

NACD Director Professionalism[®] Agenda

August 21–23, 2017 | Montage Resort | Laguna Beach, CA

Day 1 – Monday, August 21

7:00 a.m. – 8:00 a.m. **Registration and Breakfast**

Grand Ballroom Foyer

8:00 a.m. – 8:10 a.m. **Program Welcome and Introductions**

Grand Ballroom I & II

In the spirit of helping corporate directors foster boardroom cultures that are focused on continuous improvement, long-term value creation, and strengthening investor trust and public confidence, NACD has established the standard for director education. NACD's Director Education Framework maps core responsibilities of the board to critical areas of director knowledge that are essential to a director's ability to lead with confidence in the boardroom. These responsibilities range from board governance and structure to ongoing board activities, shareholder considerations, and emerging issues. These core responsibilities will provide a framework for your continuing education as we discuss a multitude of boardroom issues over the next three days. NACD'S standard is incorporated throughout our foundation courses and creates the most comprehensive director knowledge pathway—from awareness to insights to mastery.



Erin Essenmacher

Chair, Gandhi Brigade; Chief Programming Officer, NACD

8:10 a.m. – 9:30 a.m.

Grand Ballroom I & II

Roles and Responsibilities of the Board Member

This session will focus on developing an understanding of the fundamental roles and responsibilities of a board member as well as the different types of boards you might be asked to serve on and how they function. Key topics include

- Differentiating between public, private, nonprofit, and advisory board service
- Review of NACD's Key Agreed Principles
- Understanding the difference between oversight and management
- Governance requirements for boards
- Board size and composition
- Board roles



Michele J. Hooper

Director, PPG Industries, UnitedHealth Group, and the Center for Audit Quality; President and CEO, The Directors' Council

9:30 a.m. – 9:45 a.m.

Networking Break

9:45 a.m. – 11:00 a.m.

Grand Ballroom I & II

Fiduciary Duties of Corporate Boards

The board's fiduciary duties lie at the heart of corporate governance. Here we explain why board members are legally obligated to act on behalf of an organization's shareholders to ensure that the company is properly managed, and describe the corporate laws to which boards are held accountable. Key topics include

- History of expectations of directors
- Overview of Delaware law
- D&O liability



Professor Charles M. Elson

Director, HealthSouth Corporation, Bob Evans Farms, and John L. Weinberg Center for Corporate Governance, University of Delaware

11:00 a.m. – 11:15 a.m.

Networking Break

11:15 a.m. – 12:15 p.m.

Grand Ballroom I & II

Future Casting Disruption

Directors face more uncertainty and complexity than ever before, whether from globalization and social demographic shifts or from a major disruption created by technology and competition. With the many regulatory and quarterly pressures facing companies, it can be hard to focus on the long term, but that's precisely what the board is meant to do. In this session, we'll get an overview of some of the latest disruptive trends shaping the business landscape and discuss how horizon and scenario planning play key roles in creating long-term shareholder value. Key topics include

- External trends and disruptors
 - Cyber
 - Technology
 - Economic/geopolitical shifts
 - Changing demographics
- Regulatory proposals
 - Dodd–Frank proposed rules and standings
 - SEC priorities
 - Proxy season trends/findings



Jennifer C. Wolfe

Director, Domain Diction; Founder & CEO, Dot Brand 360; Managing Partner, Wolfe, Sadler, Breen, Morasch & Colby

12:15 – 1:45 p.m.

Pacific Lawn

Networking Lunch

1:45 p.m. – 3:15 p.m.

CONCURRENT FINANCE SESSIONS

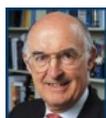
Here we examine the skills and behaviors directors must bring to the boardroom in order to monitor performance, challenge results and practices, assess performance, drive sound decisions, and increase value. Select the breakout session that best matches your own level of financial expertise, and develop new skills to enhance your risk oversight.

