Directors to Watch 2015

This year's class of Directors to Watch faces the traditional array of threats to good governance and board best practices but is also confronting new challenges as well, such as cybersecurity and the aggressiveness of activist investors.

Edited by Scott Chase

An anniversary is always occasion for reflection. This, the 10th anniversary compilation of Directors to Watch, is part of an ongoing effort by Directors & Boards to promote and support diversity in the boardroom. When we began this series in 2006, that support already had a long history with the journal. An article published early in the tenure of our editor, Jim Kristie, was titled "Finding the Blue Chip Woman Director." The year was 1981.

Back then, boards were typically "male, pale, and stale," an epithet that has not softened with the passage of time. Boards have always been challenged, at one level or another, with new risks and new opportunities arising at what seems to be an increasing pace. In 2006, for example, many boards had not ever faced a sustained financial crisis. Sarbanes, Oxley, Dodd and Frank were names on a congressional roster, not markers in a legislative and regulatory redefinition of director service.

The first few editions of Directors to Watch included a mix of genders, colors, races, and experience. Over the past several years, the series has been devoted to female directors. The idea is to showcase women directors of an age and level of experience that makes it a safe bet that they will continue to contribute to and help define the corporate governance agenda for publicly traded and privately held companies.

The Directors to Watch Class of 2015 faces the whole traditional array of threats to good governance and board best practices. In addition to topics like executive compensation, enterprise risk management, protection of corporate reputation, and social responsibility, our honorees are facing new challenges such as cybersecurity and the rise of activist shareholders and investors.

Next year Directors & Boards celebrates its 40th anniversary of continuous publication and service to boards everywhere. We plan to continue to drive the topic of gender diversity on boards. The studies have been made, the statistics are in, and the facts can't be disputed — having a variety of experience, perspective, background and gender makes for enhanced governance and better results across the board.

For this upcoming 40th anniversary edition, the Directors to Watch feature will revisit some of our past honorees and report back on where they are today and how they have moved the ball for board best practices. Until then, take a look at these dozen superstars who are our choices at mid-decade.

Cheryl Mayberry McKissack

Director, PrivateBancorp Inc., Deluxe Corp.

Cheryl Mayberry McKissack is the chief operating officer and president of JPC Digital for Johnson Publishing Company, best known for its flagship publication, *Ebony.* She is responsible for managing media operations including technology development, production, media sales, marketing, business development and all functions of the digital business unit, JPC Digital.

Mayberry McKissack has more than 14 years of corporate board experience and a special expertise in corporate governance. She serves on the board of PrivateBancorp, where she is chair of the corporate governance committee and vice chair of the compensation committee. She also serves as a director of Deluxe Corp. and serves on the finance and compensation committees. She is actively involved in the Chicago community and has held positions on numerous nonprofit boards. She is currently a board member for the University of Chicago Medical Center, Chicago Library Foundation, Shedd Aquarium, and the Gaylord and Dorothy Donnelley Foundation.

Mayberry McKissack enjoyed a successful 23-year corporate career in operations and technology, including serving as the worldwide senior vice president and general manager for Open Port Technology. Before that, she was vice president for the Americas and a founding member of the network systems division for 3Com (formerly U.S. Robotics).

In 2012, she was recognized as one of the "17 Black Internet Pioneers" by ROOT.com, a division of the Washington Post. A published author, her next book, *Entrepreneurial Selling: Mastering Selling Skills for Growth,* is scheduled for distribution in 2016.

Cybersecurity and the Boardroom: "Cybersecurity is moving to the top of public board agendas as directors evaluate risks caused by the evolution of technology and the Internet. No longer are cybersecurity conversations relegated to information technology reviews or simply the responsibility of chief information and technology officers. The rise of cyber attacks on Fortune 500 corporations demonstrates that no company is immune from these occurrences. We should be encouraged to protect our companies. Directors will become increasingly involved in the review of overall risk practices, business continuity planning, readiness for an attack, insurance protection, and disclosures of material risks and incidents as we continue to navigate the rapidly expanding world of cybersecurity."

CHERYL MAYBERRY MCKISSACK

Gail A. Lione

Director, Sargento Foods Inc., Badger Meter Inc., F. Dohmen Co.

GAIL A. LIONE

Gail A. Lione is a senior executive with extensive intellectual property, business strategy, and corporate governance experience. She is a Senior Fellow of the Governance Center of The Conference Board and serves as a director of three companies: Sargento Foods Inc., where she is on its audit committee; Badger Meter Inc., as lead director and a member of its compensation and corporate governance committees; and the F. Dohmen Co., as an audit committee member.

For more than 23 years, Lione served as general counsel of three significant companies in three different industries. Most recently, she was executive vice president, general counsel, secretary and chief compliance officer of Harley-Davidson Inc. and also served as president of Harley-Davidson Foundation. At Harley-Davidson, she was a member of the executive leadership team and managed all worldwide legal affairs, governance and compliance for the company, including for its financial services subsidiary and its trademark holding company. She also served as vice president of human resources for two years.

For the last three years, Lione has been an adjunct professor of intellectual property law at Marquette University Law School and will begin teaching in that capacity at Georgetown University Law School later this year. From 2000 to 2010, Lione served on the board of the National Association of Manufacturers and this year was elected a member of the American Law Institute.

