



Labrador Transparency

Director Skills

2025 Proxy Trends with Insights for 2026

December 16, 2025

Introduction

The proxy trends series is prepared by Labrador's Lead Advisors and explores emerging trends in proxy statements in 2025 and offers insights and actionable elements for your teams to consider as you prepare your 2026 Proxy Statement.

This article, by Judy Mayo, reviews how some public companies addressed director skills matters in their 2025 proxy statements.

10 Ways to Optimize How You Present the Skills of Your Board

Even a Board with the most objectively qualified and "fit for purpose" **directors can face a proxy battle or withhold campaign**. Those actions are **often related to company performance or strategy** rather than solely concerned with the quality of a Board member.

Nevertheless, companies faced with those campaigns need to **convince their shareholders**, via the proxy statement, that their **directors are ideal to guide the company** and advance a successful strategy. But **why wait for unwelcome overtures** to review and optimize how you present the skills, qualifications and effectiveness of your directors?

In this Thought Piece we highlight **ten ways that companies have showcased the benefits of their directors' skills and expertise** and the value they bring to the company.

Below are some general statistics from S&P 100 proxy statements filed in 2025, but equally – and perhaps more – important is the quality of the disclosure. That's what this thought piece addresses.

44%

of companies explain the relevance of each Board skill and its link to company strategy

8%

of companies include the skills of the members in each Committee description

48%

of companies identify skills or qualifications in each director biography by either icons or a list that is separated from the biography/ paragraph format

87%

of companies present Board skills in a matrix or table

61%

of companies disclose the Board's policies and practices related to director continuing education

1. Show how directors' skills are highly relevant to advancing company strategy.

[Lockheed Martin](#) clearly explains how skills and competencies possessed by the Board propel the company and its mission. The desired skills aren't generic – they are directly tied to achieving the company's strategy. The **strategic objectives themselves are woven into the presentation of skills.**

We seek directors with the skills and competencies that propel our Company

The core competencies and strategic skills that the Board values align with our mission to keep our customers Ahead of Ready. We believe the Board is more effective by collectively having a mix of these core competencies and strategic skills, which have been enhanced through recent refreshment and ongoing director development.

CORE COMPETENCIES



Senior Leadership Experience. All directors have senior leadership experience. We look to have a balance of directors with public company CEO leadership experience, public company CFO experience and other experience managing large, complex organizations.



Financial Expertise. All directors have the ability to understand financial statements. Directors who qualify as an "audit committee financial expert" have additional education and experience that enables them to provide additional oversight of financial statements and capital allocation decisions as well as important financial metrics in measuring our performance.



Sustainability Expertise. Directors with sustainability experience, including employee safety and health, climate-related risks and political risks, play an important role in the Board's oversight of risks and the Company's sustainability initiatives.



Cybersecurity Expertise. Directors with experience in cybersecurity, intelligence and data protection, including U.S. cybersecurity policy and the U.S. Government's cybersecurity efforts and cybersecurity threats, contribute to the Board's oversight of cybersecurity risks and digital transformation efforts.



Senior Military / Government Experience. Directors with experience serving in senior military or government roles bring an important perspective; a background in managing large, complex, diverse organizations and understanding of our customers and relevant policy issues.

STRATEGIC SKILLS

Perform Lead in delivering 21st Century Security® solutions to our customers. Drive business outcomes. Deliver outstanding results for our customers and stockholders.



21st Century Security / Defense Industry Transformation. We are leading transformation in our industry to support our customers' needs for rapid, advanced solutions to promote deterrence and address an evolving threat landscape and an agile, resilient defense industrial base. Our 21st Century Security strategy takes the best of defense and commercial technology and business practices to make forces agile, adaptive and unpredictable, so that they stay ready for any mission—today and in the future. Directors with experience in leading transformation in the defense, commercial and telecom sectors provide important perspectives as we execute industry partnerships and bring these sectors together to deliver transformational capabilities for national defense.



5G.MIL / Digital & Networking Open Architecture. Lockheed Martin's 5G.MIL solutions integrate military communications with tactical gateway capabilities and enhanced 5G technology to enable seamless, resilient and secure connectivity and data flow across all battlefield assets. Directors with industry experience or technological expertise contribute to an understanding of network-enabled technologies and open architectures to enable our 21st Century Security strategy.



AI, Autonomy, Advanced Comms, Hypersonics, Space. Advancing and deploying technologies including AI, Autonomy, Advanced Communications, Hypersonics and Space are key priorities for the Company. Directors with technology and mission focused backgrounds contribute to an understanding of these technology priorities and our oversight of key investments in these areas.

Transform Transform ourselves and our supply chain. Innovate our solutions. Adopt new processes and tools to become more agile for customers.