Grand Ballroom I & II

Option 1 – Advanced Finance: The Board’s Role in Utilizing Financial Statements to Drive Long-Term Value Creation

Examine a framework for tying financial statements to value creation, explore traditional and value-based performance metrics, and discuss the major decisions that drive value, as well as financial risks and red flags. Key topics include

- Important metrics
- Framework for tying financial statements to long-term value creation
- Financial risks and red flags



Robert A. Howell

Director, Spectra Group Ltd.; Senior Partner, The Howell Group LLC

Gallery Ballroom I

Option 2 – Intermediate Finance: Identifying Issues in Financial Statements

Directors from every background are responsible for protecting shareholder value. Sharpen your financial oversight skills and learn the right questions to ask the CFO. Key topics include

- Overview of key financial documents
 - Proxy
 - 10-K
 - 10-Q
 - 8-K
 - S1
- Interpreting financial statements
- Important metrics
- Capital structure and allocation



John C. Fletcher

Managing Director, Delta Control Group LLC; Director, Headquarters Consulting Group LLC, and Zenia Business Services

3:15 p.m. – 3:30 p.m.

Networking Break

3:30 p.m. – 4:45 p.m.

Grand Ballroom I & II

Best Practices for Investor and Shareholder Engagement

Investors and shareholders play a critical role in ensuring the company's long-term health and success, and effectively engaging with these constituencies is a critical part of board strategy. In this session, we will discuss best practices for engaging with these groups, including how to create a strong, effective, and proactive communication plan. Key topics include

- Areas of focus for proxy season
 - Executive compensation
 - Board composition and director tenure
 - Strategy and risk oversight and disclosure
 - Political spending/lobbying
 - Sustainability and risks
 - Talent development and succession planning
- Growth of shareholder activism
 - Themes of activist campaigns



Michele J. Hooper

Director, PPG Industries, UnitedHealth Group, and the Center for Audit Quality; President and CEO, The Directors' Council

5:00 p.m. – 6:30 p.m.

Pacific Lawn

Networking Reception

6:30 p.m. – 8:30 p.m.

Gallery Ballroom II

OPTIONAL PEER-EXCHANGE DINNER

Space is limited. Onsite registration is required.

Positioning Yourself for Boardroom Service

An overview of how to think about your skills and experience in the context of potential board service, how to best position yourself to serve on a board, best practices for creating board résumés, and how to evaluate a potential board opportunity.



Rochelle Campbell

Director, Child Steps International; Senior Manager, Board Recruitment Services, NACD



Paula Cholmondeley

Director, Terex Corp., Bank of the Ozarks, Kapstone Paper and Packaging Corporation, Nationwide Mutual Funds; CEO, The Sorrel Group

Day 2 – Tuesday, August 22

7:00 a.m. – 8:00 a.m.

Breakfast Sessions

Grand Ballroom I/II

Option 1 – Private Company: Developing Effective Boards

During this fast-paced, peer-to-peer director exchange and Q&A we will examine the key issues affecting today's private-company boards and review resources, tools, and tips that help make these boards effective.



Thomas Bakewell

Counsel to Boards and Executives; former Director, Lindenwood University, Bethesda Health Group, Rotometrics; Author, *Claiming Your Place at the Boardroom Table: The Essential Handbook for Excellence in Governance and Effective Directorship*

Gallery Ballroom I

Option 2 – Nonprofit Governance: Notable Trends and Best Practices

We'll take a look at notable governance trends in the nonprofit world, review several best practices, and wrap with a lively open discussion, including questions, answers, and conversation.



Wendi Wasik

Chair, Beyond Celiac; President, Wasik Consulting LLC

8:00 a.m. – 8:15 a.m.

Networking Break

8:15 a.m. – 9:45 a.m.

The Board's Operating Model

Grand Ballroom I & II

How you approach board service, and how the board as a whole approaches its work, is critical to success. Ensuring you get the most out of your board service and your board gets the most out of your knowledge and expertise requires thoughtful preplanning. In this session, we will discuss how to effectively prepare for board meetings, explore best practices for agenda setting, and prioritize the various critical issues that compete for the board's attention. Key topics include

- Components of an effective meeting
- Components of effective executive sessions
- The board calendar
- Onboarding
- Voting
- Board dynamics



D'Anne Hurd

Director, Pax World Funds; Audit Chair, Peckham Industries Inc.; Board Chair, Monzite Corp.; Former Lead Independent Director, Hiperos LLC, Micronetics Inc. (NOIZ), CEO, Crawford Consulting



Steven R. Walker

Director, ContractRoom, Objective Interface Systems; General Counsel, Managing Director of Board Services Group, NACD

9:45 a.m. – 10:00 a.m.