She is on the board of trustees of the University of Rochester and serves on its audit and human resources committees, and is

The Real Reasons to Add a Woman to Your Board

By Beth Stewart

It's Efficient

Qualified new board members often bring a specific skill set which is needed on the board. Generally this is technology, marketing, occasionally HR, and sometimes the background required to chair the audit committee. Today's new board members are usually younger than 60 years old. So when a board adds a woman, they add new skills, age diversity and gender diversity all at the same time. That's efficient.

It's Kind

In my work, I am in constant conversation with men and women about corporate boards. Often the men are my clients and the women are candidates. But to get to know each of them better, I ask them the same question, "Why do you or did you want to go on a corporate board?" Men offer many reasons, such as they want to contribute their expertise to another organization, but at the core, they confess, the real reason they want to be on boards is because it is a prestigious honor for a man at or near the pinnacle of his career.

When I ask women why they want to be on a corporate board, they offer many reasons. For instance, they want to contribute their expertise to another organization, but at the core, they confess, the real reason they want to be on boards is because it is a prestigious honor for a woman at or near the pinnacle of her career.

As any board insider knows, collegiality works in the context of a hierarchy. If you are the person in charge of adding new board members, remember that qualified women have the same aspirations for their careers as men do. Be kind and share the opportunities.

It's Politically Correct

There is enormous social pressure in all aspects of our society to create a more just and fair world. Adding women to corporate boards has to be one of the easiest places to create parity. Women who are qualified to go on corporate boards are smart, hardworking, trained by men and get along with men. A woman with a 30-year corporate career who has risen to the C-suite has to have all these attributes and be good at her job or she wouldn't be where she is. When you think about it, it's a tautology. These women are the cream of the crop. So follow the Nike slogan and just do it. Your wife, your daughters, your mother, your sisters, the women you went to business school with, the women who work for you, and maybe even some men will be impressed.

It Will Be Good for You

A boardroom with people who bring both new skills and an eagerness to speak up, take a fresh look and ask a different set of questions (all characteristics attributed to females) will give outstanding existing board members the cover they need to break from traditional roles. New ideas combined with experience and wisdom is a powerful combination. Everyone will fly a little higher.

***Beth Stewart** has served on four corporate boards. She is the founder of Trewstar, a search firm that specializes in the placement of qualified women on corporate boards. She graduated from Wellesley College and Harvard Business School.*

on the board of Dog Tag Bakery Inc., in Washington, D.C. In Milwaukee she is on the boards of the YMCA, the Milwaukee Ballet, and the Milwaukee Art Museum.In 2011 she was appointed as a member of the MillerCoors Inclusion and Diversity Advisory Council in recognition of her commitment to inclusion.

Integration Is Key to Corporate Governance and Sustainable Growth: "Strategic planning oversight and risk management review are compelling and critical roles for corporate boards. Too often they are treated separately and not integrated. Key to successful business strategy oversight is integration of enterprise risk management into that strategy. True integration is really the only path to excellent corporate governance and the only road to sustainable company performance."

Maureen Breakiron-Evans

Director, Cognizant Technology Solutions Corp., Heartland Payment Systems Inc.

Maureen Breakiron-Evans is an experienced corporate board member, a qualified SEC Audit Committee Financial Expert and an NACD Board Leadership Fellow (2012). She is a dynamic former CFO who has been responsible for driving the transformation of financial and technology operations and the development of enterprise risk management programs for a variety of clients and Fortune 500 employers. She is a Certified Public Accountant with an active license.

Breakiron-Evans serves on the boards of Cognizant Technology Solutions, Heartland Payment Systems, and Stetson University, chairing each of their audit committees, and is a member of the advisory board of the Center for Corporate Governance at Drexel University. She has previously served on the boards of the Federal Home Loan Bank of Pittsburgh and ING Direct, and on the risk, investment, nomination and governance, and compensation committees of various boards. She holds a BBA degree from Stetson University, an MBA from Harvard Business School, an MLA from Stanford University, as well as a certification in cuisine from Cordon Bleu in Paris.

Breakiron-Evans retired as chief financial officer of Towers Perrin in 2008. Before that, she was the general auditor and enterprise risk manager at CIGNA Corp. She was executive vice president and CFO at Inovant LLC, the

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MAUREEN BREAKIRON-EVANS

Visa entity that was created to develop and operate Visa's payment and transactions systems globally.

She also held several executive positions at Transamerica Corp. She spent the first 16 years of her career in public accounting serving clients in the insurance, banking, financial services, health care, professional services, hospitality, and real estate industries, ultimately serving as an audit partner with Arthur Andersen in San Francisco.

Staying Abreast of Critical Technology Developments: "Rapid technological advances, particularly in the areas of social, mobile, analytics and cloud, are creating exciting new opportunities for corporations and other institutions. At the same time, the risks related to these technologies, including digital disintermediation and data security, have become a primary focus for many boards. Directors are increasingly challenged to ensure their institutions are strategically navigating through the maze of these emerging technologies, while simultaneously developing appropriate risk mitigation and crisis management plans. To be effective as directors in today's boardroom, we must stay abreast of the technological developments affecting our industries and insist on robust discussions in the boardroom regarding their strategic implications and related risks."

