



NEW YORK CITY COMPTROLLER
SCOTT M. STRINGER

NEW YORK CITY PENSION FUNDS

August 2018

“BEST PRACTICES” IN BOARD MATRICES

This document is a compendium of “best practices” in board matrices included in the 2018 proxy statements of U.S. public companies. These matrices were the outcome of significant engagements led by the Office of New York City Comptroller Scott M. Stringer, on behalf of the five New York City retirement systems (“NYCRS”), as part of the [Boardroom Accountability Project 2.0](#) initiative launched in September 2017. The 151 portfolio companies included in this initiative were asked not only to provide director biographies, but also to explain to their investors how those who serve on their boards are individually and in the aggregate qualified to oversee their companies' businesses, long-term strategies, and the related risks and opportunities.

Companies were also asked how diverse their boards are in terms of gender and racial/ethnic diversity. NYCRS – supported by academic research – strongly feel that diverse and highly qualified boards are best positioned to avoid “group think” in boardrooms and to produce better and sustainable long-term returns for their shareowners.¹ NYCRS also believe that there is more than sufficient quality among “board ready” women and persons of color to fill open and new board seats, through effective board refreshment processes.

The detailed information highlighted in this compendium helps to provide investors what they need in order to vote on individual directors and thereby boards as a whole.

The Office of the New York City Comptroller believes the “best practices” disclosures included in this compendium stand out for explaining how the companies' directors are each uniquely qualified to serve on their boards and that their boards have gender and racial/ethnic diversity without asking their investors to make assumptions about how their directors self-identify based on photographs or the spelling of their names.

The companies in this compendium are intended to serve as examples of “best practices” from the companies targeted in the Boardroom Accountability Project 2.0. It is not the result of a comprehensive research of all publically traded U.S. companies. As such, other companies not listed in this compendium may also include similar disclosures. Further, while each company is highlighted for providing significantly transparent information about board quality and diversity, this compendium does not consider other environmental, social or governance issues that may exist at these companies.

Disclosures

The information contained in this compendium has been obtained from third parties believed to be reliable but the Office of the New York City Comptroller cannot guarantee the accuracy or completeness of such information and has not reviewed the data on which such information is based. Information presented is current as of the date of this publication only. Past performance does not guarantee the future performance of any company or security. The results and historical information provided herein may have been adversely or favorably impacted by events and conditions that may not prevail in the future. This compendium does not constitute investment advice and should not be viewed as a recommendation to purchase or sell any investment product in the publicly traded companies included in this compendium.

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Two Approaches to Board Matrices and Diversity Disclosure

The Boardroom Accountability Project 2.0 found that two approaches to board matrices and diversity disclosure best provided investors with useful information. This information assists investors in voting each year for individual board nominees. It also helps them understand how each company's board fits together in the aggregate and why that board believes it is best suited to oversee the company's business, long-term strategy and the related risks and opportunities. The primary difference between these two approaches is one disclosed individual director gender and race/ethnicity, while the second aggregated some or all of the information. In all cases, information was provided on the qualifications and skills of the board members.

1. INDIVIDUAL DIRECTOR DISCLOSURE OF QUALIFICATIONS AND VOLUNTARY SELF-IDENTIFICATION OF INDIVIDUAL DIRECTOR GENDER AND RACE/ETHNICITY

This approach focuses on those companies that included not only the individual qualifications and skills that each director brings to the boardroom, but also the director's voluntarily self-identified gender and race/ethnicity.

Most of these companies also included age and length of board tenure for each director in their matrices. Leucadia National Corporation (now known as Jefferies Financial Group) also included the number of outside public-company boards on which each director sits.

Particularly strong examples included Unum Group and W.W. Grainger, Inc., because they explained specifically the importance of each identified qualification in their matrices for the companies and the boards' oversight. Both companies also included a separate graphic that provided alternate presentations for their boards' diversity of gender and race/ethnicity.

Unum Group was additionally noteworthy because the board's individual director biographies included the same qualifications identified for each director in the company's board matrix, along with an explanation of where each director acquired the past experience to have each listed qualification.

Related disclosures from this first approach can be found on the following pages:



Board Matrix

The following matrix provides information regarding the members of our Board, including certain types of knowledge, skills, experiences and attributes possessed by one or more of our directors which our Board believes are relevant to our business, industry or real estate investment trust ("REIT") structure. The matrix does not encompass all of the knowledge, skills, experiences or attributes of our directors, and the fact that a particular knowledge, skill, experience or attribute is not listed does not mean that a director does not possess it. In addition, the absence of a particular knowledge, skill, experience or attribute with respect to any of our directors does not mean the director in question is unable to contribute to the decision-making process in that area. The type and degree of knowledge, skill and experience listed below may vary among the members of the Board.

	Bartolo	Brown	Christy	Fitzgerald	Garrison	Goldsmith	Hogan	Hutcheson	Martin	McKenzie	Melone	Moreland
Knowledge, Skills and Experience												
Public Company Board Experience	•	•	•	•	•	•	•	•	•	•	•	•
Financial	•	•	•	•	•	•	•	•	•	•	•	•
Risk Management	•	•	•	•	•	•	•	•	•	•	•	•
Accounting	•	•		•		•		•				•
Corporate Governance/Ethics			•	•	•			•	•	•		
Legal/Regulatory				•				•				
HR/Compensation		•	•		•	•	•	•	•	•	•	•
Executive Experience	•	•	•		•	•	•	•	•	•	•	•
Operations		•	•			•	•	•	•	•	•	•
Strategic Planning/Oversight	•	•	•		•	•	•	•	•	•	•	•
Technology		•	•	•		•		•	•	•	•	•
Mergers and Acquisitions	•	•	•		•	•	•	•	•			•
Wireless/Telecom/REIT Industry	•	•	•	•	•	•	•	•	•	•	•	•
Academia/Education						•		•	•			
Demographics												
Race/Ethnicity												
African American				•								
Asian/Pacific Islander												
White/Caucasian	•	•	•		•	•	•	•	•	•	•	•
Hispanic/Latino												
Native American												
Gender												
Male	•	•		•	•		•	•	•	•	•	•
Female			•			•						
Board Tenure												
Years	4	2	11	16	13	0	17	23	22	23	3	12



Leucadia National Corporation

(Currently known as Jefferies Financial Group, Inc.)

Our director nominees do reflect a wide array of experience, skills and backgrounds. Each director is individually qualified to make unique and substantial contributions. Collectively, our directors' diverse viewpoints and independent-mindedness enhance the quality and effectiveness of Board deliberations and decision making. Our Board is a dynamic group, providing an appropriate balance of institutional knowledge across the spectrum of our merchant and investment banking platforms. This blend of qualifications, attributes and tenure results in highly effective leadership and is summarized below.

Board Skills & Experience and Demographic Matrix

	Linda Adamany	Robert Beyer	Francisco Borges	W. Patrick Campbell	Brian Friedman	Richard Handler	Robert Joyal	Jeffrey Keil	Michael O'Kane	Stuart Reese	Joseph Steinberg
Skills & Experience											
Audit & Financial Expertise	x	x		x	x		x	x	x	x	x
Corporate Strategy & Business Development	x	x	x	x	x	x	x	x		x	x
Corporate Governance	x	x	x		x	x	x	x	x	x	x
Ethics/Social Responsibility Oversight	x				x	x	x	x		x	x
Financial Services (Incl. Asset Management & Investment Banking)		x	x		x	x	x	x	x	x	x
International Business & Operations	x	x		x	x	x		x			x
Leadership & Management	x	x	x	x	x	x	x	x	x	x	x
Mergers & Acquisitions	x	x	x	x	x	x		x		x	x
Private Equity		x	x		x	x	x		x		
Risk Oversight	x	x		x	x	x	x	x	x	x	x
Expertise in Portfolio Company Related Industry	x	x	x	x	x	x	x	x	x	x	x
Demographic Background											
Board Tenure (Yr. Joined)	2014	2013	2013	2013	2013	2013	2013	2004	2013	2013	1978
Years on Board	4	5	4	5	5	5	5	14	5	5	39
Gender											
Male		x	x	x	x	x	x	x	x	x	x
Female	x										
Age											
At April 1, 2018	66	58	66	72	62	56	73	74	72	62	74
Race/Ethnicity											
African American/Black			x								
Asian, Hawaiian, or Pacific Islander											
White/Caucasian	x	x		x	x	x	x	x	x	x	x
Hispanic/Latino											
Native American											
Other											
Number of Non-Portfolio Company Outside Public Boards	2	1	1	0	0	0	1	0	1	0	1



All nine of our currently serving directors have been nominated for reelection to our Board of Directors to serve until the 2019 Annual Meeting of Stockholders and until their successors are elected and qualified or until their earlier resignation or removal. The table below summarizes the key qualifications and attributes relied upon by the Board of Directors in nominating our current directors for reelection. Marks indicate specific areas of focus or expertise relied on by the Board of Directors. The lack of a mark in a particular area does not necessarily signify a director's lack of qualification or experience in such area.