Business and Digital Transformation. Directors with experience in business processes and systems and their evolution provide valuable insights as we execute our mission-driven business and digital transformation program that is critical to innovate and deliver the speed, agility and insights our customers need.



Operational Execution and Efficiency. Our future success requires us to drive a culture of operational excellence, efficiency and consistent performance. Directors with experience in areas such as complex manufacturing and other large, complicated operations contribute to the understanding of these challenges.



Supply Chain Excellence. Lockheed Martin has a unique and complex multi-tiered supply chain that is critical to our success. Directors with expertise in the management of relationships with suppliers provide important perspectives on managing supply chain challenges and driving affordability and resiliency.

Grow Expand existing core business. Go after new segments and adjacent markets. Disrupt ourselves through new developments, programs and products.



International Business Expansion. We are a global business with a presence in more than 50 countries. One of our key growth priorities is to expand our business internationally. Directors with experience understanding the complexities and risks of international business help the Company to achieve this goal.



Business Model / Commercial Partnerships. A key element of our 21st Century Security strategy is to collaborate with innovative commercial companies outside of the traditional aerospace and defense industry to leverage their technologies for military applications as well as to develop new business models for the defense industry. Directors with commercial experience contribute to an understanding of these new business models and related growth opportunities.



M&A Expertise. We look to leverage inorganic growth and portfolio alignment by pursuing strategically aligned targets with ventures, acquisitions and other investments as well as dispositions. Directors with mergers and acquisitions experience contribute to the Board's understanding of these opportunities.

2. Visualize how relevant director skills link strategy with success.

[Prologis](#) provides a visual that communicates how **Board experience** helps translate the company's strategy into **positive results**.

Director Qualifications		
Director skills and experience support our business strategy.		
We have deep experience on our Board across a range of industries that supports our business model. The Board believes a balance of perspectives from other industries is critical to well-rounded oversight and insight into our customers' perspectives.		
BUSINESS STRATEGY	DIRECTOR EXPERIENCE SUPPORTING OUR BUSINESS ⁽¹⁾	FINANCIAL RESULTS ⁽²⁾
Global presence in the heart of the world's most vibrant and active consumption centers results in outperformance.	83% of our directors have global management experience.	Strong long-term performance Prologis generated 13.2% net earnings per share CAGR and 11.9% Core FFO per share CAGR, ⁽³⁾ 1,013 bps and 569 bps above the Large-Cap REIT Group average, respectively.
Scale drives efficiency.	100% of our directors have large-scale company executive management experience.	Significant and durable growth We saw 274% AUM growth while G&A ⁽⁴⁾ as a percentage of AUM decreased.
Development enhances the bottom line.	67% of our directors have real estate and logistics experience.	Building an unmatched portfolio Our development business created an estimated \$9B in value. ⁽⁵⁾
Strategic Capital boosts growth through fees and Promotes.	100% of our directors have investment and/or finance experience.	A high-return business Strategic Capital fees and Promotes totaled \$5.9B.
Prologis Essentials —our ecosystem of logistics solutions, services and products—provides new revenue streams and strengthens customer relationships.	67% of our directors have experience with customer products, services and solutions.	Additional earnings opportunities Total Prologis Essentials contracted sales grew by more than 300% from 2021 to 2024.

3. Highlight how member skills bring value to the Board's committees.

[Canadian Pacific Kansas City](#) describes the skills of committee members that are directly **relevant to that committee's responsibilities**.

Qualified and experienced Compensation Committee

The Compensation Committee is responsible for our compensation philosophy, strategy and program design. The Compensation Committee consists of five independent directors. The Compensation Committee has the relevant skills, background and experience to carry out its duties. The table below shows the key skills and experience of each member:

	Human Resources/compensation/succession planning	CEO/senior management	Governance and policy development	Transportation industry	Risk management	Engagement (shareholders and others)
Matthew Paull (Committee Chair)	•	•	•		•	•
Isabelle Courville (Chair of the Board)	•	•	•	•	•	•
Henry Maier	•	•	•	•	•	•
Andrea Robertson	•	•	•	•	•	•
Gordon T. Trafton	•	•	•	•	•	•

Compensation Committee members also have specific human resources and compensation-related experience, including:

- direct responsibility for executive compensation matters
- membership on human resources committees
- compensation plan design, administration, compensation decision-making, risk management and understanding the Board's role in the oversight of these practices
- understanding the principles and practices related to leadership development, talent management, succession planning and employment contracts
- engagement with investors on compensation issues
- financial literacy, oversight of financial analysis related to compensation plan design and practices
- pension benefit oversight, investment management
- recruitment of senior executives

The Compensation Committee has no interlocks or insider participation. None of the members were employed by or had any relationship with CPKC during 2024 requiring disclosure under Item 404 or Item 407(e)(4) of Regulation S-K of the Exchange Act. You can read about the background and experience of each nominee in the director profiles beginning on page 20.