Gabrielle Sulzberger

Director, Whole Foods Market Inc., Brixmor Property Group Inc.

Gabrielle Sulzberger has been a professional in the financial services industry for over 25 years. Sulzberger is a general partner of Rustic Canyon/Fontis Partners. In addition to her many years of private equity experience, she has served as chief financial officer of two private companies, Gluecode Software, a venture-backed open source software company, which was sold to IBM, and Crown Services, a California-based consolidation of commercial contractors.

Sulzberger received her B.A. from Princeton University in 1981, where she graduated from the Urban Studies program at the Woodrow Wilson School. In 1987, she received her M.B.A. from Harvard Business School and J.D. from Harvard Law School.

She is on the board of Whole Foods Market, where she is chairman of the audit committee and serves on the compensation committee. She is also a director of Brixmor Property Group, where she serves on the audit committee. Previously Sulzberger served on the boards of Stage Stores Inc., IndyMac Bank, and Bright Horizons Family Solutions Inc. She has served on numerous private and nonprofit boards, including the Boston Children's Museum and the Boston Partnership, where she chaired the audit committee. She is a member of the Massachusetts State Bar, and is a Henry Crown Fellow of the Aspen Institute. The National Association of Corporate Directors named Sulzberger as one of the top 100 corporate directors in its 2014 Directorship 100.

Transparency and Integrity Support Informed Decisions: "As directors on corporate boards, we help to insure the transparency and integrity of information in order to enable stockholders and the investment community to make informed decisions – a cornerstone to our economic system and the facilitation of corporate access to the public capital markets. It is a critical role we play as directors, particularly those of us who serve on audit committees. Our first and foremost responsibility is to represent the interest of shareholders. We do this by being stewards for the needs and interests of other key stakeholders – our customers, our employees and vendors – representing tens of thousands of people and businesses with diverse backgrounds and interests. I have been especially fortunate to have served on boards with a strong sense of mission and purpose as we represent the interests of this broader group of constituents."

GABRIELLE SULZBERGER

Margo Georgiadis

Director, McDonald's Corp., NorthShore University HealthSystem

Margo Georgiadis is president of Americas at Google and leads the company's commercial operations in the United States, Canada and Latin

LEADERSHIP.

As a member of the board of directors for The Laclede Group, Brenda Newberry is known as a forward-thinking leader who understands the connection between success and company culture. Brenda's leadership and her diligent focus on diversity, inclusion and results translate into great things for our shareholders, customers and employees.

The Laclede Group

www.TheLacledeGroup.com

America. From 2009 to 2011 she led Google's Global Sales Operations, which included global sales operations and strategies, global technology support teams, and new businesses in local and commerce. She is an expert in helping companies leverage digital technology to transform growth, customer and brand engagement, and operating efficiency.

Prior to her current role, Georgiadis was chief operating officer of Groupon Inc. and spent five years as executive vice president of Card Products and chief marketing officer of Discover Financial Services, where she led a radical turnaround of business performance and revitalized its rewards leadership with award-winning new products, customer experience and marketing. Before Discover, Georgiadis was a partner at McKinsey and Company for 15 years in London and Chicago.

A conversation with Director to Watch 2009 honoree Brenda Newberry, Director, The Laclede Group Inc.

As a leading director, do you feel that enough is being done to promote gender diversity on the boards of publicly traded companies?
A lot is being done, but we need to look at results. The United States hasn't taken a leadership position in this arena, and it's not that there aren't qualified candidates for board positions. For example, more than half of all graduate and post-graduate students are women. Among the ranks of the C-suite – CFOs, COOs, even CEOs – there are many capable women who haven't been tapped as board members.

So the talent is there. I believe it's not a matter of supply but a function of demand. When we no longer have to have this conversation, well, we'll be able to say 'Mission accomplished!'

What have been some key highlights that inform your answer to the previous question?
In some ways, it's the lack of progress that is striking. A report from the SEC a few years ago noted that only about 16% of Fortune 500 companies had women on their boards, and of that group only 3% were chairs. The numbers haven't changed very much in the interim. And that's an element of leadership.

Tone at the top sets the pace and, although some progress has been made, if gender diversity isn't a priority at the highest level, it's not going to happen easily. I have asked some of the leading executive and board-level recruiters why this is moving so slowly. In some cases, I have been told that priority has not been placed on selecting qualified female directors. In other cases, it's actually been said that permission to present qualified female candidates has to be sought before they are even recruited.

Why are the 'golden trousers' so reluctant to bring women onto boards? Really, shareholders should challenge boards that appear to have difficulty with establishing board diversity.

How do you feel about gender quotas such as those in, for example, Norway and Malaysia?
Quotas are not a good idea for the United States. We need to lead by example, not by mandate. Often it is implied that there is not a pool of qualified candidates, and nothing could be further from the truth. Also, any company or organization that has its focus on profitability and performance is not going to settle for or hire a lesser candidate simply to fulfill a quota.

Companies are motivated and measured by results. Study after study shows that higher equity and higher income growth with less disruption and volatility occurs when there are female directors on boards. One remarkable study by Credit Suisse showed that similar companies with three or more women versus those with no women outperformed their category peers by 60%!