	Aldrich	Beebe	Furey	Griffin	Iyer	King	McGlade	McLachlan	Schriesheim
Skills and Experience									
Other Public Company Boards (Current)	2	2	0	1	2	2	1	0	2
Executive Leadership	■	■	■	■	■	■	■	■	■
Public Company CEO Experience	■			■		■	■		
Public Company CFO Experience	■				■			■	■
International Business	■	■	■	■	■	■	■	■	■
Finance	■	■	■	■	■	■	■	■	■
Public Financial Reporting	■			■	■	■	■	■	■
Audit Committee Financial Expert					■			■	■
Technology	■	■	■	■	■	■	■	■	■
Semiconductors	■			■	■	■			
Sales / Marketing		■	■	■					
Mergers and Acquisitions	■	■		■	■	■	■		■
Skyworks Board Tenure (in Years)	18	14	20	2	16	4	13	18	12
Demographic Background									
Age	61	59	59	51	61	68	57	79	57
Gender									
Male	■	■	■	■	■		■	■	■
Female						■			
Race / Ethnicity									
White / Caucasian	■	■	■	■		■	■	■	■
Asian, Hawaiian, or Pacific Islander					■				



Summary of Director Qualifications and Experience

This table provides a summary view of the qualifications and attributes of each director nominee.

	<i>Theodore H. Bunting</i>	<i>E. Michael Caulfield</i>	<i>Susan D. DeVore</i>	<i>Joseph J. Echevarria</i>	<i>Cynthia L. Egan</i>	<i>Kevin T. Kabat</i>	<i>Timothy F. Keaney</i>	<i>Gloria C. Larson</i>	<i>Richard P. McKenney</i>	<i>Ronald P. O'Hanley</i>	<i>Francis J. Shammo</i>
Qualifications and Attributes											
Accounting/Auditing	•	•	•	•			•	•	•	•	•
Business Operations	•	•	•	•	•	•	•	•	•	•	•
Capital Management	•	•	•	•		•	•	•	•	•	•
Corporate Governance Leadership		•	•	•	•	•	•	•	•	•	
Financial Expertise/Literacy	•	•	•	•	•	•	•	•	•	•	•
Independence	•	•	•	•	•	•	•	•		•	•
Industry Experience		•	•	•	•	•	•		•	•	
International		•		•			•		•	•	•
Investment Markets		•		•			•			•	
Other Recent Public Board Experience	•		•	•	•	•		•	•		
Public Company Executive Experience	•	•	•		•	•	•		•	•	•
Regulatory/Risk Management	•	•		•	•	•	•	•	•	•	•
Technology			•		•						•
Demographic Background*											
Tenure (Years)	5	11	0	2	4	10	6	13	3	3	3
Age (Years)	59	71	59	61	62	61	56	68	49	61	57
Gender (Male/Female)	M	M	F	M	F	M	M	F	M	M	M
Race/Ethnicity											
African American/Black	•										
Hispanic/Latino				•							
Caucasian/White		•	•		•	•	•	•	•	•	•

*Tenure and age calculated as of the 2018 Annual Meeting



(Continued)

Board Qualifications

The Board strives to maintain independence of thought and diverse professional experience among its membership. The Board and the Governance Committee look for directors who have qualifications and attributes in key areas relevant to Unum, and that align with our business strategy. The table below summarizes why these qualifications and attributes are important to Unum and how the composition of our Board, as a whole, meets these needs.

Qualifications and Attributes	Relevance to Unum	Board Composition
Accounting/Auditing	We operate in a complex financial and regulatory environment with disclosure requirements, detailed business processes and internal controls.	9
Business Operations	We have significant operations focused on customer service, claims management, sales, marketing and various back-house functions.	11
Capital Management	We allocate capital in various ways to run our operations, grow our core businesses and return value to shareholders.	10
Corporate Governance Leadership	As a public company, we expect effective oversight and transparency, and our stakeholders demand it.	9
Financial Expertise/Literacy	Our business involves complex financial transactions and reporting requirements.	10
Independence	Independent directors have no material relationships with us and are essential in providing unbiased oversight.	10
Industry Experience	Experience in the insurance and financial services industry provides a relevant understanding of our business, strategy, and marketplace dynamics.	8
International	With global operations in several countries and prospects for further expansion, international experience helps us understand opportunities and challenges.	6
Investment Markets	We manage a large and long-term investment portfolio to uphold our promises to pay the future claims of our policyholders.	4
Public Company Executive Experience	Experience leading a large, widely-held organization provides practical insights on need for transparency, accountability, and integrity.	9
Recent Public Board Experience	We value individuals who understand public company reporting responsibilities and have experience with the issues commonly faced by public companies.	7
Regulatory/Risk Management	A complex regulatory and risk environment requires us to develop policies and procedures that effectively manage compliance and risk.	10
Technology	We rely on technology to manage customer data, deliver products and services to the market, and pay claims.	3



(Continued)

Board Tenure

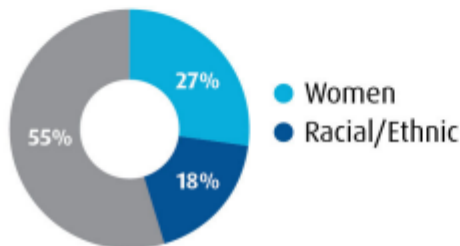
Directors with varied tenure contribute to a range of perspectives and ensure we transition knowledge and experience from longer-serving members to those newer to our Board. We have a good mix of new and long-standing directors, with our 11 director nominees averaging 5.5 years of service on our Board as of the 2018 Annual Meeting.



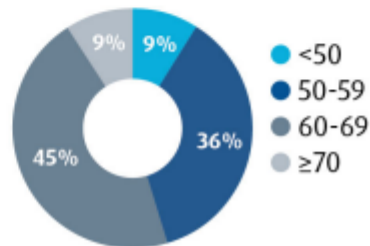
Board Diversity

Our directors represent a range of backgrounds and overall experience. More than one-third are women or represent a diverse group, which places Unum's Board among the top of our industry in gender and racial/ethnic diversity. In recent years, our Governance Committee has focused on ensuring continued diversity on the Board during refreshment activities by requiring that candidate pools include diverse individuals meeting the recruitment criteria. Our director nominees range from 49 to 71 years of age, with the average age being 60.4 years, as of the 2018 Annual Meeting.

Gender/Racial/Ethnic diversity



Age diversity





(Continued)



Director since 2013
Age at Annual Meeting 59

Independent Director

Committees
Audit
Human Capital

Theodore H. Bunting, Jr.

Mr. Bunting retired as the Group President, Utility Operations of Entergy Corporation, an integrated energy company, and previously served as Senior Vice President and Chief Accounting Officer for Entergy. He has extensive financial, accounting and operational experience as a senior executive with a public company in a regulated industry. Mr. Bunting has been a director at another publicly traded company, is an audit committee financial expert under SEC regulations, and is also a certified public accountant.

Career Experience

Entergy Corporation

Group President, Utility Operations (2012-2017)
Senior Vice President and Chief Accounting Officer (2007-2012)
Numerous executive roles with Entergy, which he joined in 1983

Qualifications

Accounting/Auditing
Business Operations
Capital Management
Financial Expertise/Literacy
Other Public Company Board Experience
Public Company Executive Experience
Regulatory/Risk Management

Public Company Board Experience

Imation Corp. (2012-2014)



The following table highlights specific experience, qualifications, attributes, skills, and background information that the Board considered for each director. A particular director may possess additional experience, qualifications, attributes, or skills, even if not expressly indicated below.

Director Qualifications, Attributes and Skills	Rodney C. Adkins	Brian P. Anderson	V. Ann Hailey	Stuart L. Levenick	D.G. Macpherson	Neil S. Novich	Beatriz R. Perez	Michael J. Roberts	E. Scott Samli	James D. Slavik	Lucas E. Watson
Operational Experience developing and implementing operating plans and business strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Finance/Capital Allocation Knowledge of finance or financial reporting; experience with debt and capital market transactions; and/or mergers and acquisitions		✓	✓	✓	✓	✓		✓	✓	✓	
Supply Chain/Logistics Experience in supply chain management encompassing the planning and management of all activities involved in sourcing and procurement, conversion, and all logistics management activities	✓	✓		✓	✓	✓		✓	✓		
Digital/eCommerce Experience implementing digital and omni-channel strategies and/or operating an eCommerce business			✓	✓	✓		✓				✓
Marketing/Sales & Brand Management Experience managing a marketing/sales function, and in increasing the perceived value of a product line or brand over time in the market	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
Human Resources/Compensation Experience managing a human resources/compensation function; experience with executive compensation and broad-based incentive planning	✓			✓		✓	✓	✓	✓	✓	
Public Company/Leadership “C-Suite” experience with a public company; leadership experience as a division president or functional leader within a complex organization	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Corporate Governance/Public Company Experience Experience serving as a public company director; demonstrated understanding of current corporate governance standards and best practices in public companies	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
International Experience overseeing a complex global organization	✓			✓	✓		✓	✓	✓		✓
Risk Assessment & Risk Management Experience overseeing complex risk management matters	✓	✓	✓	✓	✓	✓		✓	✓	✓	
Technology/Cyber security Experience implementing technology strategies and managing/mitigating cyber security risks	✓				✓	✓		✓	✓		✓



(CONTINUED)

Director Qualifications, Attributes and Skills (continued)	Rodney C. Adkins	Brian P. Anderson	V. Ann Hailey	Stuart L. Levenick	D.G. Macpherson	Neil S. Novich	Beatriz R. Perez	Michael J. Roberts	E. Scott Santi	James D. Slavik	Lucas E. Watson
Government/Public Policy Experience overseeing complex regulatory matters that are integral to a business	✓		✓	✓	✓		✓	✓	✓		
Real Estate Experience overseeing complex real estate matters that are integral to a business	✓		✓					✓		✓	
Business Ethics/Corporate Social Responsibility Track record of integrity, uncompromising moral principles and strength of character; informed on company issues related to corporate social responsibility, sustainability and philanthropy while monitoring emerging issues potentially affecting the reputation of the business	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Director Tenure, Gender, Age and Race/Ethnicity											
Board Tenure Years	4	19	12	12	2	19	1	12	8	31	0
Gender											
Male	✓	✓		✓	✓	✓		✓	✓	✓	✓
Female			✓				✓				
Age Years Old	59	67	67	65	50	63	48	67	56	65	47
Race/Ethnicity											
African American/Black	✓	✓									
Asian, Hawaiian, or Pacific Islander											
Caucasian /White			✓	✓	✓	✓		✓	✓	✓	✓
Hispanic/Latino							✓				
Native American											
Other											



(Continued)

Board Diversity

In addition to relevant business experience, qualifications, attributes, skills, and the willingness to become involved with Grainger, the Board’s Criteria also enumerate personal characteristics that the Board should consider, including reputation for ethics and integrity, common sense and judgment, independent and objective thought, and the consideration of diverse opinions.