Our Compensation Committee members also serve on other standing committees. Mr. Paull and Mr. Maier are members of the Audit and Finance Committee, Mr. Maier and Ms. Robertson are members of the Integration Committee, Ms. Robertson is a member of the Governance Committee and Mr. Trafton is a member and chairs the Risk and Sustainability Committee. Ms. Courville, in her capacity as Chair of the Board, is an ex-officio member of all standing committees and may attend committee meetings at her discretion. This cross-membership provides directors with a broader perspective of risk oversight and a deeper understanding of our enterprise risks, ultimately strengthening overall risk management.

[Walmart](#) similarly shows the **key skills of its committee** members.



Strategic Planning and Finance Committee

DURING FISCAL 2025
4 MEETINGS

5 MEMBERS

Sarah Friar, Chair
Cesar Conde
Carla Harris
Tom Horton
Randall Stephenson



All five members have **global or international business experience**



All five members have **senior leadership experience**



Three members have **regulatory, legal, or risk management experience**



Four members have **finance, accounting, or financial reporting experience**



One member has **retail experience**



Three members have **technology or eCommerce experience**

4. Convey the rigor needed to obtain each skill.

[Chevron's](#) description conveys the significant **depth and/or breadth of experience** needed to qualify as having the desired skill.

When conducting its review of the appropriate skills and qualifications desired of Directors, the Governance Committee particularly considers the skills, experience, and expertise that 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. These are as follows:

Skills, experience, and expertise	How they relate to Chevron's business, strategy, and operations	What the Board is looking for
CEO/Senior executive/Leader of significant operations	Chevron employs approximately 45,000 ¹ people throughout the world. Chevron's operations involve complex processes, human capital management, strategic planning, and risk management.	Current or former leadership experience as a CEO, senior executive, or leader of significant business operations at a large organization of similar size, scope, and complexity as Chevron's business.
Science/Technology/Engineering/Research/Academia	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, as well as assessing new energy sources and evolving technology risks and opportunities. The highly technical nature of Chevron's business requires being on the front lines of research and critical technical advancements to maintain a competitive advantage.	Current or former CEO, senior executive, or leader of significant business operations of a science, technology, or engineering company or company with a significant business segment involving technology, including cybersecurity issues. Current or former professor at a leading university in the sciences, technology, or engineering fields.
Government/Regulatory/Legal/Public policy	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.	Former service as an elected official, presidential or gubernatorial appointee, or senior-level employee in the federal or a state government. Senior lawyer at a law firm or in-house or senior executive at a company with extensive interaction with government officials. Service on a commission or initiative with significant regulatory or public policy matters.
Finance/Financial disclosure/Financial accounting	Chevron's business is multifaceted and requires complex financial management, capital allocation, and financial reporting processes.	Current or former CEO, CFO, or controller of a public company of similar size, scope, and complexity as Chevron. Current or former partner of a "Big 4" accounting firm and work experience includes public companies of similar size, scope, and complexity as Chevron. Significant work experience in the financial industry. Responsible for the financial affairs of a nonprofit with significant size, scope, or complexity.
Global business/International affairs	Chevron conducts business around the globe. Our business success is derived from an understanding of diverse business environments, economic conditions, and cultures, as well as a broad perspective on global business opportunities.	Current or former CEO or executive responsible for a significant business segment of a company with significant global operations. Elected official in the U.S. Senate or House of Representatives with service on committees involving foreign relations or service as a U.S. ambassador to another country. Presidential appointee or senior-level employee of agency with activities involving foreign relations. Significant experience in dealing with matters involving international affairs.

5. Show that the identification of directors' key skills is carefully considered.

Impose **restrictions on skills shown for each director** to avoid a matrix where every director has every skill (which can be viewed as diluting the skill's value, as well as making directors appear fungible).

[Honeywell](#) qualifies skills based on **extent of expertise**: technical expertise, managerial expertise or working knowledge.

BOARD SKILLSET MATRIX

The Honeywell Board adopted a skills and experience matrix to facilitate the comparison of its directors' skills versus those deemed necessary to oversee the Company's current strategy. The skills included in the matrix are evaluated against the Company's articulated strategy each year so that the matrix can serve as an up-to-date tool for identifying director nominees who collectively have the complementary experience, qualifications, skills, and attributes to guide the Company. Honeywell's 2025 Board Skillset Matrix reflecting the characteristics of its director nominees is below.