I'm not a fan of quotas. Quotas are limiting, counterproductive and often label those selected under quotas as less qualified.

Since you were showcased in 2009, how has your career as a director evolved?
The demands of being an independent director continue to expand, but if it's something you want to do, give it all you've got. I'm focused on The Laclede Group Inc. We have a female president and CEO, Suzanne Sitherwood, with four female directors on a board of nine – so, 44% gender diversity. The value of Laclede has grown from $1 billion a few years ago to $4 billion today.

Director service can be all consuming, and with my background in IT and cybersecurity and my membership on the nomination & governance, investment review, and audit committees, I'm fully engaged with this great 158-year-old listed company. But there's room for more, and I am looking forward to my next invitation to join a smart, progressive board.

What's the most important thing female executives should do to position themselves for board service?
The main thing anyone can do is to continually perform to the best of your ability. You will progress if you constantly strive for and show excellence. Explore service on boards of nonprofits. Show that you have leadership skills and perseverance, even when you're not getting paid! Participate in local business organizations to build your personal network, increase your exposure, and learn about new opportunities.

And, last but not least, let people know your aspirations. You won't get invited or selected to join a board by just existing. It's all about performance.

***Brenda Newberry** became an NACD Fellow in mid-June.*

The Penn Mutual Life Insurance Company Congratulates the 2015 Directors to Watch and Directors & Boards for 10 years of successfully promoting gender diversity.

Over Penn Mutual's 168-year history, we've seen a lot of change but continue to grow, and are passionate about attracting new and diverse professionals to our industry. Today, women leaders comprise over 40% of Penn Mutual's Executive Team and Board of Trustees.

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MARGO GEORGIADIS

Georgiadis is an experienced board member and serves on the boards of directors of McDonald's Corp., NorthShore University HealthSystem, the Ad Council, and World Business Chicago. She also is a member of The Commercial Club of Chicago, The Committee of 200, and The Chicago Network.

Her recent awards and recognition include Forbes Excellence Award in Innovation (2014), Crain's Most Powerful Women in Business (2014), Chicago POW! Womenetics Purposeful Women Award (2014), and Fortune Next Most Powerful Women in Technology (2013). Her professional degrees include a bachelor's degree in economics from Harvard College and an MBA from Harvard Business School.

Transforming for the Future: "The increasing pace of technological change is challenging nearly every business to reimagine how it operates and engages its customers. The boundaries between products and services are blurring. Constant connectivity is creating vast amounts of data and new management challenges. New competitors are entering and often redefining markets at a pace and scale that was previously unimaginable. Partnerships are growing and more complex. It's never been more important for boards to embrace their role as independent advisors to ensure that the company has a robust strategic plan, understands current and potential risks, and has the right leadership team, mix of skills and succession plans to transform for the future. Boards need to use their diverse perspectives and experiences to ask the tough questions, help avert potential blind spots, and maintain speed."

Making the case for a security committee of the board

By Catherine Allen

Catherine Allen is the chairman and CEO of The Santa Fe Group, a strategic advisory group based in Santa Fe, New Mexico, that specializes in risk management, cybersecurity, and emerging technologies, as well as managing the industrywide Shared Assessments Program for Third Party Risk. She serves on the boards of El Paso Electric Co., Synovus Financial Corp., and Analytics Pros, as well as on the advisory boards of Houlihan Lokey and WomenCorporateDirectors. In addition to sitting on other committees, she chairs the security committee at El Paso Electric and sits on the risk committee of Synovus, both of which she helped set up. She formerly served on the board of Stewart Information Services and chaired the technology committee there.

The daily announcements of cybersecurity breaches, increasing concern about terrorism on critical infrastructures, the rising reputational risks that social media brings, the rapidly changing technology marketplace, and the complexity of managing increasing risks all put pressure on boards to stay up to speed and to be proactive rather than reactive. Traditionally, oversight of operational and technology risks have been the responsibility of the audit committee of the board, as well as the board at large, but that is changing.

Dodd-Frank legislation mandated that financial institutions separate out technology and operational risk from the audit committee to a risk committee. Many non-financial corporations are following suit.

A third board committee is also emerging to focus on security, both cyber and physical, in those organizations that are considered critical infrastructures like public utilities, health care, and transportation, and in financial institutions and other data intensive organizations. The rationale is to put more expertise and focus on emerging risks and for the board to be proactive rather than reactive. Not only are the regulators more concerned about these risks and third-party risks but the investor community is as well. This is one of the areas that shareholder activists are considering when evaluating company performance.

Most of these new security committees include members of the board with technology or risk management expertise as well as senior management such as the chief risk officer, chief technology officer, chief security officer, and others with the relevant expertise. The chairman and CEO of the board also participates.

The security committee usually has oversight for both physical and cybersecurity, and the reputational and operational risks related to critical infrastructure, company assets, data protection, and intellectual property. These committees also oversee third-party risk with regard to security issues. Many meet six times a year and on an "as need" basis if an event occurs.

Research on gender differences on boards by sources such as Credit Suisse, Catalyst, and Harvard, suggest that women look at risks in a different way than men. According to the studies, women look at risk more holistically and ask more detailed questions on the issues. It is not surprising that women are populating the emerging risk and security committees of boards.

