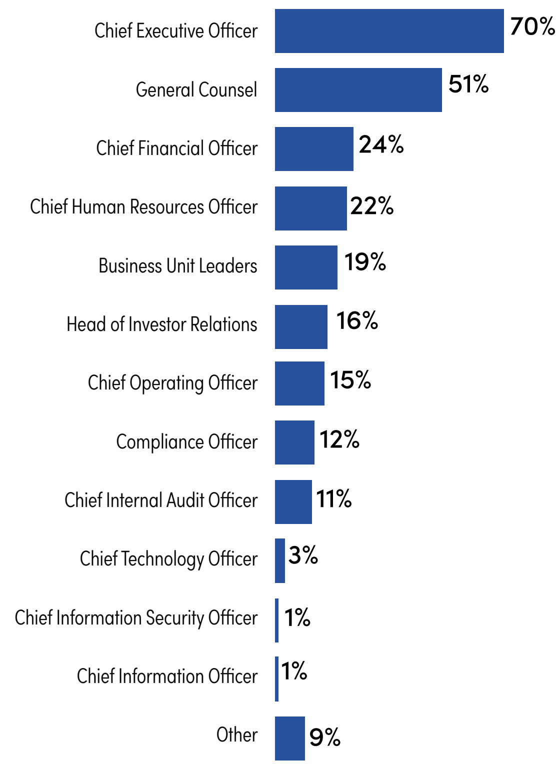
n=306

When are ESG issues addressed at board meetings?

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Ad hoc	Never
51%	53%	51%	53%	29%	<1%

n=342

Executives reporting to the board on ESG



n=348

Boards increasingly adopt human capital oversight practices, as directors express confidence in their companies' plans to develop an effective future workforce.

KEY INSIGHT: Human capital is a relatively novel area of oversight for many boards, yet many of them have adopted key practices to formalize the oversight process. Key discussions are taking place, with a majority of boards having discussed an enterprise-wide talent development strategy (68%). A majority of respondents indicate that their board even discusses human capital strategy on a more regular basis, as a recurring agenda item (57%). These discussions are perhaps a precursor to more targeted practices adopted by fewer boards, for example, delegating specific elements of human capital oversight to relevant committees (43%) or communicating reporting expectations to management (45%).

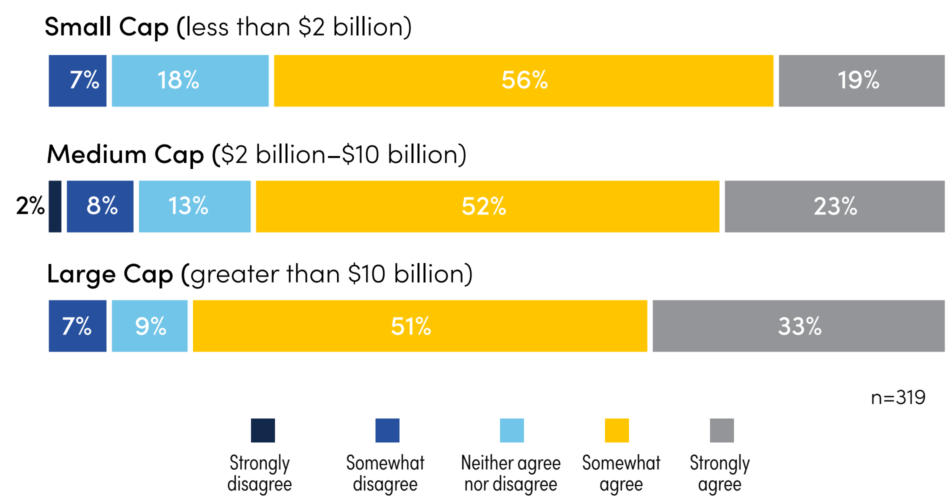
WHY IT MATTERS: With only slight variation by company size (market capitalization), and despite the Great Resignation, public company directors appear confident that their companies are well-positioned to develop an effective workforce for the future. Given that (as noted in the section of this report dedicated to key trends) a majority of directors indicate that talent issues are likely to have an impact on their companies in next 12 months, the implications of overconfidence in this area could be profound. The adoption of formal oversight structures serves to equip directors with the regular flow of information they need to assess progress towards the company's strategic goals with respect to human capital.

WHAT BOARDS SHOULD DO: Public company boards are more likely to receive reports regarding the state of human capital from a Chief Human Resources Officer. While a majority (74%) agree that this information has improved relative to last year, less than half (45%) have communicated clear expectations to management regarding board level reporting about human capital. Communicating these expectations regularly ensures that strategic opportunities related to human capital are not overlooked.

As the board's sophistication with respect to human capital issues increases, delegating tasks to specific committees ensures that they receive due attention. At the majority of boards, human capital oversight issues rest primarily with the compensation committee (57%), though more than a quarter address such issues at the full board level (27%).

Which of the following human capital oversight practices has your board performed over the past 12 months?

Our company is well-positioned to develop an effective workforce for the future.



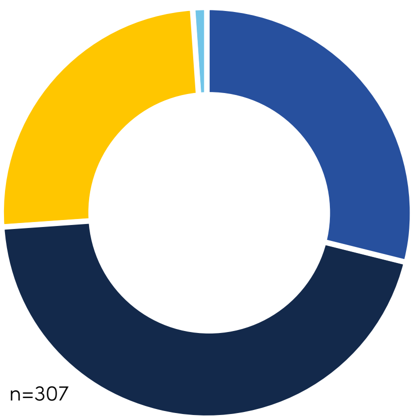
To which group has the board allocated the majority of tasks connected to the oversight of human capital?

57%	●	Compensation committee
27%	●	The full board
9%	●	Other
7%	●	Nominating and governance committee

Percentages may be +/- 100 due to rounding

n=368

Change in Quality of Human Capital Information from Management



29%	●	Much higher quality
45%	●	Slightly higher quality
25%	●	About the same quality
<1%	●	Slightly lower quality
0%	●	Much lower quality

Percentages may be +/- 100 due to rounding

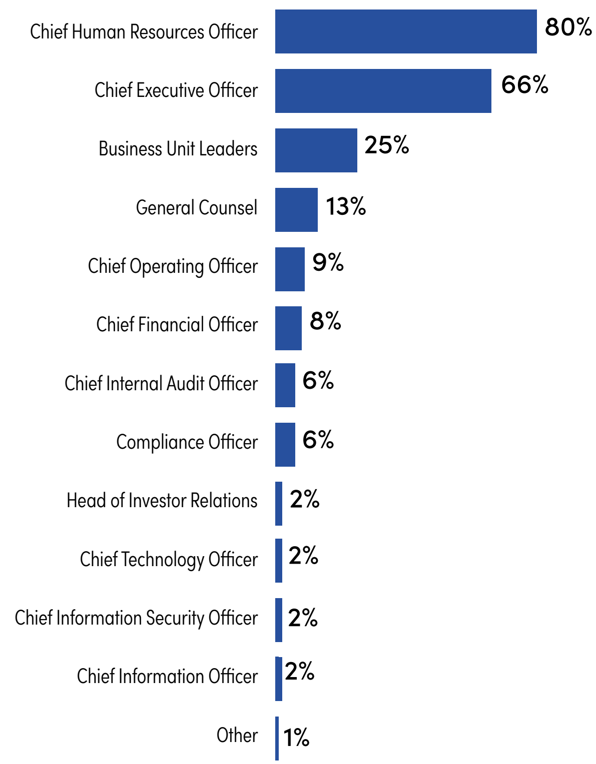
n=307

When are human capital issues addressed at board meetings?