		Vimal Kapur (Chair & CEO)	William S. Ayer (Lead Director)	Duncan B. Angove	Kevin Burke	D. Scott Davis	Deborah Flint	Michael W. Lamach	Rose Lee	Grace Lieberlin	Robin Watson	Stephen Williamson	
STRATEGIC SKILLS	Global Experience	<div><div></div></div>		<div><div></div></div>		<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
	Regulated Industries/ Government Experience	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
	Innovation and Technology	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
	Marketing	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>		
	Alignment to Megatrends/ Digitalization ⁽¹⁾	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
	1, 2, 3, 4	1, 3, 4	2, 4	2, 3	1, 2, 3	1, 3, 4	2, 3, 4	2, 4	1, 2	2, 3, 4	3, 4		
	Corporate Responsibility	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
CORE COMPETENCIES	Senior Leadership Experience (most senior position held)	CEO	Chair and CEO	CEO	Chair and CEO	Chair and CEO	CEO	Chair and CEO	CEO	VP	CEO	CFO	
	No. of Public Company Boards (Current ⁽²⁾ Past)	1 0	1 2	1 0	1 1	1 3	1 0	3 3	1 2	2 1	1 1	1 1	
	Risk Management	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>
	Financial Expertise	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>
DIVERSITY	Gender	Male	Male	Male	Male	Male	Female	Male	Female	Female	Male	Male	
	Race/Ethnicity	Asian	White	White	White	White	Black	White	Asian	Hispanic	White	White	



Technical expertise: has direct hands-on experience or was a subject-matter expert during his/her career.



Managerial expertise: expertise derived through direct managerial experience.



Working knowledge: experience derived through investment banking, private equity investing, serving as a member of a relevant board committee at Honeywell or at another public company, or serving as an executive officer or on the board of a public company in the relevant industry.

Janus Henderson qualifies the skills based on whether it is a particularly **significant area of expertise** constituting a primary qualification, or an **area of proficiency** serving as a director's additional qualification.

Board Nominee Skills and Expertise

We believe that for the Board to effectively guide the Company's strategy, provide effective oversight, and lead us towards sustained, long-term success, it must be composed of individuals with a diverse mix of experience and expertise. The table below highlights the mix of key skills and qualifications that led the Board, as recommended by the Governance and Nominations Committee, to nominate each director for election.

Each "●" in the table below denotes a particular area of experience and expertise and indicates a primary qualification supporting the director's nomination. A "○" denotes an area in which a director has other demonstrated proficiency and indicates an additional qualification supporting the director's nomination. The lack of a mark does not mean a director does not possess meaningful experience or skill in that area.

	Baldwin	Cassaday	Desai	Dibadij	Dolan	Flood Jr.	Frank	Quirk	Seidman	Seymour-Jackson	Sheehan
 Asset Management Industry Extensive knowledge of the asset management or financial services industry	●	○	○	●	●	●	●	●	○	○	●
 Client Focus & Distribution Meaningful experience in marketing, distribution, or customer service, preferably in the financial services industry	○	●	○	●	●	●	○	○		●	
 Executive Leadership CEO or other C-suite executive experience with a publicly listed or multinational company or government entity	○	●	●	●	●	●	○	●	●	○	○
 Financial & Audit Relevant experience, education or expertise in financial and audit matters, including an understanding of GAAP, financial statements, accounting principles, and internal controls	●	○	●	●	●	●	●	○	●	○	●
 Human Capital Management Extensive knowledge of human capital matters, including recruitment; performance management; compensation; and diversity, equity, and inclusion ("DEI")	●	●	○	●	●	●	●	●	○	○	○
 International Experience managing multinational business operations and/or proven knowledge of overseas markets	●	○	●	●	●	○	●	●	○		
 Legal & Regulatory Broad experience dealing with government, regulatory, and legal matters	○	○	○	●	○	○	○	○	●	○	●
 Public Company Governance Substantive understanding of public company corporate governance, regulatory, and disclosure matters	●	●	●	●	●	●	●	●	●	●	●
 Risk & Compliance Oversight Relevant risk management experience, including responsibility for oversight of risk management frameworks and systems	○	○	●	○	●	●	○	○	●	●	○
 Strategy and M&A Expertise in the development, implementation, or oversight of strategic plans and evaluation, execution, or integration of M&A transactions	●	●	●	●	●	○	●	●	●	○	○
 Sustainability Experience or education in environmental, social, and governance ("ESG"), sustainability, and climate-related matters and their relationship to our business and strategy	○		○	○	○		○	○	●	○	●
 Technology & Cyber Relevant experience or education related to supervision of information technology assets and/or cybersecurity	○		○	○		○	○		○	○	○

NRG's skills matrix explains that the indicated skills represent the **director's six primary contributions** to the Board.