How do you deal with game-changing issues? You bring new players into the game.

Today's boards face an array of complex issues. The best way to understand these issues—and provide proper oversight—is to take advantage of a broader range of perspectives. As global lead sponsor of WomenCorporateDirectors (WCD), KPMG LLP supports the growth of diversity in corporate boardrooms, and we're especially proud to salute the WCD members being honored as Directors to Watch. All of whom can be considered game changers themselves.

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cutting through complexity

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Shan Atkins

Director, Darden Restaurants Inc., SpartanNash Co., SunOpta Inc.

M. Shan Atkins is co-founder and managing director of Chetrum Capital LLC, a private investment firm. Her background is in the consumer and retail sectors, including a variety of roles with Sears Roebuck & Co. from 1996 to 2001, ultimately as executive vice president. Previously, Atkins was a partner in the consumer and retail practice of Bain & Company. She began her career as a public accountant in Canada at what is now PricewaterhouseCoopers LLP. She holds designations as a CPA, as a Chartered Accountant and as a Chartered Professional Accountant, and is an SEC-designated financial expert in her work with audit committees.

Atkins is a director of Darden Restaurants; SpartanNash, a major grocery wholesaler and retailer; and SunOpta, a global supplier of natural and organic foods. She also serves on the board of True Value Co., a private cooperative of independent hardware stores, and as an independent appointee of the Blue Cross and Blue Shield Association to one of their board committees.

As a director, Atkins has chaired audit and compensation committees and served on all standing and many special board committees, including those for CEO search, turnaround profit improvement, and various other purposes. She is recognized as a Board Governance Fellow by the National Association of Corporate Directors (NACD), and is a frequent speaker at director education programs on a broad range of topics, including the NACD's 'Master Class' series of programs for experienced public company directors.

SHAN ATKINS

The 'Problem' of Shareholder Activism: "These days the 'problem' of shareholder activism is getting a lot of attention in boardrooms. I believe that's the wrong way to think about this important subject. My view is that shareholder activism is the 'new normal,' and

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boards need to recognize it as such. Shareholders are demanding, and getting, much more accountability from boards, and that is a good thing. While not all activists are constructive actors, my own direct experience over the past decade has been that the majority are seeking to create shareholder value in ways which are appropriate. At the end of the day, the best defense against shareholder activism is good performance. As directors, if we do the right things to drive value at our companies, this 'problem' takes care of itself."

Colleen B. Brown

Chairman, American Apparel Inc.
Director, TrueBlue Inc., Port Blakely Companies

Colleen B. Brown has achieved outstanding results and recognition as a business and corporate leader. She currently advises media, technology and information companies. She recently was director, president and CEO of Fisher Communications, a Seattle-based owner of TV and radio stations and technical facilities located in the western U.S. Brown led the turnaround at this Nasdaq-listed company and completed its successful sale in 2013. She was inducted into the GAMCO Asset Management Inc. Management Hall of Fame in 2014 for outstanding contributions in enhancing shareholder value. Additionally, during her time at Fisher, she was recognized by the industry as Innovator of the Year for work in hyperlocal technology and as the Technologist of the Year for work in mobile digital TV.

COLLEEN B. BROWN

She is the newly elected chairman of American Apparel and serves on the audit and governance committees. She is a director on the TrueBlue Inc. board, serving on the compensation and technology committees. She also is a director for Port Blakely Companies. She has served on the boards of Career Builder and Classified Ventures (cars.com) and the venture-backed technology company, DataSphere Inc. She's a member of NACD and WCD. She is a Henry Crown Fellow at the Aspen Institute.

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SHARED ASSESSMENTS

Catherine A. Allen, a 2012 Directors to Watch honoree and founder of Shared Assessments, congratulates the Directors to Watch Class of 2015 and **Directors & Boards** on 10 years of promoting top diversity directors.

The Shared Assessments Program is the trusted source for third party risk management with resources, including tools and best practices, to effectively manage the critical elements of the vendor risk management lifecycle. Members represent a collaborative, global, peer community of information security, privacy, and third party risk management leaders in industries including financial services, insurance, brokerage, healthcare, retail, and telecommunications.

Let's Move This Discussion Forward with Speed: "It's been more than 40 years since the mass arrival of women in the workforce and over 30 since the 'glass ceiling' discussion began. Today, less than 5% of Fortune 500 CEOs are women and only 16% of board seats are held by women. Given the size and pivotal role women play as providers, decision makers and consumers, the extent of their participation in business has major implications for our economic success. Pursuing the utilization of all human capital, including women on the board and in the C-suite, will help companies outperform those that remain on the sidelines."

Phyllis Cochran

Director, New Flyer Industries Inc., Spartan Light Metal Products

Phyllis Cochran is a director and audit chair for New Flyer Industries, a leading manufacturer of heavy- duty transit buses in the United States and Canada with revenues of $1.5 billion. She also serves on the board of Spartan Light Metal Products, a family-owned business that designs, develops and manufactures aluminum and magnesium custom die-casting and assemblies primarily for the automotive industry. Previously, she served for seven years as a board member for the Mosaic Co., with revenues of $10 billion. Some of her significant board involvements included development of a strategic plan, CEO succession, and the oversight of a new incentive plan structured more strongly for pay for performance.