Networking Break

10:00 a.m. – 11:15 a.m. **Key Committees**

The next few sessions are devoted to giving you a solid grounding in the responsibilities of each of the key committees of the boardroom: nominating and governance, compensation, and audit.

Grand Ballroom I & II

The Nominating and Governance Committee: New Challenges and Opportunities in Board Composition

Recent regulation has broadened the scope and importance of the work of the nominating and governance committee. All aspects of the committee charter are examined and characteristics of the ideal board are outlined, including director recruitment and evaluations. Key topics include

- Board succession planning
- Leading practices for director evaluations
- Director recruitment
- Onboarding



Paula Cholmondeley

Director, Terex Corp., Bank of the Ozarks, Kapstone Paper and Packaging Corporation, Nationwide Mutual Funds; CEO, The Sorrel Group

11:15 a.m. – 11:30 a.m. **Networking Break**

11:30 a.m. – 12:45 p.m. **Compensation Committees: Navigating the Six Seas**

Grand Ballroom I & II

This is a comprehensive overview designed to make sure your committee charter, philosophy, procedures, decisions, and disclosures meet compliance requirements. We sum it all up with a look at pertinent action steps that include training and retaining high performers, the use of independent consultants, benchmarking issues, performance criteria, and benefits and perquisites. Key topics include

- Compensation landscape
- Primer on pay
- Key steps for the full board
- Key steps for the compensation committee



Robert M. Galford

Compensation and Nominating and Governance Committee Chair, Forrester Research; Managing Partner, Center for Leading Organizations



Linda Steffen

Lead Consultant, Meridian Compensation Partners LLC

12:45 p.m. – 2:00 p.m. **Networking Lunch**

Pacific Lawn

2:00 p.m. – 3:15 p.m.

CONCURRENT AUDIT SESSIONS

Audit Committee: Effectiveness in the New Environment

Choose from one of two sessions that provide an overview of the role and responsibilities of the audit committee—one focused on public-company directorship and the other focused on private-company directorship.

Grand Ballroom I & II

Option 1 – Public Company Audit Committee

An overview of the role and responsibilities of the audit committee at publicly traded companies, including its composition and its keys to effectiveness. The session will examine core areas of oversight—financial reporting and controls and risk oversight. Discussion includes managing interactions with other participants in the financial reporting process. Key topics include

- Overview of responsibilities
- Role of financial experts
- Overseeing financial reporting and controls
- Risk oversight



Deborah DeHaas

Vice Chairman, Chief Inclusion Officer and National Managing Partner, Center for Board Effectiveness, Deloitte US

Gallery Ballroom I

Option 2 – Audit Oversight for Private Companies

An overview of the role and responsibilities of the audit committee, including its composition and its keys to effectiveness. The session will explore core issues of oversight but also discuss issues unique to audit oversight at private companies. Key topics include

- Overview of responsibilities
- Essentials for audit committee effectiveness
- How the audit committee supports the CFO
- Audit challenges and how to overcome them



Mark Davis

National Managing Partner, Deloitte Private Enterprises, Deloitte & Touche LLP



D'Anne Hurd

Director, Pax World Funds; Audit Chair, Peckham Industries Inc.; Board Chair, Monzite Corp.; Former Lead Independent Director, Hiperos LLC, Micronetics Inc. (NOIZ), CEO, Crawford Consulting

3:15 p.m. – 3:30 p.m.

Networking Break

3:30 p.m. – 5:00 p.m.