BOARD SKILLS AND EXPERIENCE

Our director nominees represent a diverse mix of skills, experiences and viewpoints that are relevant to our Company and facilitate effective oversight. To illustrate the complementary nature of each director nominee's skills and experience, the table below identifies six primary skills and experiences that the director nominees bring to the Board. In identifying these skills and experiences, each director nominee is limited to selecting six such areas. The table below therefore does not include all of the skills, experiences, and qualifications that each director nominee offers, and even though a particular skill, experience, or qualification is not listed, a director nominee may yet possess that skill, experience, or qualification. We believe identifying six primary skills and experiences is a more meaningful presentation of the complementary contributions and value that each director nominee brings to their service on the Board and to the Company's stockholders. See "Proposal No. 1 Election of Directors" for the biographies of our director nominees and a description of the skills and viewpoints that each director nominee brings to bear in their service to the Board and Committees.

CATEGORY	ABRAHAM	CARRILLO	CARTER	COBEN	COX	DONOHUE	FAWAZ	HOBBY	HOWELL	POURBAIX	PRUNER	SCHAUMBURG	ZLOTNIK
Executive Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Human Capital Management / Talent	✓	✓				✓			✓	✓			✓
Corporate Governance	✓	✓		✓	✓		✓	✓	✓			✓	
Environmental / Sustainability / Corporate Responsibility	✓			✓			✓	✓		✓			
Finance / Accounting		✓			✓	✓					✓	✓	✓
Relevant Business Experience			✓	✓			✓	✓	✓	✓		✓	✓
M&A		✓		✓				✓	✓	✓	✓	✓	
Regulatory Policy / Compliance	✓			✓			✓	✓			✓		✓
Risk Management	✓	✓	✓		✓	✓			✓	✓	✓	✓	
Cybersecurity, Technology and Digital Innovation			✓		✓	✓	✓						
Customer Service			✓		✓								✓
Branding / Marketing			✓			✓					✓		

6. Show that Board refreshment is active and continuous.

[American Tower](#) shows how the Board has been **refreshed in the prior four years**. Highlighting the **new skills** that have been added to the Board indicates that the Board is constantly assessing and addressing the needs of the Board based on the evolving needs of the company.



[Salesforce](#) organizes its **skills matrix according to tenure**. This kind of presentation can show how the skills that directors possess change over time, highlighting how desired skills have been evolving.

Director Experience and Qualifications

The matrix below summarizes what our Board believes are desirable types of experience, qualifications, attributes, and skills possessed by Salesforce's director nominees because of their particular relevance to the Company's business and strategy. While all of these were considered by the Board in connection with this year's director nomination process, the following matrix does not encompass all experience, qualifications, attributes, or skills of our director nominees.

	>10 Years					6-10 Years		0-5 Years				
	Benioff	Conway	Webb	Roos	Washington	Kroes	Harris	Alber	Munoz	Donald	Mehra	Morfit
Key Skills												
Profitable/sustainable growth strategies	●	●	●	●	●		●	●	●	●	●	●
Operational efficiency and costs discipline	●	●	●		●		●	●	●	●	●	●
Capital allocation	●	●	●		●			●	●	●	●	●
Sales and distribution leadership	●	●						●	●	●		
Marketing and brand building leadership	●	●	●					●	●	●		
International operations or relations leadership	●	●	●	●	●	●		●	●	●	●	
Cybersecurity or data privacy			●		●	●	●	●			●	
Financial statements and accounting	●	●	●		●			●	●	●	●	●
Key Experience												
Significant technical, advisory, or business experience in software industry	●	●	●	●	●	●	●					●
Cloud computing infrastructure implementation, strategy, or advisory work	●	●	●	●	●		●					
Senior executive leadership at a public company or other large organization	●	●	●		●	●	●	●	●	●	●	
Government/regulatory experience				●	●	●			●	●	●	
Former/current director of another public company	●	●	●	●	●	●		●	●	●		●
Long-term succession planning or executive leadership transitions		●	●	●	●		●	●	●	●		●
Tenure												
No. of Years	26	19	18	11	11	9	6	3	3	2	2	2

[Chevron](#) presents the **refreshment to committee leadership** over time, and [CVS Health](#) shows **recent changes** to committee composition.

Refreshed board composition and leadership

Type of change	Date of change	Director	Position
Board composition changes			
—	May 2023	Ronald D. Sugar	Director
+	June 2022	Cynthia J. Warner	Director
+	January 2021	Marilyn A. Hewson	Director
+	September 2020	Jon M. Huntsman Jr.	Director
—	January 2020	Inge G. Thulin	Director
Board and Committee leadership changes			
+	May 2022	Wanda M. Austin	Lead Director
—	May 2022	Ronald D. Sugar	Lead Director
+	May 2021	Debra Reed-Klages	Audit Committee Chairperson
+	May 2021	Wanda M. Austin	Nominating and Governance Committee Chairperson
+	May 2021	Charles W. Moorman	Management Compensation Committee Chairperson
+	May 2021	Enrique Hernandez, Jr.	Public Policy and Sustainability Committee Chairperson
—	May 2021	Charles W. Moorman	Audit Committee Chairperson
—	May 2021	Ronald D. Sugar	Nominating and Governance Committee Chairperson
—	May 2021	Enrique Hernandez, Jr.	Management Compensation Committee Chairperson
—	May 2021	Wanda M. Austin	Public Policy and Sustainability Committee Chairperson