Regarding diversity, the Criteria specify that consideration shall be given to candidates without regard to race, color, religion, gender or national origin. To ensure that the Board benefits from diverse perspectives, it proactively seeks qualified nominees from a variety of backgrounds, including candidates of gender, age, and racial diversity. In any retained search for Board candidates, Grainger specifies that the Board is seeking candidates with gender and racial diversity. We have established a standing relationship with a nationally recognized third party search firm to assist us in identifying potential new directors. In all searches, we specify that we will entertain a slate that includes only gender and racially diverse candidates. Our Board’s diversity is set forth, below.

Gender	Female	Male
Number of Directors	2	9

Race/Ethnicity	African American/Black	Caucasian / White	Hispanic/Latino	Other
Number of Directors	2	8	1	—



SUMMARY INFORMATION ABOUT OUR DIRECTOR NOMINEES AND CONTINUING DIRECTORS

Additional information about our director nominees and continuing directors can be found under “Information About Directors” on pages 5 to 11.

	Juan Ramón Alaix	Paul M. Bisaro	Frank A. D’Amelio	Sanjay Khosla	Michael B. McCallister	Gregory Norden	Louise M. Parent	Willie M. Reed	Linda Rhodes	Robert W. Scully	William C. Steere, Jr.
Experience, Skills, Expertise											
Academia								✓	✓		
Animal Health	✓		✓	✓		✓		✓	✓		✓
Consumer Products			✓	✓		✓					✓
Global Businesses	✓	✓	✓	✓	✓	✓	✓			✓	✓
Life Sciences	✓	✓	✓	✓		✓		✓	✓		✓
Manufacturing & Supply			✓								
Marketing & Sales	✓	✓		✓	✓						✓
Mergers & Acquisitions	✓	✓	✓	✓	✓	✓	✓			✓	✓
Other Public Company Board Member		✓	✓	✓	✓	✓	✓		✓	✓	✓
Public Company CEO	✓	✓			✓				✓		✓
Public Company CFO or Finance and Accounting			✓			✓				✓	
Public Company GC, Compliance, or Corporate Governance		✓					✓				
Regulated Industries	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
Research & Development	✓	✓						✓	✓		✓
Demographic Background											
<i>Board Tenure</i>											
Full Years	5	2	5	4	5	5	4	4	<1	4	5
<i>Age</i>											
Years Old	66	57	60	66	65	60	67	63	68	68	81
<i>Gender</i>											
Male	M	M	M	M	M	M		M		M	M
Female							F		F		
<i>LGBTQ (optional reporting)</i>											
Identify as LGBTQ											
<i>Race, Ethnicity (optional reporting)</i>											
African American/ Black								✓			
Asian, Hawaiian or Pacific Islander				✓							
White/Caucasian	✓	✓	✓		✓	✓	✓		✓	✓	✓
Hispanic/Latino	✓										
Native American											
Other											
Did not wish to identify											

Director Nominee Continuing Director

2. INDIVIDUAL DIRECTOR DISCLOSURE OF QUALIFICATIONS AND AGGREGATE BOARD SELF IDENTIFICATION OF GENDER AND RACE/ETHNICITY

The second approach focuses on those companies that also included the individual qualifications and skills that each director brings to the boardroom. However, while their directors were willing to voluntarily self-identify their gender and race/ethnicity, they decided to disclose the information in the aggregate.

Ventas, Inc. and Wells Fargo & Company also included age and length of board tenure for each director in their matrices, with others including this information in one or more graphics for their boards as a whole.

Particularly strong examples included Ameren Corporation; Exelon Corporation; PepsiCo, Inc.; and Wells Fargo & Company; these companies were able to include (i) one or more rows in their board matrices for diversity of gender and race/ethnicity and (ii) separate graphics that clarified or highlighted such diversity in more detail.

Exelon Corporation; Chevron Corporation; Duke Energy Corporation; Honeywell International Inc.; Marsh & McLennan Companies, Inc.; Occidental Petroleum Corporation; PepsiCo, Inc.; and Wells Fargo & Company were also strong examples, because they explained specifically the importance of each identified qualification in their matrices and its benefit to the companies and their boards' oversight.

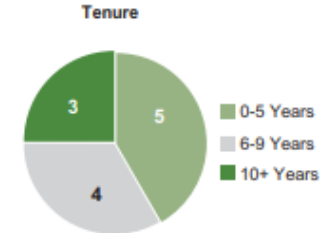
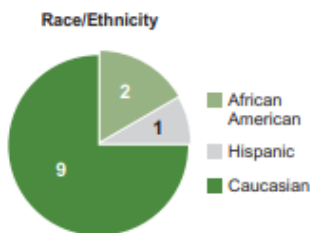
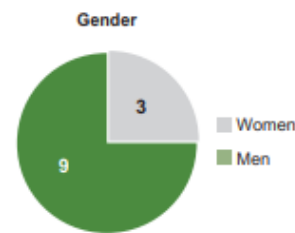
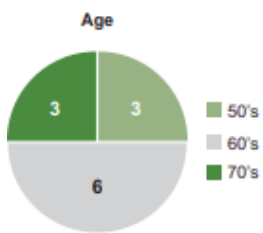
Exelon Corporation, Chevron Corporation, Duke Energy Corporation, Honeywell International Inc., Occidental Petroleum Corporation, and Wells Fargo & Company were also noteworthy examples because their individual director biographies included the same qualifications identified in the board matrices, along with an explanation of where each director acquired the underlying experience.

Related disclosures from this second approach can be found on the following pages:



Qualification and Experience	Braxter	Brune	Coleman	Fitzsimmons	Flores	Galvin	Harshman	Ivey	Jackson	Johnson	Lipstein	Wilson
Active Executive	●			●			●		●			
Board Tenure: 0-5 Years	●		●		●		●	●				
Board Tenure: 6-9 Years		●		●							●	●
Board Tenure: 10+ Years						●			●	●		
Customer Relations or Consumer Orientation Experience	●	●	●				●	●			●	●
Cyber / I.T.		●	●									
Diversity (Gender)		●		●					●			
Diversity (Race/Ethnicity)					●			●		●		
Financial or Banking Experience	●	●	●	●		●	●		●	●	●	●
Legal / Governance				●						●		
Nuclear Experience	●				●							
Operations Experience	●	●	●		●		●	●			●	●
Serves on Other Public Boards	●					●	●			●		●
Utilities / Regulatory Experience	●	●	●	●	●	●	●	●	●	●	●	●

Board Diversity





ELECTION OF DIRECTORS

The following matrix displays the most significant skills and qualifications that each Director possesses. The Committee reviews this matrix periodically to ensure that the Board maintains a balance of knowledge and experience.

Director	<i>CEO / Senior Executive / Leader of Significant Business Operations</i>	<i>Science / Engineering / Technology / Research / Academia</i>	<i>Government / Regulatory / Legal / Public Policy</i>	<i>Finance / Financial Disclosure / Financial Accounting</i>	<i>Global Business / International Affairs</i>	<i>Environmental</i>
Wanda M. Austin	•	•	•	•	•	
John B. Frank	•		•	•	•	
Alice P. Gast		•	•	•	•	•
Enrique Hernandez, Jr.	•		•	•	•	
Charles W. Moorman IV	•	•	•	•		•
Dambisa F. Moyo		•	•	•	•	•
Ronald D. Sugar	•	•	•	•	•	•
Inge G. Thulin	•	•		•	•	•
D. James Umpleby III	•	•		•	•	•
Michael K. Wirth	•	•	•	•	•	•
Totals	8	8	8	10	9	7

