



23rd
ANNUAL

STANFORD
DIRECTORS' COLLEGE
June 25-27, 2017 | Stanford Law School



CONTACT INFO

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PROGRAM FEE

\$8,450 Tuition
\$8,950 Tuition with optional Sunday Session

DATES AND LOCATION

June 25-27, 2017
Stanford Law School
559 Nathan Abbott Way
Stanford, CA 94305

SUNDAY SESSION

Attendees are invited to register for an optional session on Sunday afternoon, scheduled before the Directors' College opening reception and dinner on June 25. This session will feature a guest speaker followed by a wine tasting and a networking reception.

Session rate: \$500

Space is limited, so register early!



For more information and to register visit:

www.directorscollege.com



2017 CONFIRMED KEYNOTES



AIDA ALVAREZ
Director, HP Inc., Oportun, and Zoosk



BRIAN CORNELL
Chairman and CEO, Target Corporation; Director, Yum! Brands



MARISSA MAYER
CEO and President, Yahoo! Inc.; Director, Walmart



CONDOLEEZZA RICE
Former U.S. Secretary of State; Professor and Hoover Institution Senior Fellow, Stanford University; Founding Partner, RiceHadleyGates LLC



ROBERT E. RUBIN
Counselor, Centerview Partners; Co-Chairman, Council on Foreign Relations; Former U.S. Secretary of the Treasury



PATRICIA RUSSO
Chairman, Hewlett Packard Enterprise; Director, General Motors, Merck & Co., and ALCOA, Inc.



TIMOTHY J. SLOAN
CEO and President, Wells Fargo & Company



JOHN W. THOMPSON
Chairman, Microsoft

Stanford Law School
Directors' College

ROCK CENTER FOR CORPORATE GOVERNANCE

STANFORD

DIRECTORS' COLLEGE is the nation's premier executive education program for directors and senior executives of publicly traded firms. The program addresses a broad range of problems that confront modern boards, including the board's role in setting business strategy, CEO and board succession, crisis management, techniques for controlling legal liability, challenges posed by activist investors, boardroom dynamics, international trade issues, the global economy, and cybersecurity threats.

Now in its twenty-third year, Directors' College brings together leading CEOs, directors, regulators, jurists, and scholars for a rigorous and balanced examination of corporate governance, strategy, and compliance.

Anticipated Sessions:

Board Composition, Evaluation, and Refreshment

Focus on board composition and succession planning has never been greater. With the rise of activist investors, the advent of proxy access, the complexity of operating in a global marketplace, and the disruption of many industries, corporations are under increasing pressure to assemble a board with the right mix of experience, specialized skills, industry-specific expertise, international exposure, and gender, racial, and ethnic diversity. Shareholders are also suggesting that directors with longer tenures might cease to be considered independent. Taken together, these pressures can force nominating and governance committees to reconsider the process by which they assess board composition and performance and identify new director candidates. This session will discuss strategies for ensuring that companies are building the best performing board of directors for the shareholders and the company given its current needs.

CEO and Board Psychology

Leo Tolstoy opens his famous novel, *Anna Karenina*, with the claim that "All happy families are alike; each unhappy family is unhappy in its own way." Are boards much the same? This session takes a psychological approach to the examination of boardroom dynamics, and the relationships between and among directors and CEOs. We will explore human factors that can impair board functionality and steps that can help

improve those relationships. We will address difficult questions such as how to replace individual directors, and how to go about a CEO replacement. We will also examine evolving practices such as the use of coaches to enhance executive performance, and techniques for enhancing the value of board self-evaluations. In addition, we will consider how activists rely on social pressure and other psychological factors to increase their probability of success as insurgents.

Compensation: New and Old Strategies for Paying CEOs

This session, intended for directors seeking a deeper understanding of challenging compensation issues, will focus on current issues in executive as well as board compensation. The panel will review recent compensation trends, best practices for compensation committees, say-on-pay voting results and litigation, and the evolution of best practices for handling director compensation. We will explore changes that some boards have adopted to constrain CEO pay, review the latest novel compensation strategies, discuss the challenge of structuring exit packages, and highlight latest developments in drafting the CD&A including how best to disclose director compensation details.