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Ad hoc	Never
51%	54%	53%	59%	22%	<1%

n=335

Executives Reporting to the Board on Human Capital



n=350

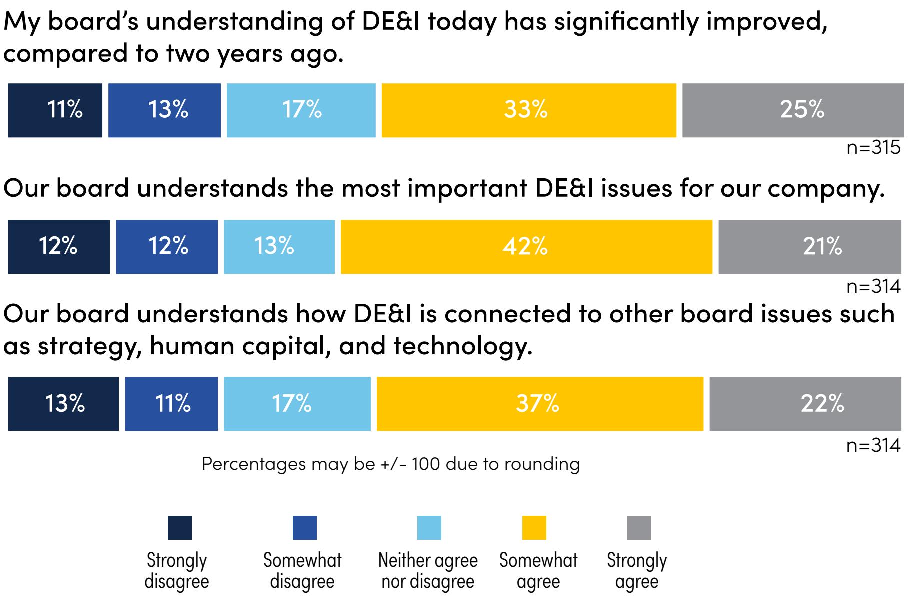
A majority of directors indicate improvement in their board's understanding of DE&I issues.

KEY INSIGHT: Fifty-eight percent of respondents indicate that their board's understanding of DE&I issues has significantly improved compared to two years ago when the social justice movement sparked by the murder of George Floyd intensified rising societal and investor expectations. This is despite fairly wide adoption of practices such as having management report key DE&I metrics to the board (74%) and holding discussions regarding the organization's DE&I priorities (69%). These practices seem to enhance understanding among those that adopt them, but clearly work remains, particularly as only 59 percent of respondents agree that their board understands how DE&I is connected to other board issues such as strategy, human capital, and technology.

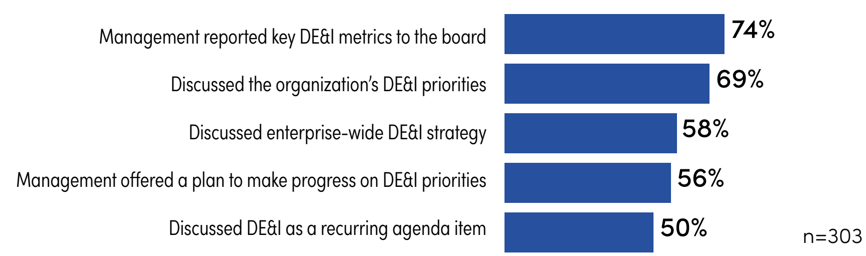
WHY IT MATTERS: Those serving boards that received key DE&I metrics from management were more likely to report that their board's understanding of DE&I issues had improved. Yet only 42 percent of respondents have communicated board-level reporting expectations to management. While a small majority of respondents serving boards that did not receive DE&I metrics from management also agree that their board's knowledge level has improved, without metrics specific to their companies, it is unclear that this enhanced understanding will result in improvements to oversight.

WHAT BOARDS SHOULD DO: An opportunity to increase board understanding and thereby confidence and effectiveness surrounding DE&I issues exists. Boards need to clearly communicate their expectations regarding DE&I to management. Simultaneously, directors should endeavor to enhance their own knowledge of DE&I related issues. Boards and management teams are just at the start of adopting the DE&I imperative. Now it needs to be baked into how the organization operates.

To what extent do you agree or disagree with the following statements?



Which of the following DE&I oversight practices has your board performed over the past 12 months?



	The Board's understanding of DE&I has significantly improved.		
Management reported key DE&I metrics to the board	Agree	Neutral	Disagree
Yes	70%	7%	23%
No	53%	21%	27%

Percentages may be +/- 100 due to rounding

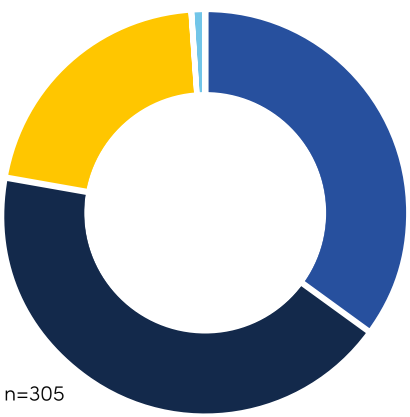
To which group has the board allocated the majority of tasks connected to the oversight of DE&I?

- 39% The full board
- 30% Compensation committee
- 20% Nominating and governance committee
- 11% Other

Percentages may be +/- 100 due to rounding

n=361

Change in Quality of DE&I Information from Management



- 35% Much higher quality
- 43% Slightly higher quality
- 22% About the same quality
- 1% Slightly lower quality
- 0% Much lower quality

Percentages may be +/- 100 due to rounding

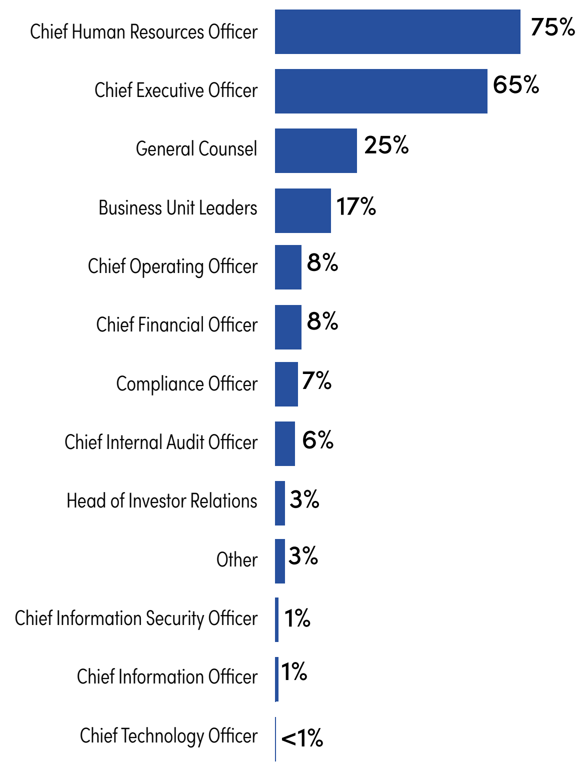
n=305

When are DE&I issues addressed at board meetings?