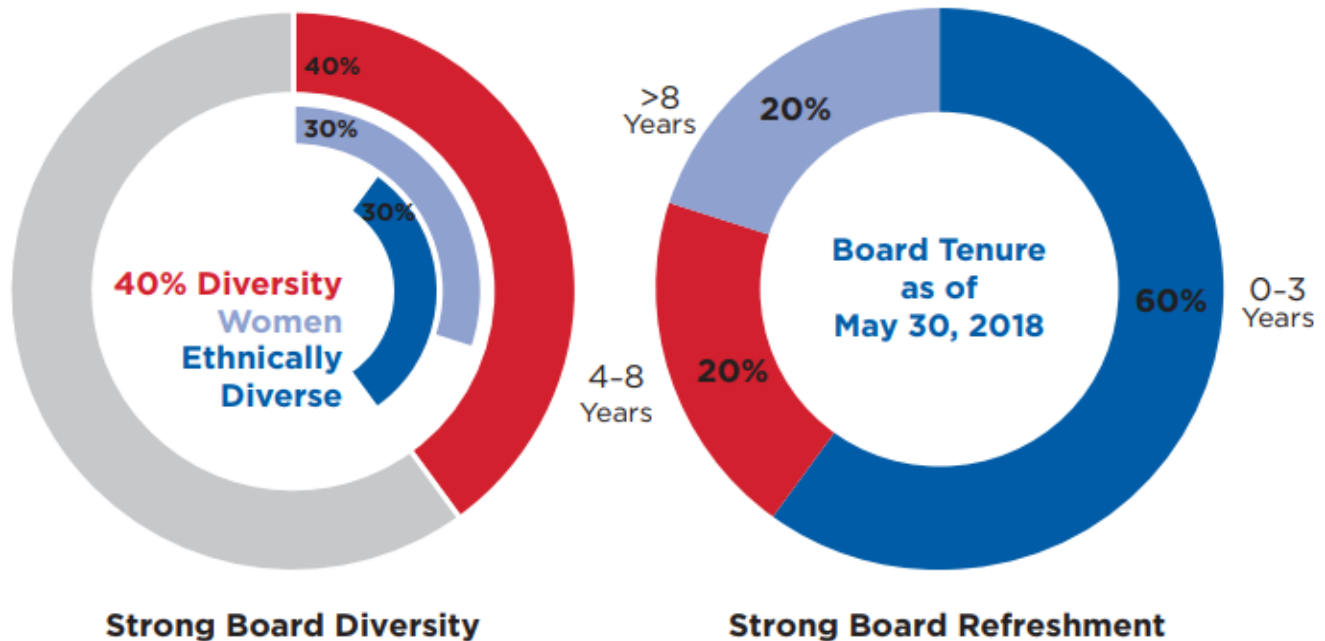


(Continued)

These skills, experiences, and expertise are critical to the Board's ability to provide effective oversight of the Company and are directly relevant to Chevron's business, strategy, and operations.

CEO / Senior Executive / Leader of Significant Operations	<ul style="list-style-type: none"> Chevron employs more than 48,000 employees in business units throughout the world. Chevron's operations involve complex organizations and processes, strategic planning, and risk management.
Science / Technology / Engineering / Research / Academia	<ul style="list-style-type: none"> Technology and engineering are at the core of Chevron's business and are key to finding, developing, producing, processing, and refining oil and natural gas. Our business processes are complex and highly technical.
Government / Regulatory / Legal / Public Policy	<ul style="list-style-type: none"> Chevron's operations require compliance with a variety of regulatory requirements in numerous countries and involve relationships with various governmental entities and nongovernmental organizations throughout the world.
Finance / Financial Disclosure / Financial Accounting	<ul style="list-style-type: none"> Chevron's business is multifaceted and requires complex financial management, capital allocation, and financial reporting processes.
Global Business / International Affairs	<ul style="list-style-type: none"> Chevron conducts business around the globe. Our business success is derived from an understanding of diverse business environments, economic conditions, and cultures and a broad perspective on global business opportunities.
Environmental	<ul style="list-style-type: none"> We place the highest priority on the health and safety of our workforce and protection of our assets, communities, and the environment. We are committed to continuously improving our environmental performance and reducing the potential impacts of our operations.

The Board seeks to achieve diversity of age, gender, and ethnicity and recognizes the importance of Board refreshment to ensure that it benefits from fresh ideas and perspectives. The following charts demonstrate the Board's commitment to diversity of backgrounds and Board refreshment. Since the last Annual Meeting, the Board elected Messrs. Frank and Umpleby to the Board.





(Continued)

	<p>Wanda M. Austin Retired President and Chief Executive Officer, The Aerospace Corporation</p> <p>Age: 63 Director Since: December 2016 Independent: Yes</p>	<p>Chevron Committees:</p> <ul style="list-style-type: none"> • Board Nominating and Governance • Public Policy <p>Current Public Company Directorships:</p> <ul style="list-style-type: none"> • Amgen Inc. 	<p>Prior Public Company Directorships (within last five years):</p> <ul style="list-style-type: none"> • None <p>Other Directorships and Memberships:</p> <ul style="list-style-type: none"> • Horatio Alger Association • National Academy of Engineering • University of Southern California
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Dr. Austin has held an adjunct Research Professor appointment at the University of Southern California's Viterbi School's Department of Industrial and Systems Engineering since 2007. She served as President and Chief Executive Officer of The Aerospace Corporation, a leading architect for the United States' national security space programs, from 2008 until her retirement in 2016. From 2004 to 2007, she was Senior Vice President, National Systems Group, at Aerospace. Dr. Austin joined Aerospace in 1979.

Skills and Qualifications

Business Leadership / Operations: Eight years as CEO of The Aerospace Corporation. Thirty-seven-year career with The Aerospace Corporation included numerous senior management and executive positions. Established MakingSpace, Inc., a leadership and STEM (science, technology, engineering, and math) consulting firm, in December 2017.

Finance: More than a decade of financial responsibility and experience at The Aerospace Corporation, Audit Committee member at Amgen Inc.

Global Business / International Affairs: Internationally recognized for her work in satellite and payload system acquisition, systems engineering, and system simulation. Former CEO of a company that provides space systems expertise to international organizations. Director of companies with international operations.

Government / Regulatory / Public Policy: Served on President's Council of Advisors on Science and Technology and President's Review of U.S. Human Space Flight Plans Committee. Appointed to the Defense Science Board and the NASA Advisory Council.

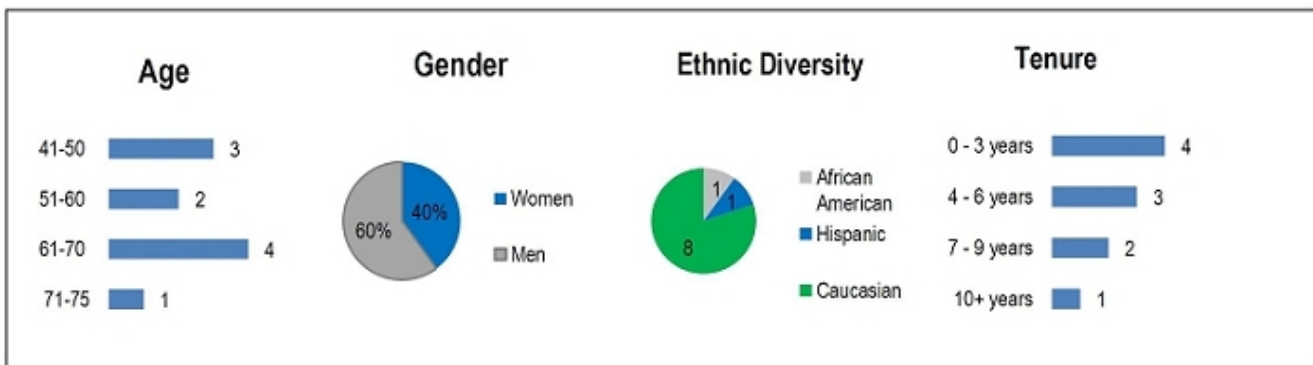
Research / Academia: Research Professor at the University of Southern California's Viterbi School of Engineering.

Science / Technology / Engineering: Ph.D. in Industrial and Systems Engineering from the University of Southern California, Master of Science in both Systems Engineering and Mathematics from the University of Pittsburgh. Thirty-seven-year career in national security space programs. Director at Amgen Inc., a biotechnology company. Fellow of the American Institute of Aeronautics and Astronautics.



The following table identifies the balance of experience and qualifications that our nominees bring to the Board. The skills and qualifications that are marked below are reviewed by the Governance, Sustainability and Public Responsibility Committee (“Governance Committee”) and the Board when making nomination decisions and reviewing Board succession planning and the fact that a particular skill or qualification is not designated does not mean nominees do not also possess the specific experience and qualifications. The table below illustrates how the Board is well positioned to provide direction and oversight with respect to our overall performance, strategic direction and significant corporate policies.