Cochran is a global business leader with 30 years in senior management at Navistar International Corp., a Fortune 500 global manufacturer. Most recently, she was president and CEO of Navistar Financial Corp., a subsidiary captive finance company with $5 billion in portfolio assets in the United States and Mexico. She has expanded her business involvements internationally to Brazil, Columbia, Peru, Chile and South Africa. She has an excellent track record of profitability across diverse businesses, including global parts business,

PHYLLIS COCHRAN

Congratulations

Maureen Breakiron-Evans

2015 *Directors & Boards* Director to Watch

As Audit Committee Chair for Heartland Payment Systems, Maureen provides tremendous insight and leadership while exemplifying our corporate values—fairness, honesty and transparency. Thank you for your contributions and congratulations for this well-deserved recognition.

Heartland

Is the United States playing to win?

By Cindy Burrell,
CEO, Diversity in Boardrooms Inc.

According to the U.S. Census Bureau, in December 2014 there were over 73 million working women in the United States. While women were just under half of the general workforce (47%), they represented a majority of those in professional and technical occupations (51%).

Just a few weeks later, *Fortune* magazine pointed out that "Globally, women gain corporate seats — not in the U.S." Imagine playing a card game with 49% of the deck!

Where are the women in corporate boardrooms? It's not that they are not well educated. According to Yale Global in March 2014, "In the United States women are almost 60% of the annual university graduates and more than 70% of 2012 high school valedictorians. Women account for 60% of master's degrees and 52% of doctorates being awarded in the U.S."

Education is not the issue.

Looking historically, especially prior to 2002 and Sarbanes-Oxley, CEOs had a dominant role in deciding on what type of background was needed in a new board director and who that board director would be. There was a strong tendency to favor other CEOs, people who would have a similar perspective, understanding and leadership background as the CEO. And very few women were CEOs of major companies.

When thinking about building a board, however, putting together a team of people with different strengths to reach the best solutions is the preferred option – in strategy, during a crisis, succession planning, risk management, financial oversight, competitive benchmarking, international expansion. Who needs five CEOs on the team? Boards today need more than a CEO's strengths of strategy and oversight perspective. In our rapidly changing technological world, boards dig deeper to give recommendations and approvals. Boards today need more diversity of expertise to steer the helm – recent backgrounds of a CFO, GC, CMO, CIO, or CHRO.

With diversity of expertise and successful backgrounds, women board candidates can rise to the top. It's time America fully uses its talent pool and plays with a full deck to win!

distribution, global financial services, and dealer operations.

In the not-for-profit sector, she is a member of the board for Women In Trucking and recently served as board chair. Also, she is a board member for the Girl Scouts of Greater Chicago and Northwest Indiana and serves as chair of the finance committee.

CEO Succession: "A key role of the board is thinking forward, planning for 'what if' and preparing for the day when the CEO may leave or be asked to leave. If a CEO has a sudden illness or departure, is the board ready with viable solutions to fill the gap on an interim or long-term basis? Is there a leadership development program to enhance the breadth and depth of the team? In addition, placing a successor from within the company can create positive market results during a transition. With the board engaged in thoughtful succession planning and oversight of leadership talent development, a proactive board gains the edge on CEO selection and company success."

Cassandra Kelly

Chair, Pottinger; Director, Flight Centre Travel Group

Cassandra Kelly is an experienced international director, corporate advisor, entrepreneur and philanthropist. She has lived in Africa, Asia, North America and Europe. Her industry experience spans agriculture, consumer products, energy and resources, financial services, infrastructure, technology, digital media, and tourism. She brings expertise in finance, risk, sustainability and proven success in building successful global

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CASSANDRA KELLY

businesses.

She was recognized in Australia in 2012 in the "Women of Influence" awards as one of the most influential women on boards and in management. In 2014 she was awarded the *In Style* magazine Business Woman of Style.

She is also chair for Pottinger and Pottinger Analytics, a multiple award-winning company she co-founded in 2003, enabling leaders to make informed decisions and achieve strategic transformations that stand the test of time. She has clients in most of the world's major economies. Pottinger has been recognized by the Australian government as a benchmark for productivity and staff development.

Internationally regarded, she continues as an expert advisor to the G20/B20 on matters of infrastructure. In 2014 Kelly spoke at the G20 Finance Ministers' and Reserve Bank Governors' Meeting. By invitation, she has spoken in the UAE, Malaysia and Japan on the importance of gender equality.

One of her directorships is for Flight Centre Travel Group, one of Australia's most iconic businesses. As a nonexecutive director, it brings her great satisfaction to provide insight on strategic and international growth.

Evolution in the Boardroom: "Companies that acknowledge the current climate of unprecedented change and constrained global resources will recognize that past ways will not be what leads to success in the future. These companies will find ways to adapt, starting with board diversity – not just of gender, but background, perspective, age and ethnicity. As the boardroom evolves, and the movement has already begun, we begin to see the benefits. Board directors are spending more time looking up, out and forward as opposed to looking in the rear view mirror. With the benefit of rigorous thinking and data-informed decision making, directors are able to be bolder and braver. They are able to give more thought to investing in tomorrow's opportunity as opposed to maintaining the core."