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Ad hoc	Never
41%	44%	44%	45%	33%	2%

n=241

Executives Reporting to the Board on DE&I



n=345

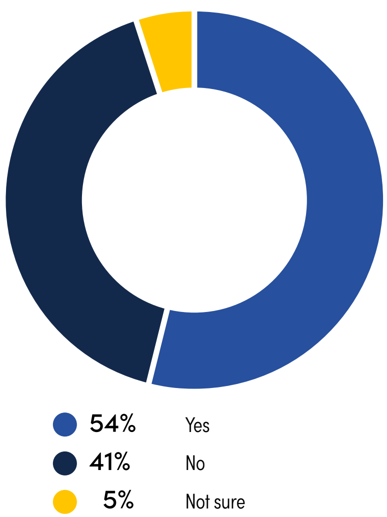
Discussion of climate change has increased at the majority of public company boards.

KEY INSIGHT: Fifty-four percent of public company respondents indicate that the frequency of climate change discussions increased on the board agenda in the last two years. For 37 percent of those indicating discussions have increased, the main factor prompting increased discussion was the perceived relevance of climate change to the long-term growth prospects of the business, while 25 percent stated that its disclosure requirements were the primary driver.

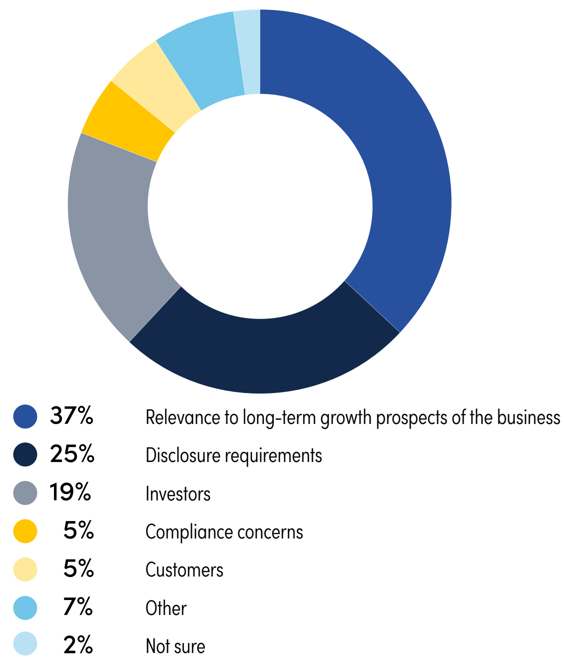
WHY IT MATTERS: As director awareness of issues related to climate change increases, and as it is featured in more board discussions, it will become more of a key consideration in strategy, risk management, executive pay, accounting, and reporting of performance. It is significant that the majority of boards now consider climate not only from the perspective of compliance, but also focus on its potential as a driver of opportunities for long-term value creation.

WHAT BOARDS SHOULD DO: Boards that have yet to discuss climate change at the board level should do so, or they are in jeopardy of being affected by associated risks. Among those that are already holding related discussions at the board level, transitioning focus beyond compliance will better position companies to adapt to this new reality.

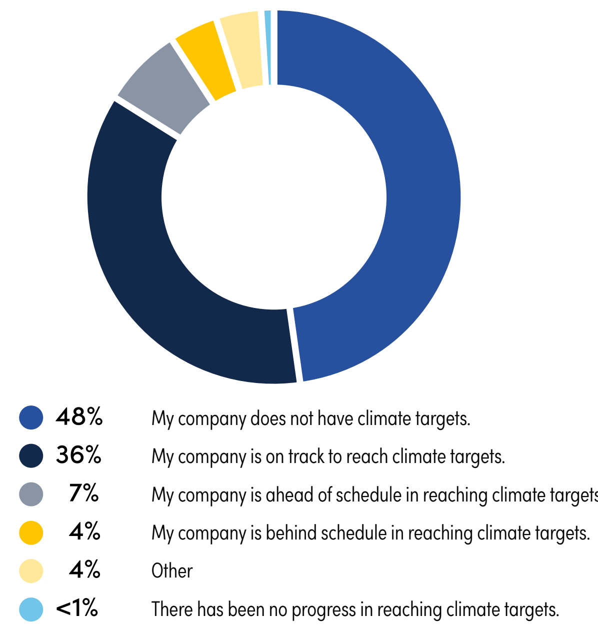
Has the frequency of climate change discussions increased on your board's agenda in the last two years?



What inspired your board to add more discussions about climate change to its agenda?



How would you describe your company's progress in reaching its climate targets?



Board performance is enhanced by the improving quality of information from management.

KEY FINDING: More than half of public company directors rate the quality of board discussion (57%) as the most observable indication of board performance.

WHY IT MATTERS: While in principle it is straightforward to understand the connection between board performance and the quality of board discussions, in practice many factors influence discussion quality. Quality input from management was the most widely selected key driver of exceptional board performance, identified by 59% of respondents. This was followed by leadership (58%). Together board leadership team and the management team play a large role determining the tone, pace, and substance of board discussions.

WHAT BOARDS SHOULD DO: To ensure quality discussions, board might start by addressing what respondents identified as the key barriers to boards seeking to perform at a high level. First among these was inefficient time allocation (45%), an area over which board leadership has influence. To address the other two most-often-cited barriers, information flow issues between the board and management (44%) and poor communication with respect to board expectations of management (29%), board leadership must work hand in hand with management.

Which of the following observable outcomes do you think is most indicative of a highly performing board?