	Senior Leadership	Finance, Accounting or Financial Reporting	Regulatory Environment	Risk Management	Customer Experience	Information Technology	Utility Experience	Strategic Planning	Sustainability and Environmental	Lean
Jon E. Barfield	X	X		X	X					
Deborah H. Butler	X		X		X	X		X	X	
Kurt L. Darrow	X	X		X	X			X	X	X
Stephen E. Ewing	X	X	X		X		X		X	
William D. Harvey	X	X	X	X	X		X		X	X
Patricia K. Poppe	X		X	X	X		X	X	X	X
John G. Russell	X	X	X	X	X		X	X	X	
Myrna M. Soto	X	X		X	X	X			X	X
John G. Szniewajs	X	X		X		X		X	X	X
Laura H. Wright	X	X		X	X			X	X	

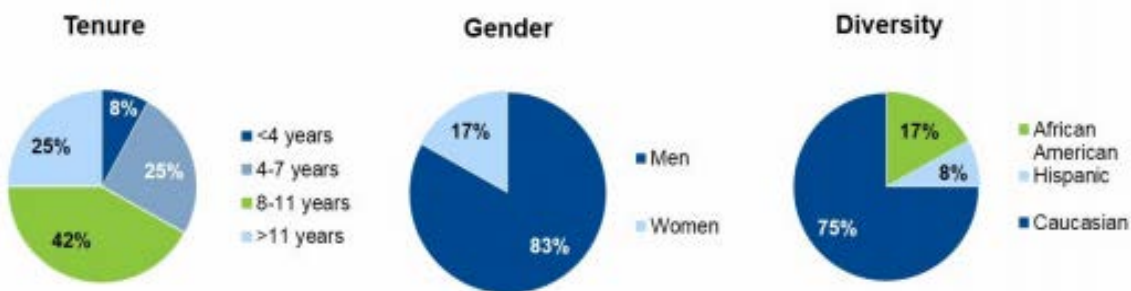




The biographies of each of the nominees below contain information regarding the person's service as a director, business experience and director positions held currently or at any time during at least the last five years. The age provided for each director is as of March 8, 2018. In addition to the information presented below regarding each person's experience, qualifications, attributes and skills that caused our Corporate Governance Committee and Board to determine that the person should serve as a director, the Board believes that all of the Company's directors have a reputation for integrity, honesty and adherence to high ethical standards. They each have demonstrated business acumen, strategic insight, an ability to exercise sound judgment and a commitment to service and community involvement. Finally, we value their significant experience on other public company boards of directors and board committees and the diversity that they bring to our Board. The following graphs display information about the skills and experience our Board members bring to their service:

	Anderson	Brandon	Fountain	McClure	McGovern	Murray	Nicholson	Robles	Shaw	Skaggs	Thomas	Vandenbergh	Average
ENTERPRISE PRIORITIES													
Employee Engagement, Safety and Talent	3	3	2	2	3	3	2	3	3	3	3	2	2.7
Customer Service and Satisfaction	3	3	2	3	3	3	2	3	2	3	3	1	2.6
Operations and Continuous Improvement	3	2	2	3	2	3	2	2	2	3	3	3	2.5
Government, Regulatory and Community	3	1	3	2	3	3	3	2	3	3	2	1	2.4
Growth and Value Creation	3	2	2	3	3	3	2	2	2	3	3	3	2.6
Financial Planning and Review	2	2	3	2	2	3	3	3	2	3	2	3	2.5
OTHER KEY EXPERIENCE													
CEO Experience	3	3	0	3	3	3	3	3	3	3	0	0	2.3
Corporate Governance	2	3	2	3	2	3	2	2	3	2	3	2	2.4
Energy Industry Experience	3	1	1	1	1	1	1	1	3	3	1	1	1.5
Ethics and Compliance	2	3	3	3	2	2	3	3	3	2	3	2	2.6
Executive Compensation	2	3	2	2	2	3	3	2	3	3	3	3	2.6
Risk Management	3	2	3	2	2	2	2	2	2	3	2	3	2.3
Sustainability and Environmental Stewardship	3	1	2	2	1	2	2	1	3	3	2	2	2.0
Technology and Cybersecurity	2	1	1	1	2	2	1	2	2	2	2	2	1.7
Local/Regional Understanding	3	3	3	3	1	3	3	1	1	0	2	3	2.2
Nuclear Experience	2	0	0	1	0	1	0	0	3	0	0	0	0.6
Gas Midstream Experience	2	1	0	1	0	0	0	0	2	3	1	1	0.9
3 = Technical Expertise/Advanced Knowledge (e.g. direct hands-on experience and subject matter expert during his/her career) 2 = Managerial knowledge (e.g. experience derived through general managerial experience) 1 = Working knowledge (e.g. exposure as a Board committee member at DTE or another company) 0 = Limited knowledge (e.g. exposure comes from Board Committee report-outs only)													

The Board's demographic makeup is set forth below:





SKILLS MATRIX		Michael G. Browning	Theodore F. Craver, Jr.	Robert M. Davis	Daniel R. DiMicco	John H. Forsgren	Lynn J. Good	John T. Herron	James B. Hyler, Jr.	William E. Kennard	E. Marie McKee	Charles W. Mooman IV	Carlos A. Saladrigas	Thomas E. Skains	William E. Webster, Jr.
Finance experience is important in overseeing the financial position of the Corporation		✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	
Regulatory/Government experience is important in understanding the regulated nature of the industry			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Legal experience is important in understanding the Corporation's legal risks and obligations				✓						✓				✓	
Industry experience is important in understanding the technical nature of the Corporation's business			✓			✓	✓	✓						✓	✓
Environmental experience is important to assess the Corporation's environmental compliance obligations and operations			✓		✓		✓	✓			✓	✓		✓	✓
Risk Management experience is important to oversee the risks of the Corporation		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Customer Service experience is important as the Corporation focuses on meeting customer expectations and transforming the customer experience		✓	✓		✓		✓	✓			✓	✓	✓	✓	
Cybersecurity/Technology experience is important in overseeing the enhancement and security of the Corporation's business and operational technical systems, including customer experience, financial systems and internal and grid operations			✓	✓			✓	✓		✓					



(Continued)

E. Marie McKee    

Independent Director Nominee











Age: 67
Director of Duke Energy since 2012
Retired Senior Vice President, Corning Incorporated

- Committees:**
- Compensation Committee (Chair)
 - Corporate Governance Committee
- Other current public directorships:**
- None

Ms. McKee is a retired Senior Vice President of Corning Incorporated, a manufacturer of components for high-technology systems for consumer electronics, mobile emissions controls, telecommunications and life sciences. Ms. McKee has over 35 years of experience obtained at Corning, where she held a variety of management positions with increasing levels of responsibility, including Senior Vice President of Human Resources from 1996 until 2010, President of Steuben Glass from 1998 until 2008, and President of The Corning Museum of Glass and The Corning Foundation from 1998 until 2014.

Skills and qualifications:

Ms. McKee's qualifications for election include her senior management experience in human resources, which provides her with a thorough knowledge of employment and compensation practices. Her prior experience as a senior executive of Corning Incorporated has also given her excellent operating skills and an understanding of financial matters and her exposure to environmental regulations and risk management with regard to the manufacturing process aids the Board in its oversight of environmental, health and safety matters.

- Director Experience:**  Finance  Regulatory/Government  Legal  Industry
-  Environmental  Risk Management  Customer Service  Cybersecurity



SUMMARY OF INDIVIDUAL DIRECTOR PRIMARY SKILLS, CORE COMPETENCIES AND ATTRIBUTES

The following matrix identifies the **primary** skills, core competencies and other attributes that each independent Director brings to bear in their service to Exelon's Board and Committees. Each Director possesses numerous other skills and competencies not identified below. We believe identifying primary skills is a more meaningful presentation of the key contributions and value that each independent Director brings to their service on the Board and to Exelon shareholders. See page 13 for more details.

	Anderson	Berzin	Crane	de Balmann	DeBenedictis	Jojo	Joskow	Lawless	Mies	Rogers	Shattuck	Steinour
Accounting and financial reporting experience	●	●	●					●				●
Corporate finance and capital management experience	●	●	●	●	●					●	●	●
CEO/executive management leadership skills	●	●	●	●	●		●	●	●	●	●	●
Human resource management and executive compensation knowledge and experience	●		●	●		●		●		●	●	
Innovation and technology experience			●			●	●		●			
Safety and security (including physical and cyber) competencies			●			●			●			
Industry experience and knowledge of Exelon's business			●		●	●	●		●		●	
Government/public policy and regulatory insights			●		●		●			●		
Risk oversight and risk management experience	●	●	●	●	●				●		●	●
Investor relations and investment management experience		●	●	●			●	●		●		●
Manufacturing, construction, engineering, and performance management experience			●			●		●				
Diverse attributes	●	●				●				●		

DIVERSITY, TENURE, AGE AND INDEPENDENCE

Directors' Race/Ethnicity

17%
Diverse



Directors' Gender

17%
Female



Directors' Average Tenure

8.6
Years



Directors' Average Age

65
Years



Directors' Independence

92%
Independent, including our Chairman





(Continued)

In addition, the Board as a whole should reflect core competencies in the following areas. Summarized below is a description of why each core competency is important for service on Exelon’s Board.

Description of Skills, Core Competencies and Attributes



Accounting and financial reporting experience is important to Exelon’s use of broad financial metrics used to accurately and transparently measure and report operating performance and assess financial merits of strategic opportunities.



Corporate finance and capital management experience is important to effectively oversee the financial affairs of Exelon’s operations.



CEO/executive management leadership skills are important to gain a practical understanding of organizations and drivers of individual growth and development.



Human Resource management and executive compensation knowledge and experience help Exelon recruit, retain, and develop key talent essential to Company operations.



Innovation and Technology experience is important in overseeing Exelon’s business in the rapidly changing energy markets, and physical and cyber threats against the security of our operations, assets, and systems.



Safety and security (including physical and cyber) competencies are critical to oversee safe and secure nuclear operations, power grids, and our other assets.



Industry experience and knowledge of Exelon’s business help inform our views on energy markets and economics, technology, nuclear power, renewable energy, electric and gas transmission and distribution and the public policy and public safety implications of these aspects.



Government/Public Policy and Regulatory insights are important to help shape public policy initiatives and government regulation.



Risk Oversight and Risk Management experience inform Exelon’s enterprise risk management of key risks with potential to impact public safety and shareholder value including its environmental impacts.



Investor Relations and Investment Management experience ensures strong alignment with investors and inform decision making on value-adding initiatives.



Manufacturing, construction, engineering, and performance management experience inform Exelon’s ongoing commitment to maintaining and strengthening the reliability of the electric and gas transmission and distribution systems, smart grid and generation portfolio and assets.