Health Services and Technology Committee

Meetings in 2024: 4

Rotated Off (March 2025)

Nancy-Ann DeParle
Jean-Pierre Millon
Mary Schapiro



Appointed Chair (September 2024)

Jeffrey Balser

Joined (November 2024)

Leslie Norwalk

Current Committee Members

Jeffrey Balser (Chair) (independent)

Alecia DeCoudreaux (independent)

Scott Kirby (independent)

Leslie Norwalk

7. Discuss how and how often the Board revisits (and refreshes) the skills identified as key.

[Canadian National](#) is transparent about **why and how the skills** needed on the Board were **updated**.

Competency Matrix

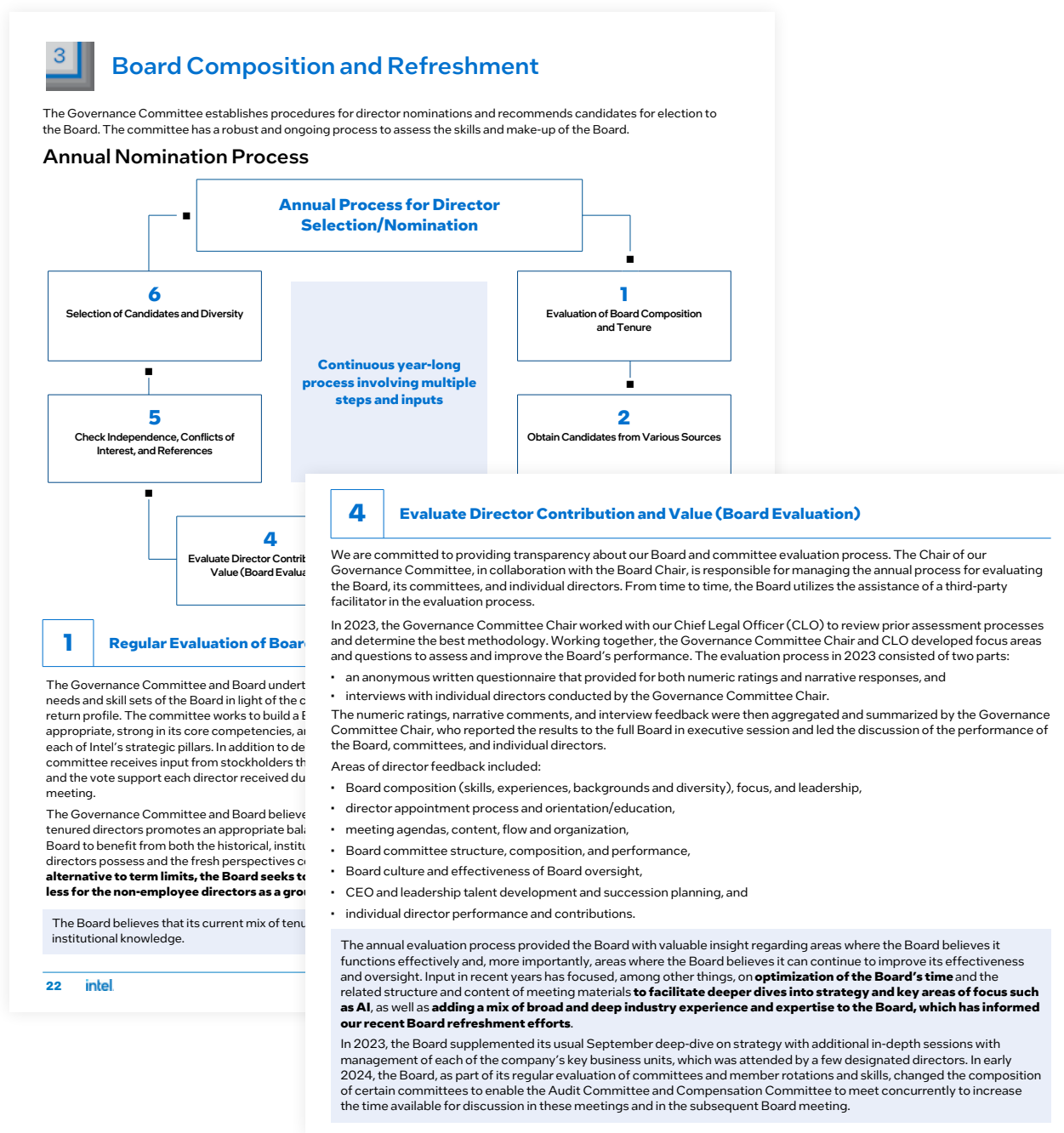
The GS Committee regularly reviews the Company's competency matrix to assess the Board's overall strengths and diversity of skills and experience, including when considering the recruitment of new director candidates. Most recently, in 2024, upon recommendation of the GS Committee, we updated our competency matrix to better align the skills and competencies sought from our directors with the Company's current business environment and strategic vision. Notably, we incorporated a new competency on **Stakeholder Relations and Community Engagement** to emphasize the importance of having directors on our Board with a strong understanding of stakeholder and community perspectives, including those of the Indigenous communities on our network in Canada, in the furtherance of CN's business strategic