n=324

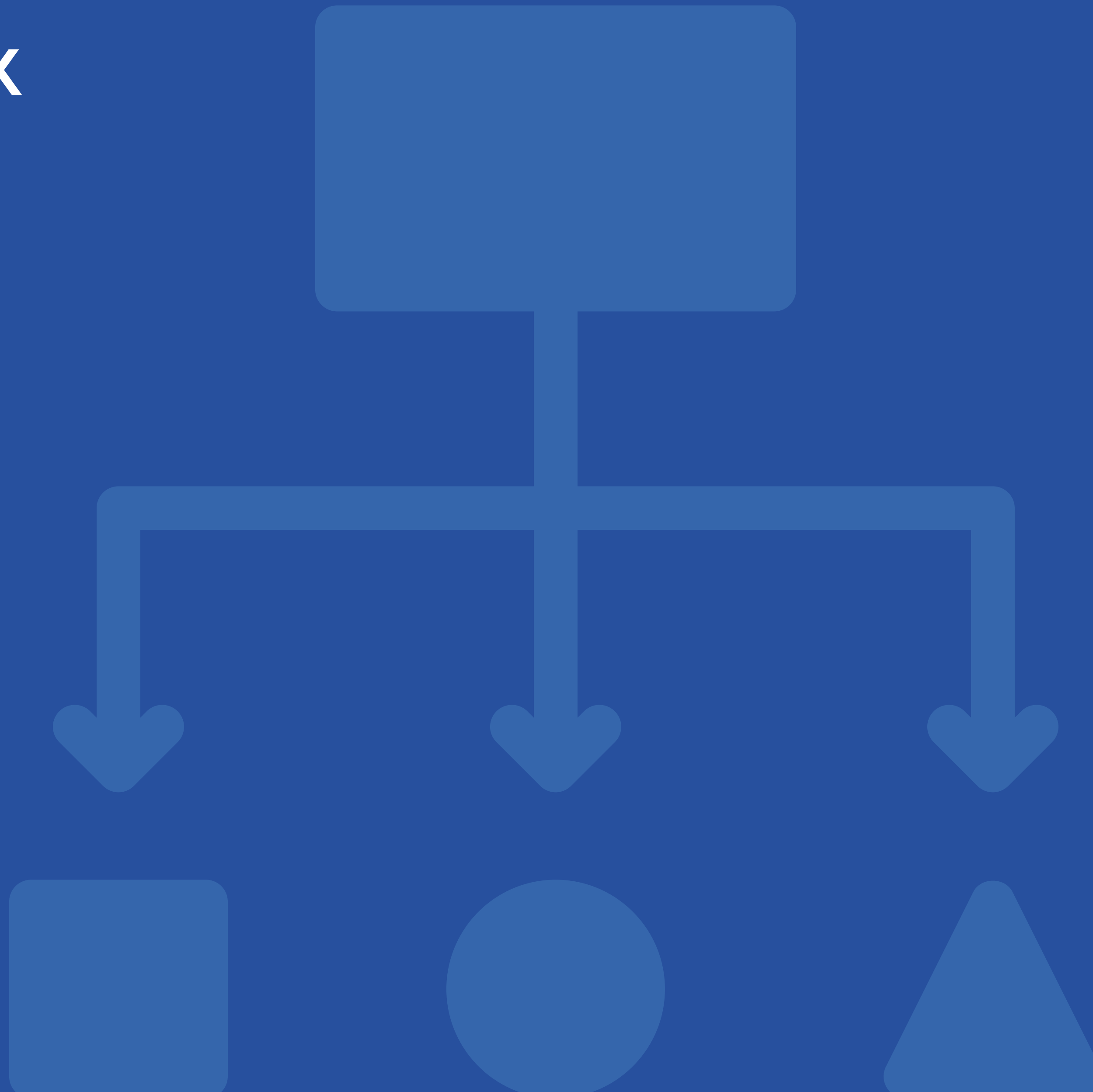
- 57% The quality of discussions
- 24% The balance of forward looking vs. reactive agenda items
- 10% The production of actionable items coming out of each board meeting
- 7% The avoidance of group think
- 3% The extent to which happenings at all levels of the company are accounted for

Percentages may be +/- 100 due to rounding

What do you consider to be the biggest drivers of exceptional board performance?

What issues do you regard as the biggest barriers to a board seeking to perform at a high level?

Appendix



Methodology

DATA COLLECTION

Leveraging its proprietary member database as a sample frame, NACD sent email invitations to directors and others who serve on boards asking them to participate in the 2022 Board Practices & Oversight survey. The survey was in the field from March 28 to April 21, 2022, and the questionnaire was administered electronically. Respondents were instructed to respond on behalf of one of the boards on which they serve.

ANALYSIS

Percentages are based on the total number of responses specific to each question. For example, if a question received responses from only 100 out of 372 total respondents, and 75 respondents answered "yes" while 25 answered "no," the result is reported as 75 percent affirmative. In some cases, survey responses totaling fewer than 5 percent are not represented in graphics for the sake of clarity.

Survey Data Summary

What is your company's market capitalization?

Mega-Cap: Greater than or equal to $200 billion	1.08%
Large-Cap: $10 billion to $200 billion	21.08%
Mid-Cap: $2 billion to $10 billion	40.00%
Small-Cap: $300 million to $2 billion	27.30%
Micro-Cap: $50 million to $300 million	8.92%
Nano-Cap: Less than $50 million	1.62%

n=370

Which of the following best describes your status with respect to the board for which you are taking this survey?

Independent director	86.29%
Nonindependent, nonexecutive director	1.08%
Executive director	0.54%
Nonvoting attendee	0.81%
General counsel/Corporate secretary	5.65%
CEO	4.30%
Other corporate executive:	2.15%
None of the above	0.27%

n=372 Percentages may be +/- 100 due to rounding.

What is your company's annual revenue?

Greater than or equal to $100 billion	1.35%
$50 billion to $100 billion	2.16%
$10 billion to $50 billion	9.46%
$5 billion to $10 billion	10.54%
$1 billion to $5 billion	36.49%
$750 million to $1 billion	10.27%
$500 million to $750 million	8.38%
$250 million to $500 million	8.11%
$100 million to $250 million	3.24%
$50 million to $100 million	4.05%
$25 million to $50 million	1.62%
$10 million to $25 million	1.08%
Less than $10 million	3.24%

n=370 Percentages may be +/- 100 due to rounding.

Which of the following roles do you fulfill on this board? (Please select all that apply.)

Board chair	13.77%
Lead director	10.53%
Committee chair	85.83%

n=247

Which of the following standing (permanent) committees does your board have?

Audit	97.58%
Nominating and governance	94.89%
Compensation	93.28%
Risk	23.66%
Executive	19.89%
Sustainability/Environmental, social, and governance (ESG)/ Corporate social responsibility (CSR)	14.78%
Finance	13.98%
Other standing committee 1:	12.63%
Technology	7.53%
Investment	6.99%
HR/Management development	6.72%
Legal/Compliance	4.57%
Strategy	4.57%
Employee benefits/Retirement plan	1.61%

n=372

In which month does your fiscal year end?

January	2.69%
February	0.30%
March	2.40%
April	0.60%
May	0.30%
June	4.79%
July	0.90%
August	1.80%
October	1.80%
September	6.59%
November	0.00%
December	77.84%

n=334

Percentages may be +/- 100 due to rounding.

Has your board been able to maintain a focus on the long term while navigating the short-term crises of the last few years (COVID-19, supply chain, war, racial justice, etc.)?

Yes	96.24%
No	3.76%

n=319

Will Russia's invasion of Ukraine, and unprecedented sanctions, have an effect on your company with respect to the following items?

	Definitely will not	Probably will not	Might or might not	Probably will	Definitely will
Expansion plans	23.96%	44.73%	18.53%	9.90%	2.88%
Use of domestic inputs as opposed to imported	20.32%	33.55%	25.16%	17.10%	3.87%
Workforce management	14.97%	42.36%	23.25%	12.42%	7.01%
Global operational efficiency	17.57%	34.82%	20.45%	18.21%	8.95%
Supply chain preferences	11.46%	25.48%	21.66%	27.07%	14.33%
Cyber security program and plans	4.72%	13.21%	27.67%	37.11%	17.30%
Increased input costs	8.95%	13.74%	15.34%	41.53%	20.45%

n= 313, 310, 314, 313, 314, 318, 313

Percentages may be +/- 100 due to rounding.