Diverse attributes reflect the Company’s commitment to diversity and inclusion through age, ethnicity, gender, race and sexual orientation.



(Continued)

Anthony K. Anderson



Age: 62

Director since: 2013

Committee Memberships:

- Audit (Chair)
- Finance and Risk
- Generation Oversight

Career Highlights

Mr. Anderson served as the Vice Chair and Midwest Area Managing Partner of Ernst & Young (EY), a global assurance, tax, transaction and advisory services firm, until his retirement in 2012. During Mr. Anderson’s 35-year career with EY, he oversaw a practice of 3,500 audit, tax, and transaction professionals serving clients throughout the Midwest and also served for six years in the Los Angeles area as managing partner of EY’s Pacific Southwest region. Mr. Anderson also served as a member of EY’s governing body, the Americas Executive Board.


Board Service

Mr. Anderson currently serves as a director of AAR Corp. (aerospace and defense), Avery Dennison (manufacturer of adhesive technologies, display graphics and packaging materials), and Marsh & McLennan Companies (global professional services firm). He is also a director of the Regional Transportation Authority (oversight body for regional transportation agencies), chairman of the board of the Perspectives Charter School, and on the board of directors for World Business Chicago.


Mr. Anderson previously served as a director of First American Financial Corporation from 2012 to 2016 and the Federal Reserve Bank of Chicago from 2008 to 2010. Mr. Anderson also previously served as a director of The Chicago Council on Global Affairs and as a director of the Chicago Urban League.


Primary Skills, Core Competencies and Attributes

Mr. Anderson’s experience as the vice chair of a global professional services firm and his training and experience as an audit partner and certified public accountant enhance his contribution to the Exelon Board and add value to his leadership of the Audit Committee and service on the Finance and Risk Committee.

 Accounting and financial reporting experience

 Corporate finance and capital management experience

 CEO/executive management leadership skills

 Human resource management and executive compensation knowledge

 Risk oversight and risk management experience



Broad Set of Backgrounds and Skills*

Name	2018 Tenure	2018 Age	Senior Leader -ship	Indus- -try	Global	Finan- -cial	Gov't	Other Pub. Co. Board Exper.	Risk Mgmt.	Innovation & Technology	Marketing
D. Adamczyk (President & CEO)	1	52	✓	✓	✓				✓	✓	
J. Chico Pardo (Lead Director)	18	68	✓	✓	✓			✓	✓	✓	✓
D. Angove	0	51	✓	✓	✓					✓	✓
W. Ayer	3	63	✓	✓	✓		✓	✓	✓		✓
K. Burke	8	67	✓	✓		✓	✓	✓	✓	✓	
D.S. Davis	12	66	✓	✓	✓	✓	✓	✓	✓	✓	
L. Dely	12	72	✓		✓	✓	✓	✓	✓	✓	
J. Gregg	7	71			✓	✓	✓	✓	✓	✓	
C. Hollick	14	72	✓		✓		✓	✓		✓	✓
G. Lieblein	5	57	✓	✓	✓	✓		✓		✓	
G. Paz	9	62	✓		✓	✓	✓	✓	✓	✓	
R. Washington	5	55	✓		✓	✓		✓	✓	✓	

Independent and Highly Diverse Oversight*

Independent
92%

Of the Independent Directors:

- 27% are Women
- 27% are Hispanic
- 9% are African American
- 18% are Non-U.S. Citizens

Right Balance of Institutional Knowledge and Fresh Perspective*

Average Tenure: ~7.8 Years



(Continued)

The following list highlights other key experiences, qualifications and skills of our director nominees that are relevant and important in light of Honeywell’s businesses and structure.

DIRECTOR SKILLS AND QUALIFICATIONS CRITERIA

Senior Leadership Experience

Experience serving as CEO or a senior executive as well as hands-on leadership experience in core management areas, such as strategic and operational planning, financial reporting, compliance, risk management and leadership development provides a practical understanding of how complex organizations like Honeywell function.

Industry

Experience in industries, end-markets and growth segments that Honeywell serves, such as aerospace, automotive, construction, transportation, infrastructure, oil and gas, security and fire, energy efficiency and worker productivity and safety enables a better understanding of the issues facing our businesses.

Global Experience

Growing revenues outside of the United States, particularly in what we call “high growth regions” or “HGRs” such as China, India, Southeast Asia, Africa and Latin America is a central part of our long-term strategy for growth. Hence, exposure to markets and economies outside of the United States, particularly in HGRs, is an important qualification for our Board. This exposure can take many forms including government affairs, regulatory, managerial, commercial, linguistic or simply cultural.

Financial Expertise

We believe that an understanding of finance and financial reporting processes is important for our directors to monitor and assess the Company’s operating and strategic performance and to ensure accurate financial reporting and robust controls. Our director nominees have relevant background and experience in capital markets, corporate finance, accounting and financial reporting and several satisfy the “accounting or related financial management expertise” criteria set forth in the New York Stock Exchange (“NYSE”) listing standards.

Regulated Industries/Government Experience

Honeywell is subject to a broad array of government regulations, and demand for its products and services can be impacted by changes in law or regulation in areas such as safety, security and energy efficiency. Several of our directors have experience in regulated industries, providing them with insight and perspective in working constructively and proactively with governments and agencies globally.

Public Company Board Experience

Service on the boards and board committees of other public companies provides an understanding of corporate governance practices and trends and insights into board management, relations between the board, the CEO and senior management, agenda setting and succession planning.

Risk Management

In light of the Board’s role in risk oversight and our robust enterprise risk management program, we seek directors who can help manage and mitigate key risks, including cybersecurity, regulatory compliance, competition, financial, brand integrity and intellectual property risks.

Innovation and Technology

With Honeywell’s transformation to a software-industrial company in the digital age, expertise in combining software programming capabilities with leading-edge physical products and domain knowledge is critical to opening and securing new growth paths for all of Honeywell’s businesses.

Marketing

Developing new markets for our products and services is critical for driving growth. Our directors who have that expertise provide a much desired perspective on how to better market and brand our products and services.



(Continued)

ROBIN L. WASHINGTON, Executive Vice President and Chief Financial Officer of Gilead Sciences, Inc. (Gilead)



Years of Service: 5
Age: 55

Board Committees:

- Audit
- Retirement Plans Chairperson



Ms. Washington joined Gilead, a research-based biopharmaceutical company, as Senior Vice President and Chief Financial Officer in May 2008. In her current role as Executive Vice President and Chief Financial Officer, she oversees Gilead's Global Finance, Investor Relations and Information Technology organizations. From 2006-2007, Ms. Washington served as Chief Financial Officer of Hyperion Solutions, an enterprise software company that was acquired by Oracle Corporation in March 2007. Prior to that, Ms. Washington spent nearly 10 years at PeopleSoft, a provider of enterprise application software, where she served in a number of executive positions, most recently in the role of Senior Vice President and Corporate Controller. Ms. Washington is a Certified Public Accountant. She is a director of Salesforce.com Inc. and previously served as a director of Tektronix, Inc. (acquired by Danaher Corporation) (2005-2007) and MIPS Technologies, Inc. (acquired by Imagination Technologies Group PLC) (2008-2013).

Specific Qualifications, Attributes, Skills and Experience

- Extensive management, operational and accounting experience in the healthcare and information technology industries
- Financial expertise, including in tax, financial reporting, accounting and controls, corporate finance, mergers and acquisitions and capital markets
- Broad experience on corporate governance issues gained through public company directorships





Director Skills and Experience

The chart below identifies the five principal skills that the Directors and Governance Committee considered for each director when evaluating that director’s experience and qualifications to serve as a director. In addition, the chart provides descriptions for each area of expertise. Additional information about each director’s background, business experience and other matters, as well a description of how each individual’s experience qualifies him or her to serve as a director of the Company is provided under the heading “Item 1—Election of Directors” beginning on page 13.

Skills and Experience	Mr. Anderson	Mr. Fanjul	Mr. Glaser	Mr. Hanway	Ms. Hopkins	Ms. La Roche	Mr. Mills	Mr. Nolop	Mr. Oken	Mr. Schapiro	Mr. Yates	Mr. Yost
Leadership Business and strategic management experience from service in a significant leadership position, such as a chief executive officer, chief financial officer or other senior leadership role.	•	•	•	•	•	•	•	•	•	•	•	•
Financial Background and experience in finance, accounting, banking, capital markets, financial reporting or economics.	•	•	•	•	•	•	•	•	•	•	•	•
Industry Experience in the Company’s businesses and industries, including insurance, insurance and reinsurance brokerage, consulting and healthcare.	•		•	•			•		•			•
International International background or global experience, including in growth markets.		•	•	•	•	•	•			•		
Technology Experience in technology, innovation or cybersecurity, particularly as a senior executive.					•		•				•	
Corporate Governance & Responsibility Experience with governance principles or corporate responsibility initiatives, including sustainability and diversity and inclusion.	•	•						•		•		•
Government Relations & Regulatory Experience with government relations, regulatory matters or regulated industries and political affairs.		•		•		•		•	•		•	
Risk Management Experience in risk management, strategic planning or compliance.	•		•		•	•		•	•	•	•	•

Board Diversity

We are committed to maintaining a diverse and inclusive Board. Of our twelve directors, five (42%) are diverse, including two women.