Connie D. McDaniel

Director, Total System Services Inc., RidgeWorth Funds

Connie McDaniel is a senior executive recognized for accounting, finance, governance, and risk management expertise. She has served as a member of senior management in accounting and finance at The Coca-Cola Co. and Ernst & Young, including controller and chief audit executive roles. McDaniel's experience is global with assignments in both emerging and developed markets in South Asia and Europe. A skilled communicator, she is able to articulate complex corporate objectives at all levels including corporate boards, senior management, staff, and vendors building effective stakeholder relations.

CONNIE D. MCDANIEL

McDaniel serves on the board and is a member of the audit committee of Total System Services Inc., a $2 billion-plus provider of payment solutions for banks and merchants, based in Columbus, Ga. She is also a member of the board of trust-

ees of Ridgeworth Funds, a $21 billion fixed income and equity mutual fund family based in Atlanta. She serves as the chair of the audit committee and has been the board's financial expert for over five years.

McDaniel chairs the board of advisors of the J. Mack Robinson College of Business at Georgia State University and has been active in supporting the inaugural Women Lead program there.

In recognition of her leadership and management expertise, she was named to the 'Top 100 Most Influential People in Finance' by *Treasury & Risk Magazine* in 2007 and received the Service to Georgia State University's J. Mack Robinson College of Business Award in 2010.

Developing and Nurturing the Board Culture: "Every board is composed of a unique mix of directors with a diverse set of skills and experience. It is essential that each board develops and nurtures a culture that recognizes the contribution of each member, fosters open communication and supports continuous learning. Each and every board member plays a role in actively fostering this environment. This culture will vary and flex amongst boards, but in every case it should promote an open and collegial environment. This will ensure that all members feel free to ask questions, identify gaps in expertise, seek input when needed, and critically evaluate the board's performance. This culture will support a high-performing board that is essential in today's fast-paced and ever-changing environment."

NANCY MCKINSTRY

Nancy McKinstry

Director, Abbott, Russell Reynolds Associates

Nancy McKinstry has been chief executive officer and chairman of the executive board of Wolters Kluwer since September 2003 and a member of the executive board since June 2001.

Before assuming her present position in 2003, McKinstry gained more than a decade of experience at Wolters Kluwer and its operating companies in North America. She previously served as CEO of Wolters Kluwer's operations in North America. She also was president and CEO of Legal Information Services, now a part of Wolters Kluwer's Legal & Regulatory division. Earlier, McKinstry held product management positions with CCH Incorporated, part of Wolters Kluwer's Tax & Accounting division.

In 1999, McKinstry worked as CEO of SCP Communications, a medical information company, before rejoining Wolters Kluwer to head its North American operations. Early in her career, she held management positions with Booz & Company (formerly Booz Allen Hamilton), an international management consulting firm, where she focused on assignments in the media and technology industries.

McKinstry is a member of the board of directors of Abbott and the board of directors of Russell Reynolds Associates. She is a member of the European Round Table of Industrialists, and also is on the advisory board for the University of Rhode Island, the advisory board of the Harrington School of Communication and Media, and the board of overseers of Columbia Business School. In August 2011 she was appointed by the Chinese State Council Information Office as a member of the Foreign Consultant Committee.

Innovation and Technology Can Be a Game Changer: "Over the years I've had the pleasure to be on the boards of both U.S. and global organizations. In my role as CEO of Wolters Kluwer and as a board director, I am very focused on how innovation and technology can be a game changer for virtually every organization. Developing talent is a crucial aspect of enabling companies to transform within their markets and is another area where I see a strong role for board members. Leadership diversity is also a key

2015 Directors to Watch

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Cheryl Mayberry McKissack
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element for driving change and transformation. These are some aspects of the work of boards that I am particularly passionate about."

Patricia B. Morrison

Director, Splunk Inc.

Patricia Morrison is executive vice president, Customer Support Services, and chief information officer of Cardinal Health, a Fortune 26 health care products and services company dedicated to improving the cost-effectiveness of health care. In this role, Morrison is responsible for the company's enterprise-wide information technology. She is also responsible for the customer contact centers as well as contracts and pricing.

Previously, Morrison was executive vice president and CIO for Motorola, where she oversaw all strategic, operational and financial aspects of the company's information technology architecture, systems, tools, processes and infrastructure. Her prior experience also includes CIO of Office Depot Inc. and senior-level information technology positions at General Electric Co., PepsiCo Inc., Procter & Gamble Co., and Quaker Oats Co.

Morrison's reach within the IT and business community has spanned 30 years across five different industries. She was named 2007 CIO of the Year by the Executive's Club of Chicago and the Association of Information Technology Professionals. She was also inducted to the CIO Magazine Hall of Fame in 2008. In 2014 she received the Fisher-Hopper Prize for Lifetime Achievement in CIO Leadership.

PATRICIA B. MORRISON

Morrison was named to the board of directors of Splunk Inc., a tech start-up founded to make machine data accessible, usable and valuable to everyone. She also serves as a member of the board of directors for the Columbus Museum of Art, TechColumbus, and serves on the board of trustees for Opera Columbus. Her public board experience includes SPSS Inc. and JoAnn Stores prior to its going private.