What five trends do you foresee having the greatest effect on your company over the next 12 months?

Increased competition for talent	68.91%
Growing inflation	50.96%
Increasing pace of digital transformation	37.82%
Uncertain pace of the economic recovery	37.82%
Changing cybersecurity threats	37.50%
Increased regulatory burden	34.62%
Slowing global supply chain	28.85%
Rising geopolitical volatility	26.92%
Shifting workforce demographics	25.32%
Growing business-model disruptions	22.76%
Changes in consumer spending and behaviors	18.59%
Growing impact of climate change	16.99%
Increased pace of M&A activity	16.99%
Increasing political uncertainty in the United States	16.03%
Increased investor activism	14.42%
Increased industry consolidation	13.78%
Ensuring a safe working environment for employees	8.01%
Increasing importance of social justice in corporate decision making	1.92%
Other	1.60%

n-312

To which group has the board allocated the majority of tasks connected to cybersecurity oversight?

Audit committee	47.17%
The full board	32.08%
Risk committee	13.48%
Other	7.28%

n=371 Percentages may be +/- 100 due to rounding.

Which of the following executives report to the board on cybersecurity? (Select all that apply.)

Chief Information Officer	58.19%
Chief Information Security Officer	47.18%
Chief Executive Officer	45.76%
Chief Financial Officer	33.05%
Chief Technology Officer	28.81%
Chief Internal Audit Officer	24.01%
General Counsel	17.80%
Chief Operating Officer	11.58%
Compliance Officer	9.60%
Business Unit Leaders	7.91%
Head of Investor Relations	2.26%
Chief Human Resources Officer	0.56%
Other	1.69%

n=354

How has the quality of information provided to you by management on cybersecurity changed in the last two years?

Much higher quality	49.03%
Slightly higher quality	37.01%
About the same quality	12.99%
Slightly lower quality	0.97%
Much lower quality	0.00%

n=308

When is cybersecurity addressed at board meetings across the year? (Please select all that apply.)

Quarter 4	59.30%
Quarter 3	61.05%
Quarter 2	58.72%
Quarter 1	60.47%
Ad hoc	23.55%
Never	0.00%

n=344

Which of the following cyber-risk oversight practices has the board performed over the past 12 months? (Select all that apply.)

Reviewed the company's current approach to protecting its most critical data assets	71.75%
Reviewed the most significant cyber threats and the company's response plans	64.44%
Reviewed the scope of cyber insurance coverage in the case of an incident	61.59%
Reviewed the company's response plan in the case of a cyberbreach	61.27%
Communicated with management about the types of cyber-risk information the board requires	58.10%
Assessed risks associated with third-party vendors or suppliers	54.60%
Leveraged internal advisors, such as internal audit or the general counsel, for in-depth briefings	53.65%
Discussed the material, financial implications of a cyberbreach	52.38%
Assigned clearly defined roles to its standing committees with regard to cyber-risk oversight	50.79%
Participated in individual director educational activities (attending webinars, classes, symposia, etc.) to learn more about how cyber-related issues could affect the business	49.21%
Assessed D&O insurance policies for coverage of directors in the event of a cyberattack	49.21%
Leveraged external advisors, such as consultants or government agencies (FBI or CISA), to understand the risk environment	45.40%
Discussed the legal implications of a cyberbreach	42.22%
Assessed risks associated with employee negligence or misconduct	40.00%
Attended full-board education events on cyber risk	32.06%
Conducted a postmortem review following an actual or potential incident	29.84%
Evaluated the cybersecurity consequences of major strategic decisions	27.94%
Assigned clearly defined roles to the full board with regard to cyber-risk oversight	26.98%
Participated in a test of the company's response plan	21.27%
Considered adding a standing committee focused on cyber-risk oversight	7.94%

n=315

To what extent do you agree or disagree with the following statements?

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
My board would benefit from recruiting a cybersecurity-savvy director.	3.55%	11.94%	42.90%	28.71%	12.90%
My own understanding of what effective cybersecurity defenses should look like is strong enough to provide effective oversight.	1.28%	9.58%	20.45%	48.88%	19.81%
My own understanding of cyber risk is strong enough to provide effective oversight.	0.64%	8.28%	17.52%	50.64%	22.93%
Collectively, my board's understanding of cyber risk is strong enough to provide effective oversight.	2.22%	6.35%	17.14%	50.48%	23.81%
My board is confident that the organization can effectively respond to a materially significant cyberbreach.	1.89%	5.36%	15.46%	54.57%	22.71%
My board's understanding of cyber risk today has significantly improved, compared to two years ago.	1.90%	3.17%	11.43%	43.49%	40.00%

n=310, 313, 314, 315, 317, 315

Percentages may be +/- 100 due to rounding.

Please select the answer choice that best reflects how you as a director prioritize cybersecurity against general business objectives.

Cybersecurity is not relevant to my director role.	0.36%
Business productivity and agility are more important than cybersecurity.	3.61%
Cybersecurity is prioritized above all else, even if it slows down business velocity.	28.88%
Though important, cybersecurity should not get in the way of business operations and initiatives.	67.15%

n=277

What sources do you use to stay up to date on recent cyber incidents, trends, vulnerabilities, and risk predictions? (Select all that apply.)

Internal management groups (e.g., CISO, internal audit)	72.70%
News organizations	58.10%
Peer networks	54.92%
External audit	50.79%
Cyber consultants	46.03%
Government entities	33.33%
External counsel	27.62%
Other	10.79%

n=315

Does your organization have a senior executive with authority and responsibility to coordinate cyber-risk strategy throughout the organization?

Yes	91.77%
No	2.53%
Not sure	5.70%

n=316

To which group has the board allocated the majority of tasks connected to ESG oversight?

Nominating/Governance Committee	42.01%
The full board	38.75%
Other	10.57%
ESG/Corporate Social Responsibility (CSR) Committee	8.67%

n=369

Which of the following executives report to the board on ESG? (Select all that apply.)

Chief Executive Officer	69.83%
General Counsel	50.57%
Chief Financial Officer	23.56%
Chief Human Resources Officer	21.55%
Business Unit Leaders	19.25%
Head of Investor Relations	15.80%
Chief Operating Officer	14.94%
Compliance Officer	12.07%
Chief Internal Audit Officer	11.49%
Chief Technology Officer	3.45%
Chief Information Officer	1.44%
Chief Information Security Officer	1.44%
Other	9.48%

n=348

How has the quality of information provided to you by management on ESG changed in the last two years?

Much higher quality	52.94%
Slightly higher quality	31.37%
About the same quality	15.69%
Slightly lower quality	0.00%
Much lower quality	0.00%

n=306

When is ESG addressed at board meetings across the year? (Please select all that apply.)

Quarter 4	52.92%
Quarter 3	51.46%
Quarter 2	52.63%
Quarter 1	51.17%
Ad hoc	28.65%
Never	0.58%

n=342

Which of the following ESG oversight practices has your board performed over the last 12 months?
(Select all that apply.)