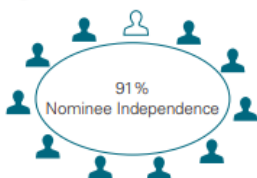
Summary of Director Nominee Core Competencies and Composition Highlights

The following chart summarizes the competencies that the Board considers valuable to effective oversight of the Company, and illustrates how the current Board members individually and collectively represent these key competencies. The lack of an indicator for a particular item does not mean that the director does not possess that qualification, skill or experience. We look to each director to be knowledgeable in these areas; rather, the indicator represents that the item is a core competency that the director brings to the Board.

	Abraham	Atkins	Batchelder	Feick	Foran	Gutierrez	Hollub	Klesse	Moore	Poladian	Walter
CORPORATE GOVERNANCE contributes to the Board's understanding of best practices in corporate governance matters	●			●	●					●	●
ENVIRONMENTAL, HEALTH, SAFETY & SUSTAINABILITY contributes to the Board's oversight and understanding of EHS and sustainability issues and their relationship to the company's business and strategy	●			●	●		●		●		●
EXECUTIVE COMPENSATION contributes to the Board's ability to attract, motivate and retain executive talent	●		●	●	●	●		●	●	●	
FINANCE/CAPITAL MARKETS valuable in evaluating Occidental's financial statements, capital structure and financial strategy (dividends/stock repurchases/financing)		●	●	●				●		●	●
FINANCIAL REPORTING/ACCOUNTING EXPERIENCE critical to the oversight of the company's financial statements and financial reports		●	●			●	●	●	●	●	●
GOVERNMENT, LEGAL & REGULATORY contributes to the Board's ability to interpret regulations and understand complex legal matters and public policy issues	●	●			●	●	●			●	●
INDUSTRY BACKGROUND contributes to a deeper understanding of our business strategy, operations, key performance indicators and competitive environment			●	●			●	●	●		
INTERNATIONAL EXPERIENCE critical to cultivating and sustaining business and governmental relationships internationally and providing oversight of our multinational operations	●	●				●	●		●		
INVESTOR RELATIONS contributes to the Board's understanding of investor concerns and perceptions		●			●	●		●			●
PUBLIC COMPANY EXECUTIVE EXPERIENCE contributes to the Board's understanding of operations and business strategy and demonstrated leadership ability		●	●	●	●	●	●	●	●		
RISK MANAGEMENT contributes to the identification, assessment and prioritization of risks facing the company	●	●	●	●	●	●	●	●	●	●	●
TECHNOLOGY/CYBER SECURITY contributes to the Board's understanding of information technology and cyber security risks	●		●							●	

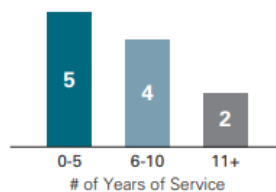
INDEPENDENCE

Occidental requires that at least two-thirds of its Board members must be independent. The Board has determined that all director nominees, other than Ms. Hollub, meet the independence standards set by the New York Stock Exchange (NYSE).



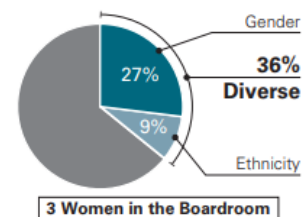
TENURE

The average tenure of the director nominees is approximately eight years, which reflects a balance of company experience and new perspectives.



DIVERSITY

The Board is committed to achieving a diverse and broadly inclusive membership. Four of our 11 director nominees are diverse, based on gender and ethnicity.





(Continued)



ELISSE B. WALTER

Director since 2014 | Age 67 | Independent

Committees of the Board:

- Audit
- Environmental, Health and Safety

Core Competencies:

- Corporate Governance
- Environmental, Health, Safety & Sustainability
- Finance/Capital Markets
- Financial Reporting/Accounting Experience
- Government, Legal & Regulatory
- Investor Relations
- Risk Management

Ms. Walter was appointed Commissioner of the U.S. Securities and Exchange Commission (SEC) by President George W. Bush, and served in that capacity from 2008 until 2013. President Barack Obama designated her as the 30th Chairman of the SEC in December 2012. Prior to her appointment as an SEC Commissioner, she was with the Financial Industry Regulatory Authority (FINRA) and its predecessor, the National Association of Securities Dealers (NASD), from 1996 to 2008. She served as Senior Executive Vice President, Regulatory Policy and Programs for FINRA and held the comparable position at NASD before its 2007 consolidation with NYSE Member Regulation. Earlier in her career, she served as the General Counsel of the Commodity Futures Trading Commission (CFTC) from 1994 to 1996 and as Deputy Director of the SEC Division of Corporation Finance from 1986 to 1994. Among the honors Ms. Walter has received are the Presidential Rank Award (Distinguished), the ASECA William O. Douglas Award, the SEC Chairman’s Award for Excellence and the Federal Bar Association’s Philip A. Loomis, Jr. and Manuel F. Cohen Awards. She is a member of the Academy of Women Achievers of the YWCA of the City of New York and the DirectWomen Institute. She serves on the SASB Foundation Board of Directors; the Board of Directors of the National Women’s Law Center; the Board of Directors of the FINRA Investor Education Foundation; the Board of Governors of FINRA; and as a member of the Securities and Exchange Commission’s Investor Advisory Committee and Fixed Income Market Structure Advisory Committee. Ms. Walter holds a B.A. in Mathematics, cum laude, from Yale University and a J.D., cum laude, from Harvard Law School.



The chart below summarizes the notable skills, qualifications and experience of each director nominee and highlights the balanced mix of skills, qualifications and experience of the Board as a whole. These are the same attributes that the Board considers as part of its ongoing director succession planning process and aligns with the needs of PepsiCo's long-term business strategy. This high-level summary is not intended to be an exhaustive list of each director nominee's skills or contributions to the Board.

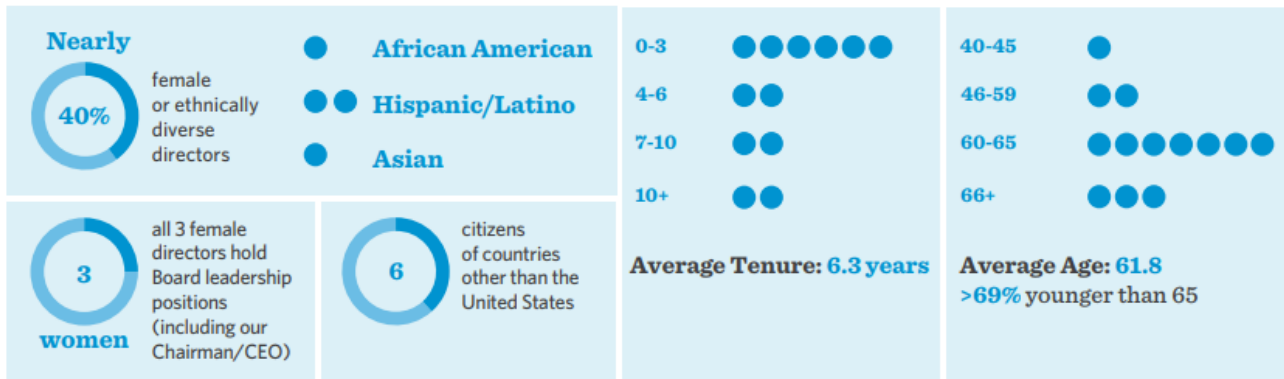
Skills/Qualifications/ Experience	Shona Brown	George Buckley	Cesar Conde	Ian Cook	Dina Dublon	Richard Fisher	William Johnson	Indra Nooyi	David Page	Robert Pohlad	Daniel Vasella	Darren Walker	Alberto Weisser
Public Company CEO		●		●			●	●		●	●		●
Financial Expertise/ Financial Community		●		●	●	●	●	●		●		●	●
Consumer Products		●		●		●	●	●		●	●		
Risk Management					●	●							●
Public Policy						●			●			●	
Science/Medical Research/Innovation	●	●							●		●		
Technology/Data Analytics/e-Commerce/ Digital Marketing/Cyber	●	●	●			●							
Developing and Emerging Markets/ International Residence	●	●	●	●	●	●	●	●		●	●	●	●
Diversity	●		●		●			●				●	

Our Nominating and Corporate Governance Committee and our Board are also keenly focused on ensuring that a wide range of backgrounds and experience are represented on our Board.

Diversity

**Independent Director
Tenure***

Age*



* Age and tenure are as of March 16, 2018.



Director Skills Matrix

In selecting nominees for the Board, our Nominating Committee considers the particular experience, qualifications, attributes and skills of the current Board members and prospective candidates to ensure a variety of skills and qualifications are represented on the Board. The Nominating Committee monitors these represented attributes through the use of a detailed matrix that measures, among other things, skills, tenure, diversity and other attributes. The matrix below shows certain of the skills, tenure, diversity and other attributes we assess in connection with Board nomination and recruitment of our non-employee Board members as of the 2018 Annual Meeting date, assuming all directors up for election at the 2018 Annual Meeting are elected.