vision. We also reflected **Safety** as an independent competency to further emphasize CN's commitment to safety as a core value, and to ensure that CN continues to seek board members who have direct experience with, and a strong understanding of, employee health and safety processes specifically, particularly in the transportation industry.

CN's competency matrix is based on areas of knowledge, expertise, competency, skill, geography, and other areas of representation considered relevant to our Board, and helps identify any gaps to be addressed in the nomination process.

8. Emphasize that incumbents are as rigorously vetted as new nominees.

[Intel](#) emphasizes the **steps in its nomination process** that involve evaluating the incumbent directors to ensure they remain ideally suited to advance the company's strategy.




9. Be direct with biography headings (and content) to communicate contributions and value.

[Disney](#) uses the **impactful heading** “Notable Experience Aligned with Disney’s Strategy and Board Contributions” to convey the active and meaningful contributions of the director in support of the company’s success.

James P. Gorman

EXECUTIVE CHAIRMAN, MORGAN STANLEY



Age: **65**

Director since: **2024**

Notable Experience Aligned with Disney’s Strategy and Key Board Contributions

- As Executive Chairman and former Chief Executive Officer of Morgan Stanley, Mr. Gorman has an established record driving strategic transformation of a global financial institution with a long-term sustainable business model, bringing important insight for the Company’s strategic progression
- Mr. Gorman successfully executed innovative technological strategies leading Morgan Stanley’s acquisition and integration of online trading platform, E-Trade, providing key perspectives as the Company leverages technology to advance its strategy
- Through his roles at Morgan Stanley and Merrill Lynch and as former president of the Federal Advisory Council to the U.S. Federal Reserve Board, Mr. Gorman has deep finance management, investment and fiduciary expertise evaluating businesses

Other Key Skill Sets

- Successfully oversaw a multi-year CEO succession process and director succession planning
- Managing diverse and inclusive executive teams and a sizeable global workforce
- Brand and risk management and governance and public policy thought leadership developed through his roles at The Business Council, Business Roundtable and the Council on Foreign Relations

Employment Experience:

2024–Present Executive Chairman, **Morgan Stanley (a global financial services firm)**

2012–2023 Chairman and Chief Executive Officer, **Morgan Stanley**

2010–2011 President and Chief Executive Officer, **Morgan Stanley**

2007–2009 Co-President, **Morgan Stanley**

2006–2007 Various positions, **Morgan Stanley**

1999–2005 Various positions, **Merrill Lynch & Co., Inc. (a global financial services firm)**

Other Public Company Directorships:
Morgan Stanley (2010–Present)

[Netflix](#) is **equally direct**, explaining “Why this director is valuable to Netflix”.

Richard Barton

INDEPENDENT DIRECTOR

DIRECTOR SINCE: 2002

AGE: 57

COMMITTEES: AUDIT

Why this director is valuable to Netflix

Having founded successful internet-based companies (including Zillow, Expedia and GlassDoor), Mr. Barton provides strategic and technical insight to the Board, and as the Co-Executive Chairman and former Chief Executive Officer of Zillow Group, brings extensive leadership and operational experience, as well as financial acumen to the Board. In addition, Mr. Barton brings experience with respect to marketing products to consumers through the internet.

Also...

Mr. Barton was a venture partner at Benchmark, a venture capital firm that has been an early-stage investor in companies like Twitter, Instagram, Uber and Zillow, from 2005 to 2018. He has served on many public company boards, including Altimeter Growth Corp. from 2020 to 2021 and Altimeter Growth Corp. 2 from 2021 to 2022. Mr. Barton holds a B.S. in general engineering: industrial economics from Stanford University.

Career Snapshot:

- Co-Executive Chairman of Zillow Group (since 2024), Co-founder and Chief Executive of Zillow Group (2005–2011 and 2019–2024)
- Co-founder and Chairman of GlassDoor (2007–2018)
- Founder and Chief Executive Officer of Expedia (1996–2003)



Other Public Company Boards

- Qurate Retail, Inc. (formerly Liberty Interactive Corporation)
- Zillow Group, Inc.