What Boards Care About: "As a CIO, serving on boards is critical, not only for professional development but for personal development. Board involvement allows me to see the business from both sides of the table. What do boards care about? They care about risk, the strategic role of technology, succession planning and operational effectiveness. You don't talk them through an 80-page PowerPoint slide deck. Rather, you have a conversation with them and learn to tell stories that resonate. CIOs can add enormous value to a company and its shareholders as a director." ■

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and all of the women leaders being honored as

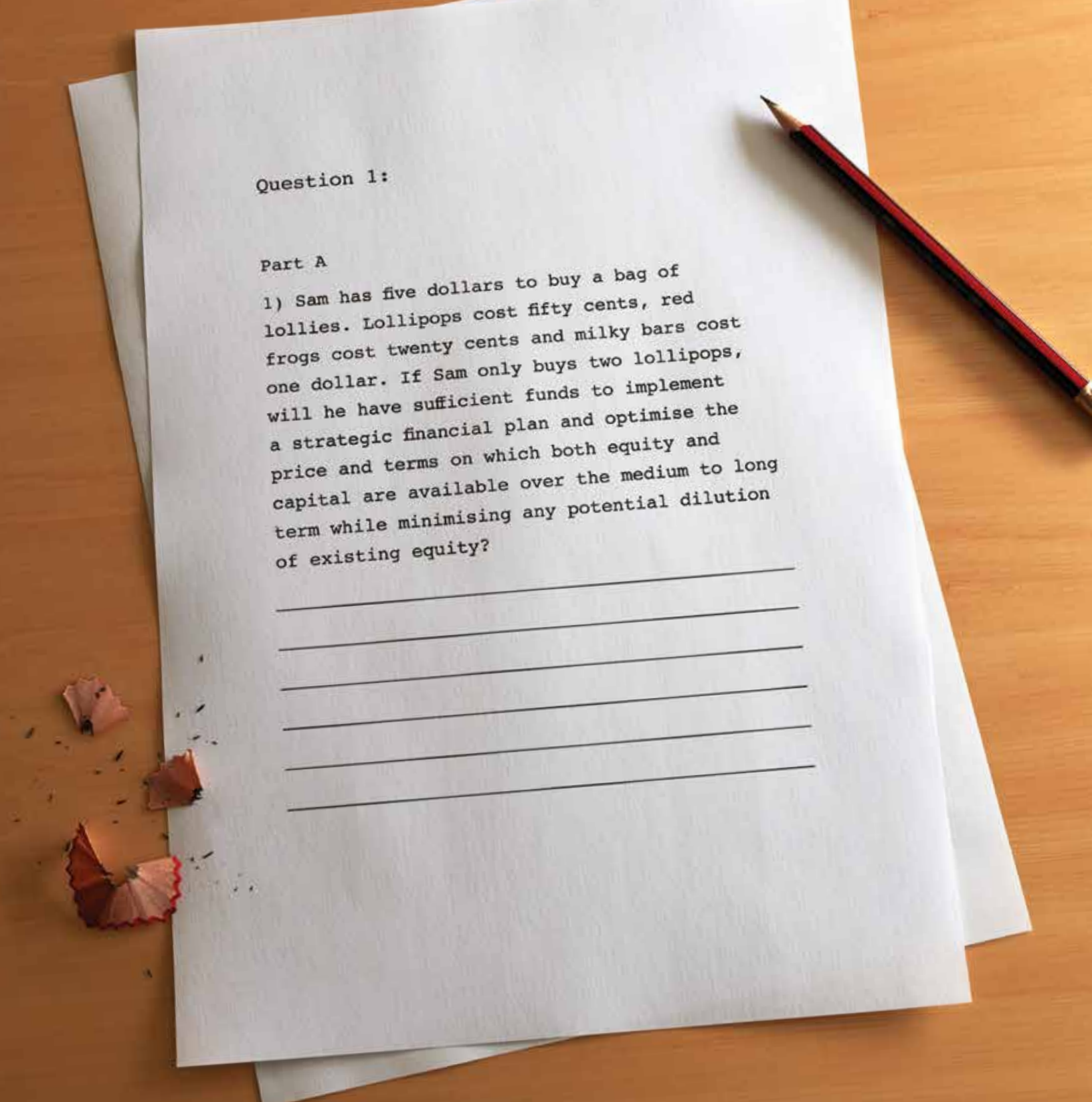
2015 Directors to Watch,

for their significant contributions to business growth and success.

Nominate a 'Director to Watch'

"Directors to Watch" is an annual feature in *Directors & Boards* magazine designed to highlight our support for gender diversity in the boardroom and corporate governance best practices. Appearing in the feature is not contingent on advertising or any other financial commitment. We acknowledge the help and guidance of Diversity in Boardrooms (www.diversityinboardrooms.com), WomenCorporateDirectors (www.womencorporatedirectors.com), our advisory board, and past honorees for nominating the Directors to Watch Class of 2015.

If you would like to support "Directors to Watch" or nominate a director for inclusion in *Directors & Boards*, please send your candidate's name, current primary corporate and board positions, full contact details for your nominee, and a sentence or two on why you believe this person is a "Director to Watch" to Scott Chase via email at scottchase@verizon.net.



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