Worked to improve the company's reporting about ESG-related efforts to investors or stakeholders	70.48%
Assigned clear ESG oversight responsibilities to specific committees	64.13%
Discussed the linkage between ESG and the company's strategy	63.81%
Reviewed ESG-related risks and opportunities for the company	63.49%
Worked to improve the board's understanding of the company's current ESG-related performance	61.90%
Discussed the company's strategy for engaging with external stakeholders, such as investors, on ESG	60.95%
Worked with management to define what ESG means for the company	57.78%
Discussed incorporating ESG measures into executive pay	50.16%
Participated in individual director educational activities (attending webinars, classes, symposia, etc.) to learn more about how ESG-related issues could affect the business	45.08%
Engaged in collective board education on ESG	40.32%
Discussed the financial material impact of ESG on the organization	32.06%
Engaged with a consultant to help the board and management sharpen their knowledge of ESG	28.25%
Discussed taking a stand on a social or political issue	15.24%
Sought to recruit a board member who has experience related to ESG or corporate social responsibility (CSR)	13.65%
My board has not focused on environmental or social issues over the past 12 months	2.86%
Other	2.86%

n=315

What do you find most challenging in providing oversight of ESG matters?

Lack of uniform disclosure standards	44.44%
Lack of clear definition/scope of what ESG means for the company	22.88%
Difficulty defining materiality	9.48%
Other	6.86%
Insufficient ESG information and metrics provided by management	5.88%
Insufficient board understanding of ESG	3.92%
Lack of sufficient time on the board agenda	3.27%
Fragmented management approach to ESG	2.29%
Insufficient management understanding of ESG	0.98%

n=306

Over the last 12 months, which of the following ESG-related issues did the board discuss with investors? (Select all that apply.)

Diversity, equity, and inclusion	58.77%
Health and safety of employees	49.03%
Company culture	47.73%
Human capital management	47.08%
Interactions of our company with the broader community	30.19%
Energy management	29.87%
Environmental impact of portfolio products	25.00%
Natural resource conservation/Sustainability	24.03%
Data privacy	23.70%
Waste management	15.91%
Water management/Drought	14.29%
Pollution	13.96%
Global temperature increase	11.69%
Human rights	8.12%
Political activity/Spending	7.79%
Employee rights	6.49%
Other	4.55%
Environmental justice	2.92%
Biodiversity/Wildlife extinction	1.62%
Deforestation	0.97%

n=308

Which of the following ESG-related regulatory actions has your board discussed the implications of? (Select all that apply.)

SEC ESG disclosure requirements	77.78%
SEC human capital disclosure requirements	58.82%
Federal or state gender diversity mandates	27.78%
Clean energy mandates	25.82%
Federal or state ethnic diversity mandates	23.86%
Carbon tax	16.01%
Our board has not discussed the implications of regulatory action on ESG	9.80%
Cap and trade permits	4.58%
Other	2.61%

n=306

Has the frequency of climate change discussions increased on your board's agenda in the last two years?

Yes	54.22%
No	41.23%
Not sure	4.55%

n=308

Which climate principles and/or frameworks did your company adopt in the past two years? (Select all that apply.)

We do not report on climate/ESG targets	31.56%
Task Force on Climate-related Financial Disclosures (TCFD)	23.59%
Global Reporting Initiative (GRI)	19.93%
Not sure	16.28%
Value Reporting Foundation (merger of The International Integrated Reporting Council (IIRC) and the Sustainability Accounting Standards Board (SASB))	15.95%
International Sustainability Standards Board (ISSB)	13.62%
Carbon Disclosure Project (CDP)	10.30%
International Accounting Standards Board (IASB)	9.63%
Climate Disclosure Standards Board (CDSB)	6.64%
World Economic Forum Principles (WEF)	5.98%
Other	4.65%

n=301

Which of the following is predicted to adversely impact your company (including supply chains, joint ventures, subsidiaries, etc.) in the next 5 to 10 years? (Select all that apply.)

Energy management	46.46%
Environmental impact of portfolio products	31.99%
Natural resource conservation/Sustainability	28.62%
None of these issues will impact my company or its stakeholders.	22.90%
Global temperature increase	21.21%
Water management/Drought	19.87%
Waste management	18.18%
Pollution	11.45%
Environmental justice	5.72%
Other	4.04%
Deforestation	2.69%
Biodiversity/Wildlife extinction	1.68%

n=297

How would you describe your board's attitude in regard to climate change?

An issue, but not a top priority within the company	44.74%
An important topic that needs more attention	24.01%
Not a concern for our company	16.45%
A top priority being discussed at all levels of the company	9.87%
Other	2.63%
Not sure	2.30%

n=304

How would you describe your company's progress in reaching its climate targets?

My company does not have climate targets.	48.17%
My company is on track to reach climate targets.	36.21%
My company is ahead of schedule in reaching climate targets.	6.98%
My company is behind schedule in reaching climate targets.	4.32%
Other	3.99%
There has been no progress in reaching climate targets.	0.33%

n=301 Percentages may be +/- 100 due to rounding.

To which group has the board allocated the majority of tasks connected to the oversight of human capital?

Compensation committee	57.07%
The full board	27.45%
Other	8.97%
Nominating and governance committee	6.52%

n=368 Percentages may be +/- 100 due to rounding.

Which of the following executives report to the board on human capital? (Select all that apply.)

Chief Human Resources Officer	79.71%
Chief Executive Officer	66.29%
Business Unit Leaders	24.57%
General Counsel	13.43%
Chief Operating Officer	9.43%
Chief Financial Officer	7.71%
Chief Internal Audit Officer	6.00%
Compliance Officer	5.71%
Head of Investor Relations	2.29%
Chief Information Security Officer	2.00%
Chief Technology Officer	2.00%
Chief Information Officer	1.71%
Other	1.14%

n=350

How has the quality of information provided to you by management on human capital changed in the last two years?

Much higher quality	28.99%
Slightly higher quality	45.28%
About the same quality	25.08%
Slightly lower quality	0.65%
Much lower quality	0.00%

n=307

When is human capital addressed at board meetings across the year? (Select all that apply.)

Quarter 4	59.40%
Quarter 3	53.43%
Quarter 2	54.33%
Quarter 1	50.75%
Ad hoc	22.39%
Never	0.60%

n=335

Which of the following human capital oversight practices has your board performed over the past 12 months? (Select all that apply.)

Management reported key human capital metrics to the board	69.52%
Discussed enterprise-wide talent development and training strategy	68.25%
Evaluated the CEO's performance as a steward of the firm's human capital	66.67%
Discussed human capital strategy as a recurring agenda item	56.51%
Management offered a forward-looking talent assessment based on shifting strategic needs	50.79%
Reviewed existing charters to ensure adequate oversight of human capital	45.71%
Assessed how human capital is driving business performance	45.40%
Communicated to management clear expectations for board-level reporting about human capital	45.08%
Delegated specific elements of human capital oversight to relevant committees	43.49%
Requested that management provide a talent component in every strategic initiative presented to the board	21.90%

n=315

To what extent do you agree or disagree with the following statements?