10. Show that directors continue to learn and gain expertise, particularly in quickly-evolving areas.

[Canadian National](#) has a particularly **detailed description of the robust continuing education** received by its directors.

Continuing Education

To facilitate ongoing education, the Company:

- maintains, at its cost, a membership for each director in an organization dedicated to corporate governance and ongoing director education;
- encourages and funds the attendance of each director at seminars or conferences of interest and relevance;
- regularly provides educational materials on corporate governance and other topics in materials provided ahead of Board and committee meetings;
- encourages presentations by outside experts to the Board or committees on matters of particular importance or emerging significance, such as governance practices, climate, and Indigenous relations; and
- from time to time, as appropriate, the Board holds meetings at or near an operating site or other facility of the Company, a key customer, supplier or affiliated company.

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process.

The Board Chair arranges for Board members to have access to education and information on an ongoing basis pertaining to Board effectiveness and the best practices associated with successful boards, briefings on factors or emerging trends that may be relevant to the Company's business strategy and other material as deemed appropriate by the Board Chair. The Company also makes available, at its cost, a host of educational programs provided by leading institutions. We encourage directors to attend seminars and other educational programs and to report back to the Board on the quality of such programs, and many do. For instance, in 2024, among other courses that were attended and completed by our directors throughout the year:

- our Board Chair, Ms. Shauneen Bruder, completed a board leadership program and seminars on compensation, emerging governance issues and the economic/geopolitical outlook;
- Ms. Margaret McKenzie, Chair of the AFR Committee, completed courses on data security management, effective Board succession planning, and on evolving environment, social and governance expectations for board of directors; and
- Ms. Susan Jones, Chair of the SE Committee, completed courses on making corporate boards more effective and on changing societal expectations of boards, attended the 2024 Summit of the National Association of Corporate Directors and completed an ICD course on CEO performance and succession.

Educational reading materials on corporate governance and other topics are also periodically included in the materials provided to the Board and committee members in advance of meetings.

In 2024, Board members were provided with educational reading materials and received regular and extensive presentations on a variety of matters

and topics of strategic importance to the Company: operating plans; cybersecurity, technology; climate change; enterprise risk management; and the railway industry.

As needed, the Board received updates and issues of significance to CN and the railway industry management at every Board meeting and in committee meetings.

Our safety culture is also embedded in the Company's operations. Safety is a top priority for the Company, and is held to specify safety procedures in case of emergencies, which are authentic discussions and prevention of personal injuries. These discussions drive a culture of safety in which everyone is responsible for safety. Moreover, the directors have, from time to time, engaged directly with employees.

The following table lists certain seminars and courses by external providers, as well as certain dedicated internal sessions and presentations on key CN subject matters, that the directors of the Company attended in 2024 and early 2025:

SUBJECT MATTER	TOPIC PRESENTED	PRESENTED/HOSTED BY	ATTENDED BY
Sustainability	Climate Speaker: Renewable Diesel	External Speaker	All directors
	Sustainability Disclosure Strategy Update	CN Sustainability	GS Committee Members
	Climate Action Plan Update	CN Sustainability	SE Committee Members
Technology, Cybersecurity and Artificial Intelligence	Environmental Update	CN Environment	SE Committee Members
	Technology as a Strategy Enabler, including Major IT Projects	CN Information Technology	All directors
	Generative Artificial Intelligence	External Speakers	All directors
Risk Management and Safety	Technology Strategy Update	CN Information Technology	All directors
	Safety Performance Updates	CN Safety	SE Committee Members
	Security Update	CN Safety	SE Committee Members
	Board Role on Crisis Management	CN Security	All directors
	Geopolitics	CN Strategy	All directors
	Disruptive Technologies Risk	CN Information Technology & Innovation	AFR Committee Members
	Capacity Planning Risk	CN Operations	AFR Committee Members
	Data Governance Risk	CN Information Technology	AFR Committee Members
Stakeholder/Indigenous Engagement	Review of Operating Technologies, Cyber-Risks and Controls	CN Information Technology	SE Committee Members
	IRAP Update	CN Legal & Indigenous Affairs; External Speaker	GS Committee Members
	Update on shareholder activism in Canada and the US	CN Stakeholder Relations	GS Committee Members



Labrador Transparency

About Labrador Transparency

Labrador Transparency exists to offer the science of transparency to corporations wishing to communicate effectively with their readers.

Our experienced and passionate team is composed of attorneys, designers, project managers, thinkers, and web developers. We collaborate together around a process that encompasses drafting, editing, designing, and publishing across all digital and print channels.

We are thrilled that communications prepared by Labrador have contributed to trustful relationships between our clients and their readers, whether investors, employees, or other stakeholders.

In turn, our commitment to our clients has resulted in meaningful long-term relationships with some of the most respected public and private companies in the world.

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