Grand Ballroom I & II

Talent Oversight

Having a strong bench is critical to a company's short- and long-term success. The board is responsible for hiring, evaluating, and compensating the CEO, but should also have an eye toward overseeing talent management at other critical levels of the business. Hear seasoned nom/gov chairs discuss best practices for talent management and oversight. Key topics include

- Leading practices for CEO evaluation, selection, and succession planning
- Management talent pipeline



Robyn Bew

Director of Strategic Content Development, NACD



Michele J. Hooper

Director, PPG Industries, UnitedHealth Group, and the Center for Audit Quality; President and CEO, The Directors' Council

Day 3 – Wednesday, August 23

7:00 a.m. – 8:00 a.m. **Breakfast**

Grand Ballroom III

8:00 a.m. – 9:00 a.m. **Risk Oversight**

Grand Ballroom I & II

Risk oversight is a critical part of the board's fiduciary responsibility. In this session, we will explore the board's role in risk oversight, key attributes of effective risk reporting, the importance of balancing risk with strategic growth, and best practices for board/C-suite communication around risk. Key topics include

- Board risk governance and oversight
- Strategic risk management
- Risk policy, appetite, and reporting
- Case study: E*TRADE Financial



James Lam

Director and Chairman of the Risk Oversight Committee,
E*TRADE Financial Corp.; President, James Lam & Associates

9:00 a.m. – 9:15 a.m. **Networking Break**

9:15 a.m. – 10:15 a.m. **Corporate Transformation**

Grand Ballroom I & II

A key part of board responsibility is overseeing strategy and risk. Perhaps nowhere are these two responsibilities more intertwined than in corporate transformation. Boards might have to consider questions of growth through acquisition, whether the company should engage in a joint venture, and even ultimately the sale of the enterprise. In this session, we will discuss the role of the board in corporate transformation and consider how to evaluate various strategies at different points in the company's lifecycle. Key topics include

- M&A
- Changes in corporate status
- Restructurings



Howard Brod Brownstein

Director, NHS Human Services, Inc., A. M. Castle & Co., P&F Industries, Inc.;
President, NACD Philadelphia Chapter; Former Audit Committee Chair, PICO
Holdings Inc.; President, The Brownstein Corp.



Courtney B. Spaeth

Director, Momentum Aviation Group, Greater Washington Board of Trade,
Hope for the Warriors; CEO, growth.(period)

10:15 a.m. – 10:30 a.m. **Networking Break**

10:30 a.m. – 12:00 p.m.

Grand Ballroom I & II

Strategy From a Board Perspective

Strategy is the key component of a board's responsibility, but what does that mean as a practical matter, and how can you and fellow directors function as true assets to the company during the strategy-setting process? In this highly interactive exercise, you will be stepping into the shoes of the Ajax Company board at their strategy offsite, and helping the management team identify game-changing opportunities as well as potential risks associated with key disruptive trends facing the industry.



Robyn Bew

Director of Strategic Content Development, NACD



D'Anne Hurd

Director, Pax World Funds; Audit Chair, Peckham Industries Inc.; Board Chair, Monzite Corp.; Former Lead Independent Director, Hiperos LLC, Micronetics Inc. (NOIZ), CEO, Crawford Consulting

12:00 p.m. – 1:30 p.m.

Pacific Lawn

Networking Lunch

1:30 p.m. – 2:30 p.m.

Grand Ballroom I & II

New Era Case Study

An opportunity to apply some of the course learnings in a lively, interactive exercise led by an experienced nonprofit and private company director who is both an attorney and a CPA.



Thomas Bakewell

Counsel to Boards and Executives; former Director, Lindenwood University, Bethesda Health Group, Rotometrics; Author, *Claiming Your Place at the Boardroom Table: The Essential Handbook for Excellence in Governance and Effective Directorship*

2:30 p.m. – 2:45 p.m.

Networking Break

2:45 p.m. – 3:15 p.m.

Grand Ballroom I & II

Tying It All Together: Habits of Highly Effective Boards

In today's ever competitive and evolving business environment, boards must be at the top of their game to become strategic assets to management and stakeholders. We will review the key takeaways from the previous sessions and share practical applications of these principles in boardrooms around the world.



Michele J. Hooper

Director, PPG Industries, UnitedHealth Group, and the Center for Audit Quality; President and CEO, The Directors' Council

3:15 p.m.

Program Adjourns

► Reserve your seat today

Attendance at the entire course is mandatory for NACD Fellowship® credit. Please make your travel plans accordingly.