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
Our company is well-positioned to develop an effective workforce for the future.	0.94%	7.52%	14.11%	52.98%	24.45%
My board's understanding of human capital today has significantly improved, compared to two years ago.	0.31%	3.46%	21.70%	43.40%	31.13%
Our board understands the future of work at our business and how it will impact our human capital strategy.	0.94%	3.76%	9.72%	54.86%	30.72%
My own understanding of the company's current and future talent needs is strong enough to provide effective oversight.	1.57%	3.45%	10.34%	47.02%	37.62%
Collectively, my board's understanding of the company's current and future talent needs is strong enough to provide effective oversight.	0.63%	5.97%	7.55%	45.60%	40.25%

n=319, 318, 319, 319, 318

Which of the following areas of company culture could benefit from additional focus in the coming two years? (Select all that apply.)

Engaging employees in innovation	63.07%
Collecting input from staff on strategic issues	43.79%
Opportunities for remote work	43.14%
Empathy for worker happiness and well-being	43.14%
Employee affinity discussion groups	19.28%
Other	6.86%

n=306

To which group has the board allocated the majority of tasks connected to the oversight of DE&I?

The full board	39.34%
Compensation committee	29.92%
Nominating/Governance Committee	20.22%
Other	10.53%

n=361 Percentages may be +/- 100 due to rounding.

Which of the following executives report to the board on DE&I? (Select all that apply.)

Chief Human Resources Officer	75.36%
Chief Executive Officer	64.64%
General Counsel	25.22%
Business Unit Leaders	17.39%
Chief Financial Officer	8.12%
Chief Operating Officer	8.12%
Compliance Officer	6.67%
Chief Internal Audit Officer	5.80%
Head of Investor Relations	3.19%
Chief Information Officer	0.87%
Chief Information Security Officer	0.87%
Chief Technology Officer	0.29%
Other	2.61%

n=345

How has the quality of information provided to you by management on DE&I changed in the last two years?

Much higher quality	34.75%
Slightly higher quality	42.95%
About the same quality	21.64%
Slightly lower quality	0.66%
Much lower quality	0.00%

n=305

When is DE&I addressed at board meetings across the year? (Please select all that apply.)

Quarter 4	45.18%
Quarter 3	43.67%
Quarter 2	44.28%
Quarter 1	40.96%
Ad hoc	33.13%
Never	1.81%

n=332

Which of the following diversity, equity, and inclusion oversight practices has your board performed over the past 12 months? (Select all that apply.)

Management reported key DE&I metrics to the board	74.26%
Discussed the organization's DE&I priorities	68.98%
Discussed enterprise-wide DE&I strategy	57.76%
Management offered a plan to make progress on DE&I priorities	56.11%
Discussed DE&I as a recurring agenda item	49.50%
Delegated specific elements of DE&I oversight to relevant committees	45.87%
Reviewed existing charters to ensure adequate oversight of DE&I	45.21%
Communicated to management clear expectations for board-level reporting about DE&I	41.91%
Evaluated the CEO's performance as a steward of the firm's DE&I	41.25%
Discussed DE&I beyond traditional human capital issues to include issues such as vendors selection, supply chains, and corporate purpose	29.37%

n=303

To what extent do you agree or disagree with the following statements?

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
Our board understands how DE&I is connected to other board issues such as strategy, human capital, and technology.	13.06%	11.15%	16.56%	36.94%	22.29%
Our board understands the most important DE&I issues for our company.	12.06%	12.06%	13.02%	42.22%	20.63%
My board's understanding of DE&I today has significantly improved, compared to two years ago.	11.11%	13.02%	17.46%	33.33%	25.08%

n=314, 315, 315

Percentages may be +/- 100 due to rounding.

Which climate principles and/or frameworks did your company adopt in the past two years? (Select all that apply.)

Task Force on Climate-Related Financial Disclosures (TCFD)	23.59%
Global Reporting Initiative (GRI)	19.93%
Value Reporting Foundation (merger of The International Integrated Reporting Council (IIRC) and the Sustainability Accounting Standards Board (SASB))	15.95%
International Sustainability Standards Board (ISSB)	13.62%
Carbon Disclosure Project (CDP)	10.30%
International Accounting Standards Board (IASB)	9.63%
Climate Disclosure Standards Board (CDSB)	6.64%
World Economic Forum Principles (WEF)	5.98%
Other (please specify)	4.65%
We do not report on climate/ESG targets	31.56%
Not sure	16.28%

n=301

Has the frequency of climate change discussions increased on your board's agenda in the last two years?

Yes	54.22%
No	41.23%
Not sure	4.55%

n=308

What inspired your board to add more discussions about climate change to its agenda?

Relevance to long term growth prospects of the business	36.75%
Disclosure requirements	24.70%
Investors	19.28%
Compliance concerns	5.42%
Customers	4.82%
Industry group	1.81%
Employees	0.60%
Other	4.82%
Not sure	1.81%

n=166

Which of the following is predicted to adversely impact your company (including supply chains, joint ventures, subsidiaries, etc.) in the next 5 to 10 years?

Energy management	46.46%
Environmental impact of portfolio products	31.99%
Natural resource conservation/Sustainability	28.62%
Global temperature increase	21.21%
Water management/Drought	19.87%
Waste management	18.18%
Pollution	11.45%
Environmental justice	5.72%
Deforestation	2.69%
Biodiversity/Wildlife extinction	1.68%
Other (Please specify)	4.04%
None of these issues will impact my company or its stakeholders	22.90%

n=297

How would you describe your board's attitude in regard to climate change?

Top priority being discussed at all levels of the company	9.87%
An important topic that needs more attention	24.01%
An issue, but not a top priority within the company	44.74%
Not a concern for our company	16.45%
Other	2.63%
Not sure	2.30%

n=304

How would you describe your company's progress in reaching its climate targets?

My company is ahead of schedule in reaching climate targets.	6.98%
My company is on track to reach climate targets.	36.21%
My company is behind schedule in reaching climate targets.	4.32%
There has been no progress in reaching climate targets.	0.33%
My company does not have climate targets.	48.17%
Other	3.99%

n=301

What percentage of your board's meetings do you expect to be virtual over the next fiscal year?

Full Board	32.47%
Committee meetings	47.39%

n=372

To what extent do you agree or disagree with the following statements?

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
The board spends enough time on self-improvement.	2.48%	13.90%	18.30%	44.60%	20.70%
The board agendas allocate appropriate time to the most critical governance issues for the company.	2.48%	3.72%	4.33%	30.00%	59.40%
The skills and experiences of board members are well aligned with the needs of the business.	1.55%	3.72%	1.55%	33.70%	59.40%
The board is effective at overseeing activities of the business.	1.86%	1.86%	4.02%	23.50%	68.70%
There is a strong culture of trust and respect in the boardroom.	2.48%	1.24%	3.72%	18.90%	73.70%

n=323

Percentages may be +/- 100 due to rounding..

To what extent do you agree or disagree with the following statements?

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
Virtual board meetings are an effective tool that boards should use.	3.41%	9.60%	8.67%	38.70%	39.63%
The board has overseen COVID-19 crisis management effectively, without overburdening management.	0.93%	1.24%	4.02%	23.22%	70.59%
Our board has been able to govern effectively in the new environment.	0.62%	0.62%	2.78%	22.22%	73.77%

n=323, 323, 324

Percentages may be +/- 100 due to rounding..