Experience/Skills	M. Barnes	J. Gellert	R. Gilchrist	M. Lustig	R. Martino	W. Rakowich	R. Reed	J. Shelton
Executive Experience (CEO)		✓	✓	✓	✓	✓		✓
Financial/Accounting Experience		✓	✓	✓	✓	✓	✓	✓
SEC Financial Expert		✓	✓	✓	✓	✓	✓	✓
REITs/Real Estate			✓	✓		✓		
Healthcare, Senior Housing	✓	✓	✓	✓			✓	✓
Capital Markets			✓	✓	✓	✓	✓	✓
Capital Intensive Industry			✓	✓		✓	✓	✓
Public Company Executive Compensation	✓	✓	✓	✓		✓		✓
Government Relations/Experience	✓	✓						✓
Technology						✓		
Legal	✓		✓					
Sales & Marketing								
Not-for-Profit	✓						✓	✓
Strategic Planning	✓	✓	✓	✓	✓	✓	✓	✓
International Operations						✓		
Independent	✓	✓	✓	✓	✓	✓	✓	✓
Ethnic Diversity	✓							
Gender	F	M	M	M	F	M	M	M
Board Tenure (Yrs.)	3.7	16.7	6.8	7.0	1.9	1.9	10.2	10.2
Age (as of 2018 Annual Meeting)	54	64	72	57	61	60	65	64

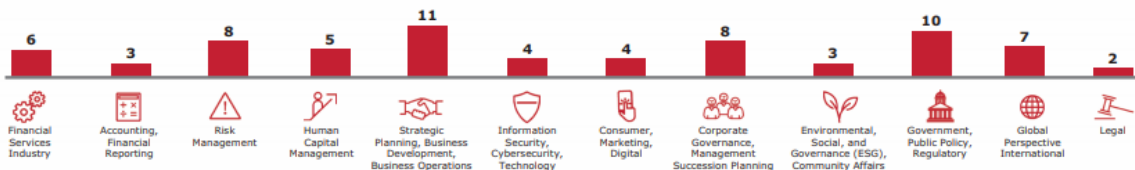


BOARD QUALIFICATIONS AND EXPERIENCE

The following chart reflects areas of qualifications and experience that our Board views as important when evaluating director nominees. The GNC and our Board believe that each director nominee brings to our Board his or her own unique background and range of expertise, knowledge, and experience, including as a result of his or her valued service on our Board and its committees, that provide our Board as a whole with an appropriate and diverse mix of qualifications, skills, and attributes necessary for our Board to fulfill its oversight responsibility to our Company’s shareholders. Additional information on the business experience and other skills and qualifications of each of our director nominees is included under *Item 1 – Election of Directors*. Each director also contributes other important skills, expertise, experience, and personal attributes to our Board that are not reflected in the chart below.

	Baker	Clark	Craver	Duke	James	Morris	Peetz	Pujadas	Quigley	Sargent	Sloan	Vautrinot
Qualifications and Experience												
Financial Services Industry			•	•		•	•	•			•	
Accounting, Financial Reporting			•						•		•	
Risk Management	•		•	•		•	•	•	•		•	
Human Capital Management						•	•			•	•	•
Strategic Planning, Business Development, Business Operations	•		•	•	•	•	•	•	•	•	•	•
Information Security, Cybersecurity, Technology			•			•		•				•
Consumer, Marketing, Digital		•				•				•		•
Corporate Governance, Management Succession Planning	•	•	•	•	•				•	•	•	
Environmental, Social, and Governance (ESG), Community Affairs		•		•			•					
Government, Public Policy, Regulatory		•	•	•	•	•	•	•	•		•	•
Global Perspective, International		•				•	•	•	•	•		•
Legal	•				•							
Additional Qualifications and Information												
Financial Services Risk Experience				•		•	•	•				
Audit Committee Financial Expert	•		•						•	•		
Other Public Boards	1	1	1	0	1	1	1	0	2	2	0	2
Board Tenure and Diversity												
Tenure	9	0	0	3	9	0	1	0	4	1	1	3
Age	69	64	66	65	69	55	62	56	66	62	57	58
Gender	M	F	M	F	M	F	F	M	M	M	M	F
Ethnic Diversity		•						•				

TOTAL DIRECTOR NOMINEES WITH THE PARTICULAR QUALIFICATIONS AND EXPERIENCE (OUT OF 12 DIRECTORS)





(Continued)

ADDITIONAL QUALIFICATIONS AND EXPERIENCE IDENTIFIED BY OUR BOARD AS IMPORTANT TO OUR COMPANY, STRATEGY, AND OPERATIONS

The GNC and our Board desire that the Board as a whole has an appropriate balance of skills, knowledge, experience, and perspectives that are relevant to our Vision, Values, and Goals. Recent changes made to our Board are representative of the Board's commitment to refreshment and focus on Board diversity. The Board recruited new directors during 2017 to complement and enhance the existing skills and experience of our Board in specific areas which were identified by our Board through its annual self evaluation process. For more information on the Board's comprehensive self-evaluation process, see *Comprehensive Annual Evaluation of Board Effectiveness*. Additional qualifications and experience that our Board has identified as desirable in light of Wells Fargo's business and strategy include:

	Financial Services Industry Experience in one or more of the Company's specific financial services areas, including retail banking, wholesale banking, wealth and investment management, or global payments		Consumer, Marketing, Digital Experience in a client services or consumer retail business, including mobile and digital consumer experiences, or marketing
	Accounting, Financial Reporting Experience as an accountant or auditor at a large accounting firm, Chief Financial Officer, or other relevant experience in accounting and financial reporting		Corporate Governance, Management Succession Planning Experience or expertise in governance matters, including CEO and senior management succession planning
	Risk Management Experience managing risks in a large organization, including specific types of risk (e.g., physical security, financial, cyber) or risks facing large financial institutions		Environmental, Social, and Governance (ESG), Community Affairs Experience in ESG and community affairs matters, including as part of a business and managing corporate social responsibility issues as business imperatives
	Human Capital Management Experience or expertise in management and development of human capital, including through management of a large retail workforce		Government, Public Policy, Regulatory Experience in governmental and regulatory affairs, including as part of a business and/or through positions with government organizations and regulatory bodies
	Strategic Planning, Business Development, Business Operations Experience defining and driving strategic direction and growth and managing the operations of a business or large organization		Global Perspective, International Experience doing business internationally or focused on international issues and operations
	Information Security, Cybersecurity, Technology Experience or expertise in information security, data privacy, cybersecurity, or use of technology to facilitate business operations and customer service		Legal Experience acquired through a law degree and as a practicing attorney in understanding legal risks and obligations



Key Facts about our Director Nominees

92% are independent	Average tenure < 3 years	8 new independent directors since 2015	42% are women	17% are ethnically diverse	45% of independent director nominees have financial services experience	58% have CEO experience
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(Continued)



Suzanne M. Vautrinot
Age: 58
Director since: February 2015
Other Current Public Company Directorships: Ecolab Inc., Symantec Corporation
Committees: Corporate Responsibility, Credit, Risk

Ms. Vautrinot has served as President of Kilovolt Consulting Inc., San Antonio, Texas (a cyber security strategy and technology consulting firm) since October 2013. Ms. Vautrinot retired from the United States Air Force in October 2013 after 31 years of service. During her distinguished career with the United States Air Force, she served in a number of leadership positions including as Major General and Commander, 24th Air Force, Air Forces Cyber and Air Force Network Operations from April 2011 to October 2013, Special Assistant to the Vice Chief of Staff of the United States Air Force in Washington, D.C. from December 2010 to April 2011, Director of Plans and Policy, U.S. Cyber Command from May 2010 to December 2010 and Deputy Commander, Network Warfare, U.S. Strategic Command from June 2008 to December 2010, and Commander, Air Force Recruiting Service from July 2006 to June 2008. She has been awarded numerous medals and commendations, including the Defense Superior Service Medal and Distinguished Service Medal.

Qualifications and Experience



- **Leadership, Cybersecurity, Risk Management, Government, Business Operations.** As a result of more than 30 years of service in various leadership and command roles in the United States Air Force, Ms. Vautrinot brings extensive space and cyber technology and operations expertise to our Board at a time when protecting financial institutions and the financial system from cyber threats is a top priority.
- **Global Perspective/International, Cybersecurity, Technology, Strategic Planning.** In addition to her vast cyber expertise, Ms. Vautrinot has led large, complex, and global organizations, which brings operational, strategic, and innovative technology skills to our Board. She retired as a Major General and Commander, 24th Air Force, where she oversaw a multi-billion dollar cyber enterprise responsible for operating, extending, maintaining, and defending the Air Force portion of the Department of Defense global network.
- **Human Capital Management, Public Policy.** As Commander, 24th Air Force, she led a workforce unit of approximately 14,000 military, civilian, and contractor personnel, which along with her other leadership roles and assignments in the United States Air Force, provides her with significant planning and policy, strategic security, and workforce development expertise.
- **Technology and Other Capabilities.** She has a Bachelor of Science from the United States Air Force Academy, a Master of Science in systems management from the University of Southern California, and was a National Security Fellow at the John F. Kennedy School of Government at Harvard University. Ms. Vautrinot was elected a member of the National Academy of Engineering in 2017.



Endnotes:

ⁱ “Groupthink” is a cognitive bias whereby “homogenous, cohesive groups” tend toward standard agreement with known business associates and not challenge “basic premises” (see http://www.ieso-imf.org/ieso/files/completedevaluations/01102011Crisis_IV_Why_Did_the_IMF_Fail_to_Give_Clear_Warning.pdf). Research by McKinsey suggests that companies with greater gender and ethnic board diversity have stronger financial performance (see <https://www.mckinsey.com/business-functions/organization/our-insights/why-diversity-matters>). MSCI research suggests that gender diverse boards have fewer instances of bribery, corruption, and fraud (see <https://www.msci.com/documents/10199/04b6f646-d638-4878-9c61-4eb91748a82b>).



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