Get Smart: Cybersecurity and the Board

This session will not transform you into a cyber-security expert. It will, however, help you become a more knowledgeable corporate director, better informed about state-of-the-art practices that corporations can deploy to reduce, but not eliminate,

the risk that they will be victimized by a significant cyber-attack. It will also help you master the techniques that boards and corporations can deploy to help minimize the damage once a breach has been identified. The panel explains the most common techniques that hackers use to attack corporate systems, and reviews steps that boards can implement to help assure that management is responding appropriately to the threat. The panel will review prominent cyber-breaches, including events at Yahoo!, Anthem, Sony, Target, the Office of Personnel Management, and the Democratic National Committee, and extract lessons that can be deployed at a wide range of corporations. The panel will also discuss the value of cyber-insurance, when and how companies might cooperate with the federal government, and with other firms in the industry, among other matters.

The Global Economy and Corporate Strategy

The global economy is in an extraordinary state of flux. The Trump administration has amplified uncertainty in many parts of the economy, energy price fluctuations have strained markets, central banks remain confounded by the risks of deflation and the fear of inflation, the strong dollar is complicating global trade, the Chinese economy (and stock market) have potentially soured, and Europe has yet to shake off its malaise. These macroeconomic trends have significant implications for corporate strategy across a wide range of industries. This panel will review the state of the global economy and connect macroeconomic trends and causes to practical, bottom-line issues that arise in corporate boardrooms as directors face the challenge of assessing corporate strategy in a highly uncertain economic environment.

Hot Topics for Boards in 2017

Corporate boards face ever-changing challenges, and this opening session offers practical advice about some of the most contentious issues likely to face boards in 2017. How should directors respond to threats of shareholder activism? When and how should corporations get involved in social policy debates, such as immigration reform and gender-specific facilities? How should directors respond to calls for greater diversity in the boardroom and throughout the enterprise? What are best practices when considering CEO succession? Do say-on-pay proposals make a difference, and how should boards react to negative votes? Does the ISS compensation model hurt shareholders, and, if so, how can boards respond? The number of publicly traded firms has dropped by almost half since 1996. What has caused this decline, and what, if anything, should be done to reverse the trend?

Innovation at War with Regulation?

Regulatory challenges are commonplace for companies trying to innovate in the marketplace, and entire industries are being reshaped by companies focusing in the sharing economy; new financial technologies, such as peer-to-peer lending, robo-advisors, blockchain, bitcoin, and any form of money and credit transmission; drones; medical technology; and a myriad other markets. Privacy regulations emanating from Europe and several other geographies, often demanding local data hosting, add another layer of complexity, as do domestic regulations governing personally identifiable information. And, the pervasive concern over encryption and data privacy implicates questions that reach to the core of our nation's value system. This panel will address this broad array of challenges and will seek to draw broader themes while suggesting constructive approaches for engagement between innovative companies and various domestic and foreign regulatory regimes.

Shareholder Activism and Engagement

Shareholder activism is not going away. A large percentage of boards that learn that an activist has accumulated a toehold position negotiate to place at least one activist director on the board. Is this the smartest move? Some large institutional investors complain that boards succumb too quickly, when they shouldn't at all. How and when should a board fight back? How can a board assess its vulnerability to an activist campaign, and which steps can it take to help deter activist interest? How should boards respond to campaigns simply seeking increased dividends and share repurchases in contrast to campaigns that call for more fundamental shifts in strategy, such as sales, divestitures, or other forms of restructuring? Does all this activism promote "short-termism" in the board and, if so, what can be done to address that challenge? This session reviews the state of the art in aggressive shareholder activist techniques and in effective corporate response.

When Disaster Strikes ... From VW, to BP, to GM, to WF, and Beyond

Crisis management is now a core board competency. Given the experiences at VW, GM, BP, Sony, Target, and Wells Fargo, every board needs a game plan for reacting to sudden, potentially existential crises. This panel examines a portfolio of recent crisis situations to extract a list of best and worst practices that can help inform directors when they confront their own challenges. The discussion will focus particular attention on the need to balance brand reputation and legal liability, and on techniques that can help managements and boards interact more efficiently with each other and with the external constituencies in the event of a crisis.

And more, including:

- Accounting Fundamentals for Directors
- Artificial Intelligence and the Future of Work
- The Board's Role in Patent and IP Strategy
- Corporate Behavior and the New Sustainability Regime
- Corporate Governance and Proxy Trends
- Corruption, the FCPA, and Globalization
- Culture, Ethics, and Compliance
- Defend Your Company, Defend Yourself: Private Litigation Strategies
- Director Compensation
- Mergers, Acquisitions, and Spinoffs
- The New World of Corporate Taxation
- Responding to Government Investigations

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