Which of the following observable outcomes do you think is most indicative of a highly performing board?

The quality of discussions	56.79%
The balance of forward looking vs. reactive agenda items	23.77%
The production of actionable items coming out of each board meeting	9.57%
The avoidance of group think	7.10%
The extent to which happenings at all levels of the company are accounted for	2.78%

n=324 Percentages may be +/- 100 due to rounding

What issues do you regard as the biggest barriers to a board seeking to perform at a high level? (Select all that apply.)

Inefficient time allocation	44.55%
Information flow issues between the board and management	43.59%
Poor communication with respect to board expectations of management	28.53%
Problematic individual directors	28.21%
Inadequate meeting preparation on the part of board members	26.60%
Unclear delineation of the roles of the board versus management	26.28%
Silos or subgroups of board members	25.00%
Scope creep	19.55%
Inability to navigate diverse perspectives to form a consensus	18.59%
Inadequate meeting preparation on the part of board leadership	10.90%
Inability to manage an increasing workload	7.37%
Existence of specific problematic processes	4.81%

n=312

What do you consider to be the biggest drivers of exceptional board performance? (Please select up to three.)

Quality input from management	59.26%
Leadership	58.33%
Application of strategic, structured decision making	49.38%
Willingness to test assumptions	42.90%
Information flow	28.40%
Diversity	26.85%
Efficient use of technology	0.93%

n=324

How would you rate your board's overall performance?

Far below average	0.93%
Moderately below average	0.00%
Slightly below average	1.86%
Average	6.83%
Slightly above average	13.98%
Moderately above average	48.76%
Far above average	27.64%

n=322

I believe that at least one of the independent directors on my board should be replaced because of diminished performance.

Strongly agree	7.17%
Somewhat agree	14.33%
Neither agree nor disagree	10.90%
Somewhat disagree	14.64%
Strongly disagree	52.96%

n=23

Has the pressure to generate short-term shareholder returns changed over the past 2 years?

Increased	27.19%
Stayed the same	70.94%
Decreased	1.88%

n=320

Percentages may be +/- 100 due to rounding.

To what extent do you believe the board itself is a source of short-term pressure on management?

To a great extent	9.38%
Slightly	57.81%
Not at all	32.81%

n=320

What time horizons do you use to set the company's long-term strategy?

10 years and beyond	0.93%
5 to 10 years	13.40%
3 to 5 years	76.95%
Less than 3 years	8.72%

n=321

Do you believe using a longer-term time horizon to make business decisions would:

	No	Yes
Positively impact corporate performance	66.25%	33.75%
Positively impact other stakeholders	61.44%	38.56%
Drive stronger innovation	52.19%	47.81%

n=320, 319, 320

Over the past year, which stakeholders' interests have received the most attention in boardroom discussions?
(Select all that apply.)

Investors	76.80%
Employees	70.22%
Customers	64.26%
Regulators	33.86%
Communities	15.99%
Suppliers	14.11%
Other	2.51%

n=319

Within the past year, to what extent has your company changed how it addresses the interests of stakeholders?

To a great extent	21.70%
Slightly	58.18%
Not at all	20.13%

n=318 Percentages may be +/- 100 due to rounding.

What actions has your board undertaken over the last year to address the interests of stakeholders? (Select all that apply.)

Engaged directly with our largest shareholders	58.88%
Considered the interests of all stakeholders in major business decisions, not just shareholders	56.25%
Engaged directly with employees of the company	47.70%
Aligned our long-term strategy with the interests of stakeholders	44.08%
Engaged directly with the CEO to shape the company's voice on major social/political issues	37.17%
Redefined our growth ambitions to become more sustainable and inclusive	33.22%
Engaged directly with customers of the company	32.24%
Engaged directly with suppliers of the company	18.09%
Engaged directly with representatives of the communities in which the company operates	17.76%
Other	3.29%

n=304

What actions has your board undertaken over the last year to increase its agility/responsiveness? (Select all that apply.)

More frequent reporting from management on critical risk indicators	65.53%
Increased the frequency of less formal board-management interactions outside of standard board meetings	49.24%
Use of ad hoc committees to rapidly engage on emerging issues	33.33%
Changed the process for board meeting agenda setting	30.68%
More frequent updating of director skills matrix to improve board refreshment	23.86%
Conducting tabletop/simulation exercises with the full board	10.98%
Development of playbooks to address critical risks	10.61%

n=264

Which of the following risk oversight practices has your board performed over the last 12 months? (Please select all that apply.)

Evaluated risks to the company's strategy	79.03%
Discussed major financial risk exposures	72.90%
Evaluated risks presented by the company's strategy	69.03%
Performed in-depth reviews of specific top risks	61.94%
Communicated with management about the types of risk information the board requires	61.61%
Assigned clearly defined risk oversight roles to its standing committees	52.58%
Conducted periodic reviews of the effectiveness of the company's risk-management system	50.97%
Tested management's assumptions about key risks facing the company	48.39%
Reviewed the company's incentive structure for the potential for excessive risk-taking behavior	48.39%
Developed or reviewed the company's risk-appetite framework to guide major business decisions	45.16%
Monitored the health of the company's risk culture	41.29%
Evaluated major risk interdependencies	39.68%
Reviewed internal systems that enable the prompt flow of risk-related information	36.13%
Reimagined our risk universe in light of many disruptive new risks	36.13%
Attended continuing-education events on risk oversight and management	28.06%
Conducted scenario planning exercises around emerging risks alongside the enterprise risk management team	18.71%
Added a dedicated risk committee to the board	7.42%
Considered adding a standing risk committee to the board	7.10%

n=310

When your board next has a vacancy, which of the following attributes will your board target? (Select all that apply.)

Racial diversity	72.92%
Gender diversity	64.58%
Cyber-risk expertise	34.38%
Corporate-governance expertise	26.74%
Climate-governance expertise	17.01%

n=288

How satisfied are you with your current board's offboarding processes and procedures?

Extremely dissatisfied	1.90%
Somewhat dissatisfied	7.28%
Neither satisfied nor dissatisfied	42.72%
Somewhat satisfied	28.80%
Extremely satisfied	19.30%

n=316

Are there independent directors on your board that you feel have lost their independence due to long tenure?

Yes	11.78%
No	88.22%

n=314

How long do you feel an average independent director retains true intellectual independence when serving on a board?

As long as they serve; independence does not diminish with familiarity.	49.52%
9 years or longer	29.07%
7 years	16.29%
5 years	4.79%
3 years	0.32%

n=313

Percentages may be +/- 100 due to rounding.

How would you rate the effectiveness of the following tenure-limiting mechanisms in ensuring the optimal board composition?

	Very effective	Effective	Neither effective nor ineffective	Ineffective	Very ineffective
Skills-gap analysis of the board	31.96%	51.90%	13.61%	1.58%	0.95%
Individual director evaluations	24.68%	49.68%	19.62%	5.38%	0.63%
Age limits	11.75%	33.65%	24.76%	21.59%	8.25%
Term limits	11.67%	30.28%	28.39%	22.08%	7.57%

n=316, 316, 315, 317

Percentages may be +/- 100 due to rounding.

NACD

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